Presale Report
MF1 2024-FL14

Morningstar DBRS
January 29, 2024

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Capital Structure

Description	Rating Action	Balance ($)	Subordination (%)	Morningstar DBRS Rating	Trend
Class A	New Rating - Provisional	596,250,000	47.000	AAA (sf)	Stable
Class A-S	New Rating - Provisional	167,343,000	32.125	AAA (sf)	Stable
Class B	New Rating - Provisional	73,125,000	25.625	AA (low) (sf)	Stable
Class C	New Rating - Provisional	61,875,000	20.125	A (low) (sf)	Stable
Class D	New Rating - Provisional	61,875,000	14.625	BBB (sf)	Stable
Class E	New Rating - Provisional	16,875,000	13.125	BBB (low) (sf)	Stable
Class F	New Rating - Provisional	35,157,000	10.000	BB (high) (sf)	Stable
Class F-E	New Rating - Provisional	--	n/a	BB (high) (sf)	Stable
Class F-X	New Rating - Provisional	--	n/a	BB (high) (sf)	Stable
Class G	New Rating - Provisional	16,875,000	8.500	BB (low) (sf)	Stable
Class G-E	New Rating - Provisional	--	n/a	BB (low) (sf)	Stable
Class G-X	New Rating - Provisional	--	n/a	BB (low) (sf)	Stable
Class H	New Rating - Provisional	29,531,000	5.875	B (low) (sf)	Stable
Class H-E	New Rating - Provisional	--	n/a	B (low) (sf)	Stable
Class H-X	New Rating - Provisional	--	n/a	B (low) (sf)	Stable
Income Notes	NR	66,094,000	n/a	NR	Stable

1. NR = not rated.
2. The Class F Notes, Class G Notes, Class H Notes, and Income Notes are not offered hereby. The Income Notes will not be secured.
3. The Class F Notes, the Class G Notes, and the Class H Notes are exchangeable notes and are exchangeable for proportionate interests in MASCOT Notes. The Class F Notes may be exchanged for proportionate interest in the Class F-E Notes and the Class F-X Notes, the Class G Notes may be exchanged for proportionate interests in the Class G-E Notes and the Class G-X Notes, and the Class H Notes may be exchanged for proportionate interest in the Class H-E Notes and the Class H-X Notes.

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Transaction Summary

Trust Amount ($)	966,931,365	**Participated Loan Commitment Amount ($)**	1,745,141,550
Aggregate Collateral Interest Target Balance ($)	1,125,000,000	**Average Loan Size ($)**	43,951,426
Number of Loans	22	**Top Ten Loan Concentration (%)**	69.1
Number of Properties	26	**Unfunded Companion Participation Amount ($)**	98,236,944
Managed / Static	Managed	**Replenishment Allowed**	N
Preidentified Ramp Loans	N/A	**Reinvestment Period[5]**	24 Months
Par Value Ratio Test (%)	113.11	**IC Ratio: Trigger (X)**	120.00
Par Value Cushion (%)	2.00	**Wtd. Avg. Morningstar DBRS As-Is Issuance LTV (%)**	69.9
Wtd. Avg. Current Funded As-Is Appraised Issuance LTV (%)	65.2	**Wtd. Avg. Morningstar DBRS Stabilized Balloon LTV (%)**	65.2
Wtd. Avg. Current Funded Stabilized Appraised LTV (%)	64.2	**Morningstar DBRS Wtd. Avg. Interest Rate[4] (%)**	8.47
Wtd. Avg. Interest Rate Margin (%)	3.7807	**Wtd. Avg. Remaining Term - Fully Extended**	57
Wtd. Avg. Remaining Term[1]	22	**Wtd. Avg. Issuer As-Is DSCR (x)[5]**	1.01
Wtd. Avg. Morningstar DBRS As-Is DSCR[2]	0.49	**Wtd. Avg. Issuer Stabilized DSCR (x)[5]**	1.50
Wtd. Avg. Morningstar DBRS Stabilized DSCR[3]	0.80	**Avg. Morningstar DBRS Stabilized NCF Variance[3] (%)**	-22.4

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

1. Assumes that the initial term to maturity of each loan is not extended.
2. Based on Morningstar DBRS As-Is NCF.
3. Based on Morningstar DBRS Stabilized NCF.
4. Stressed interest rate that considers loan specific features (interest rate floors, interest rate caps, etc). All Morningstar DBRS DSCR figures are based on this stressed rate.
5. Issuer As-Is DSCR was calculated using 1.00x for Collateral Interests with an Underwritten NCF DSCR below 1.00x that have an associated debt service reserve account or an interest payment reserve (20 Collateral Interests; 94.2% of the Aggregate Collateral Interest Cut-off Date Balance). The Issuer Stabilized DSCRs are based on a takeout assumption of 5.7500%.
6. Reinvestment Period begins on the date of the deposit of Permitted Principal Proceeds and ending 24 months thereafter.

Participants	
Issuer	MF1 2024-FL14 LLC, a Delaware limited liability company
Sponsor	MF1 REIT III LLC
Mortgage Loan Seller	MF1 REIT III LLC
Servicer	KeyBank National Association
Special Servicer	CBRE Loan Services, Inc.
Collateral Administrator	Computershare Trust Company, National Association
Trustee	Wilmington Trust, National Association
Placement Agents	ATLAS SP Securities; J.P. Morgan Securities LLC; Morgan Stanley & Co. LLC; Goldman Sachs & Co. LLC; Santander US Capital Markets LLC
Advancing Agent	MF1 REIT III LLC

Transaction Overview

The initial collateral consists of 22 floating-rate mortgage loans secured by 21 transitional multifamily properties and five cross-collateralized manufactured housing properties, for a total of 26 properties. The collateral is encumbered by $1.7 billion of debt, composed of $966.9 million going into the trust, $98.2

million in future funding, and $680.0 million of funded pari passu debt. Two loans in the pool, Solamar Apartments and Sawbuck, representing 6.7% of the initial pool balance, are delayed-close mortgage assets, which are identified in the tape and included in the Morningstar DBRS analysis. The Issuer has 45 days postclosing to acquire the delayed-close assets.

The transaction is a managed vehicle, which includes a 24-month reinvestment period. As part of the reinvestment period, the transaction includes a 120-day ramp-up acquisition period that will be used to increase the trust balance by $223.1 million to a total target collateral principal balance of $1.1 billion. Morningstar DBRS assessed the ramp loans using a conservative pool construct and, as a result, the ramp loans have expected losses above the pool WA loan expected losses. Reinvestment of principal proceeds during the reinvestment period is subject to Eligibility Criteria, which, among other criteria, includes a rating agency no-downgrade confirmation (RAC) by Morningstar DBRS for all new mortgage assets and funded companion participations exceeding $500,000. If a delayed-close asset is not expected to close or fund prior to the purchase termination date, then the Issuer may acquire any delayed closed collateral interest at any time during the ramp-up acquisition period. The eligibility criteria indicates that only multifamily, manufactured housing, student housing, and senior housing properties can be brought into the pool during the stated ramp-up acquisition period. Additionally, the eligibility criteria establishes minimum DSCR, LTV, and Herfindahl requirements. Furthermore, certain events within the transaction require the Issuer to obtain RAC. Morningstar DBRS 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 companion participations less than $500,000.

Eligibility Criteria Concentration Parameters

Issuer Property Type	Issuance (%)	Limit (%)
Office	0.0	0.0
Industrial	0.0	0.0
Retail	0.0	0.0
Multifamily	97.2	n/a
Hospitality	0.0	0.0
Self-Storage	0.0	0.0
Student Housing	0.0	5.0
Manufactured Housing	2.8	10.0

State Concentration	**Issuance (%)**	**Limit (%)**
California	14.9	40.0
New York	18.8	40.0
Texas	7.0	40.0
Washington DC	0.0	40.0
Florida	21.0	30.0
Arizona	6.1	30.0
New Jersey	0.0	30.0
Illinois	0.0	30.0
All Other States	70.0	n/a

1. The Issuance (%) of All Other States represents the aggregate total, while the Limit (%) represents no more than 25% of the principal balance for each state. The largest concentration in this category is Alabama at 8.3%.

The loans are secured by cash flowing assets, many of which are in a period of transition with plans to stabilize and improve the asset value. In total, 16 loans, representing 80.9% of the pool, have remaining future funding participations totaling $98.2 million, which the Issuer may acquire in the future. Please see the chart below for the participations that the Issuer will be allowed to acquire.

Loan Name	Cut-Off Date Trust Loan Amount ($)	Future Funding Amount ($)[1,2]	Total Future Funding Commitments Allowed (%)	Loan Closed (Y/N)
40 Bruckner Boulevard	80,000,000	12,910,000	100.0	Y
Natura Gardens	80,000,000	2,250,000	100.0	N
20 Midtown	80,000,000	2,400,000	100.0	Y
Woodside Central	75,000,000	4,225,000	100.0	Y
Kenect Nashville	75,000,000	11,877,187	100.0	Y
Wyvernwood	70,000,000	1,681,220	100.0	Y
Bella Encanta	59,400,000	6,600,000	100.0	Y
Metro Edgewater	57,500,000	7,500,000	100.0	Y
Casa Serena	48,872,000	3,638,000	100.0	Y
AKA Rittenhouse Square	37,800,000	250,000	100.0	Y
1909 Rittenhouse	27,791,513	22,208,487	100.0	Y
Oaklyn	27,273,500	4,726,500	100.0	Y
Horizon Portfolio	26,880,000	8,930,550	100.0	Y
Brooke Mill Apartments	16,125,000	2,040,000	100.0	Y
Ilion Apartments	11,077,000	5,000,000	100.0	Y
The Arc at Westchester Place	9,212,352	2,000,000	100.0	Y

1. Cut-Off date unfunded future funding amount.
2. Future funding is used for capital improvements, leasing costs, earnouts, etc.

All of the loans in the pool have floating rates, and Morningstar DBRS incorporates an interest rate stress that is based on the lower of a Morningstar DBRS stressed rate that corresponds to the remaining fully extended term of the loans or the strike price of an interest rate cap with the respective contractual loan spread added to determine a stressed interest rate over the loan term. When the debt service payments were measured against the Morningstar DBRS As-Is NCF, 21 of the 22 loans, representing 98.1% of the initial pool balance, had a Morningstar DBRS As-Is DSCR of 1.00x or below, a threshold indicative of default risk. Additionally, the Morningstar DBRS Stabilized NCF for 19 of the 22 loans, representing 92.6% of the initial pool balance, was below 1.00x, which is indicative of elevated refinance risk. The properties are often transitioning with potential upside in cash flow; however, Morningstar DBRS does not give full credit to the stabilization if there are no holdbacks or if other structural features in place are insufficient to support such treatment. Furthermore, even with the structure provided, Morningstar DBRS generally does not assume the assets will stabilize above market levels.

Rating Considerations

Strengths

- **Experienced Sponsor:** The loans were all sourced by an affiliate of the Issuer, which has strong origination practices and substantial experience in the multifamily industry. Classes F, G, and H and the Preferred Shares (collectively, the Retained Securities; representing 13.1% of the initial pool balance) will be purchased by a wholly owned subsidiary of MF1 REIT III Investor XIV LLC.

- **High Quality and Recently Built Properties:** The loans are predominately secured by recently constructed properties, with 14 of the 26 properties built in 2020 or later. Morningstar DBRS took a favorable view on the property quality and assigned a score of Excellent to one loan, 1909 Rittenhouse, representing 2.9% of the initial pool balance, and Above Average to seven loans, representing 35.9% of the initial pool balance. Additionally, seven loans, representing 34.2% of the initial pool balance, are secured by properties with Average + quality. Furthermore, only one loan in the pool, Wyvernwood, representing 7.2% of the initial pool balance, is backed by a property that Morningstar DBRS considered to be of Below Average quality.
- **Market Rank Strength:** Eleven loans, representing 55.8% of the pool, are in areas identified as Morningstar DBRS Market Ranks of 6, 7, or 8, which are generally characterized as highly dense urbanized areas that benefit from increased liquidity driven by consistently strong investor demand, even during times of economic stress. Markets ranked 6, 7, and 8 benefit more from lower default frequencies than do less dense suburban, tertiary, and rural markets. Urban markets represented in the deal include New York City, Los Angeles, San Francisco, Miami, and Philadelphia. This transaction has a Morningstar DBRS WA Market Rank of 5, which is generally in line with the recent deals securitized by the Issuer.
- **MSA Strength:** Eight loans, representing 37.5% of the pool balance, have collateral in MSA Group 3, which is the best-performing group in terms of historical CMBS default rates among the top 25 MSAs. MSA Group 3 has a historical default rate of 17.2%, which is considerably lower than the overall CMBS historical default rate of 28.0%.
- **Multifamily Concentration:** Multifamily properties represent 91.4% of the initial pool balance, and the remaining properties include one manufactured housing property and two "apart-hotel" properties. Compared with other property types, multifamily assets generally benefit from rent growth, staggered lease rollover, and lower expense ratios. While revenue is quick to decline in a downturn because of the short-term nature of the leases, it is also quick to rebound when the market improves.

Challenges & Considerations

- **Transitional Properties:** Morningstar DBRS has analyzed the loans to a stabilized cash flow that is, in some instances, above the in-place 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. 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.
    - *Mitigant: Morningstar DBRS made relatively conservative stabilization assumptions and, in each instance, considered the business plan to be rational and the future funding amounts to be sufficient to execute such plans. In addition, Morningstar DBRS analyzes LGD based on the As-Is LTV, assuming the loan is fully funded.*
- **Elevated Leverage:** Based on the initial pool balances, the overall Morningstar DBRS WA As-Is DSCR of 0.49x and WA As-Is LTV of 69.6% generally reflect high-leverage financing.
  Mitigant: Most of the assets are generally well positioned to stabilize, and any realized cash flow growth would help to offset a rise in interest rates and improve the overall debt yield of the loans. Morningstar DBRS associates its LGD based on the assets' as-is LTV, which does not assume that the stabilization plan and cash flow growth will ever materialize.

- *Mitigant: The Morningstar DBRS As-Is DSCR at issuance does not consider the sponsor's business plan, as the Morningstar DBRS As-Is NCF was generally based on the most recent annualized period. The sponsor's business plan could have an immediate impact on the underlying asset performance that the Morningstar DBRS As-Is NCF is not accounting for.*
- *Mitigant: When measured against the Morningstar DBRS Stabilized NCF, the Morningstar DBRS WA DSCR is estimated to improve to 0.80x, suggesting that the properties are likely to have improved NCFs once the sponsor's business plan has been implemented.*

- **Concentration of Refinance Loans:** Twenty of the loans, representing 95.6% of the pool, note that loan proceeds will be used to refinance existing debt. Morningstar DBRS views loans that refinance existing debt as more credit negative compared with loans that finance an acquisition.
  - *Mitigant: Nine of the 20 refinance loans represent a cash-in transaction, where the sponsor is contributing some equity to the loan. The contribution typically results in a higher sponsor cost basis in the underlying collateral and aligns the financial interests between the sponsor and the lender.*
- **Lack of Diversity:** As of the cut-off date, the pool contains 22 loans and is concentrated by CRE collateralized loan obligation (CLO) standards with a Herfindahl score of 17.1 and the top 10 loans representing 69.1% of the pool. This is significantly more concentrated than the MF1 2022-B1 transaction, which had a Herfindahl score of 24.6 and top 10 concentration of 48.9%, and slightly more concentrated than the MF1 2023-FL12 transaction, which had a Herfindahl score of 17.7 and top 10 concentration of 64.9%.
  - *Mitigant: The pool's low diversity is accounted for in the Morningstar DBRS model, raising the transaction's credit enhancement levels to offset the concentration risk.*
- **Floating-Rate IO Loans:** All loans have floating interest rates and are IO during the initial term, which ranges from 24 months to 36 months, creating interest rate risk.
  - *Mitigant: The borrowers of all 22 loans have purchased either Secured Overnight Financing Rate (SOFR) rate caps ranging between 2.0% and 6.0%, to protect against rising interest rates over the term of the loan.*
  - *Mitigant: All loans are short term and, even with extension options, have a fully extended loan term of five years maximum.*
  - *Mitigant: Additionally, all loans have at least one extension option, all of which are exercisable subject to the loan's achievement of certain DSCR and/or debt yield requirements.*
  - *Mitigant: Twenty loans, representing 95.4% of the initial trust balance, amortize on a 30-year schedule during all or a portion of their extension options.*

Legal and Structural Considerations

Criteria-Based Modifications: Consistent with the ongoing evolution of criteria-based modifications, the transaction permits the collateral manager to cause the special servicer to effectuate criteria-based modifications subject to certain conditions. During the reinvestment period, the number is not limited, and a maximum of eight modifications may be made. This is an expansion of the issuer accommodative rights, which previously have not been unconstrained during the reinvestment period. While the serving standard does not apply to such changes, the collateral manager standard does apply. In any event, the significant percentage of sponsor retained securities acts as a buffer to the negative implications of expansive rights.

Comparable Transactions						
	Subject Deal	**Comp 1**	**Comp 2**	**Comp 3**	**Comp 4**	**Comp 5**
Deal Name	MF1 2024-FL14	MF1 2023-FL12	MF1 2022-B1	MF1 2022-FL10	MF1 2022-FL9	MF1 2022-FL8
Pool Balance	$966,931,365	$895,215,832	$1,614,680,642	$1,025,000,000	$1,800,000,000	$1,819,665,392
# of Loans	22	21	33	26	47	32
Average Loan Size	$43,951,426	$42,629,325	$48,929,716	$39,423,077	$38,297,872	$56,864,544
Largest Loan Concentration	8.3%	8.9%	10.3%	7.3%	12.5%	12.4%
Top Ten Concentration	69.1%	64.9%	48.9%	57.1%	44.7%	53.2%
Herf	17.1	17.7	24.6	21.1	26.6	20.9
Morningstar DBRS WA E/L	**5.3%**	**5.5%**	**6.1%**	**5.2%**	**6.1%**	**5.5%**
EL 0 <= 0.80%	0.0%	0.0%	0.0%	32.5%	3.3%	20.7%
EL 1 >0.80%, <=2.0%	8.2%	5.2%	10.3%	12.0%	30.5%	17.0%
EL 2 >2.0%, <=4.0%	18.9%	29.4%	16.2%	6.4%	11.7%	17.3%
EL 3 >4.0%, <=7.5%	49.0%	28.0%	42.1%	25.2%	21.1%	22.0%
EL 4 >7.5%, <=15.0%	23.9%	37.4%	31.4%	13.6%	25.2%	15.6%
EL 6 >15.0	0.0%	0.0%	0.0%	10.4%	8.3%	7.4%
Morningstar DBRS AS-IS WA LTV	**69.9%**	**71.2%**	**74.1%**	**84.4%**	**79.5%**	**79.2%**
Morningstar DBRS STABILIZED WA LTV	**65.2%**	**63.7%**	**62.2%**	**67.9%**	**66.2%**	**70.1%**
LTV >= 85.03%	0.0%	0.0%	0.0%	0.0%	0.0%	3.0%
LTV >=75.16%, <85.03%	0.0%	0.0%	0.0%	9.7%	0.0%	12.4%
LTV >=67.1%, <75.16%	41.2%	16.7%	11.3%	36.4%	33.9%	52.2%
LTV <67.1%	58.8%	83.3%	88.7%	53.8%	66.1%	32.4%
Morningstar DBRS Stabilized NCF Variance	**-22.4%**	**-27.2%**	**-30.1%**	**-20.7%**	**-15.4%**	**-20.4%**
HC >-10.0%	**1.9%**	0.0%	0.0%	5.4%	12.2%	23.5%
HC <-10.01%, >-20.0%	**18.4%**	17.9%	8.1%	34.1%	61.5%	48.7%
HC <-20.01%, >-30.0%	**66.9%**	61.2%	36.8%	56.2%	26.3%	18.2%
HC <-30.01%	**12.8%**	20.9%	55.2%	4.3%	0.0%	9.7%
Issuer Stressed As-Is WA DSCR	**0.49**	**0.37**	**0.34**	**0.40**	**0.53**	**0.74**
Issuer Stressed Stabilized WA DSCR	**0.80**	**0.77**	**0.81**	**0.81**	**0.92**	**1.09**
DSCR < 0.90x	85.9%	84.4%	78.0%	80.6%	58.1%	11.4%
DSCR 0.90x - 1.00x	6.7%	8.9%	9.7%	16.5%	22.9%	4.1%
DSCR 1.00x - 1.25x	7.4%	3.4%	12.3%	2.9%	13.4%	70.3%
DSCR 1.25x - 1.50x	0.0%	3.4%	0.0%	0.0%	3.6%	11.2%
DSCR > 1.50x	0.0%	0.0%	0.0%	0.0%	2.0%	3.0%
Morningstar DBRS WA Business Score	**1.78**	**1.87**	**2.06**	**2.19**	**2.19**	**2.09**
% Bus Rank 1-2	78.5%	71.8%	41.7%	29.0%	18.4%	57.2%
% Bus Rank 2.01-3	21.5%	26.5%	54.8%	64.2%	76.8%	35.1%
% Bus Rank 3.01-4	0.0%	1.7%	3.4%	6.7%	4.7%	7.7%
% Bus Rank 4.01-5	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

	Subject Deal	Comp 1	Comp 2	Comp 3	Comp 4	Comp 5
Deal Name	MF1 2024-FL14	MF1 2023-FL12	MF1 2022-B1	MF1 2022-FL10	MF1 2022-FL9	MF1 2022-FL8
Total Hotel %	0.0%	0.0%	2.7%	0.0%	0.0%	0.0%
Total Office %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Retail %	5.8%	3.4%	0.0%	0.0%	0.0%	0.0%
Total MF %	91.4%	96.6%	79.6%	97.8%	91.0%	97.7%
Total Industrial %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Self Storage %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total MHC %	2.8%	0.0%	2.9%	2.2%	9.0%	2.3%
Total Mixed Use %	0.0%	0.0%	14.9%	0.0%	0.0%	0.0%
Total Other %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Morningstar DBRS WA Market Rank	**4.97**	**4.54**	**4.93**	**5.17**	**4.78**	**5.30**
% Mkt Rank 8	1.9%	3.4%	11.7%	13.7%	1.5%	5.6%
% Mkt Rank 7	21.4%	15.9%	25.1%	23.2%	17.8%	32.8%
% Mkt Rank 5-6	40.7%	35.4%	22.7%	16.9%	34.2%	23.5%
% Mkt Rank 3-4	28.9%	28.1%	27.7%	41.3%	42.4%	31.2%
% Mkt Rank 1-2	7.1%	17.3%	12.8%	4.9%	4.0%	6.9%
% Mkt Rank 0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Morningstar DBRS MSA Group						
% MSA Group 3	37.5%	39.6%	50.2%	0.0%	32.4%	36.7%
% MSA Group 2	23.8%	24.0%	15.6%	0.0%	12.5%	24.4%
% MSA Group 1	11.6%	16.8%	10.7%	0.0%	18.8%	22.2%
% MSA Group 0	27.0%	19.6%	23.5%	0.0%	36.3%	16.7%
Morningstar DBRS Property Quality						
Excellent	2.9%	8.9%	3.2%	0.0%	0.0%	0.0%
Above Average	35.9%	40.2%	23.6%	15.0%	6.7%	12.4%
Average +	34.2%	32.6%	21.0%	22.8%	20.1%	32.2%
Average	19.8%	9.5%	45.0%	53.1%	65.2%	41.0%
Average -	0.0%	0.0%	3.5%	4.3%	5.2%	2.5%
Below Average	7.2%	8.7%	3.7%	0.0%	2.8%	11.9%
Poor	0.0%	0.0%	0.0%	4.8%	0.0%	0.0%
Morningstar DBRS Sponsor Strength						
Strong	0.0%	0.0%	4.7%	0.0%	0.0%	12.4%
Average	87.2%	91.6%	80.6%	81.1%	67.3%	70.0%
Weak	12.8%	8.4%	14.7%	18.9%	31.9%	9.9%
Bad (Litigious)	0.0%	0.0%	0.0%	0.0%	0.7%	7.7%

For managed transactions, deal stats exclude ramp loans.
Note: The Morningstar DBRS Market Rank and MSA Group results for portfolio loans reflects an approximation of the weighted average figure based on the corresponding model coefficients.

Morningstar DBRS Credit Characteristics

Morningstar DBRS As-Is DSCR (x)	
DSCR (x)	% of the Pool (Senior Note Balance[1])
0.00-0.50	45.1
0.50-0.75	30.1
0.75-1.00	23.0
1.00-1.25	1.9
1.25-1.50	0.0
1.50-1.75	0.0
>1.75	0.0
WA (x)	0.49

Morningstar DBRS Stabilized DSCR (x)	
DSCR (x)	% of the Pool (Senior Note Balance[1])
0.00-1.00	92.6
1.00-1.15	5.6
1.15-1.30	1.9
1.30-1.45	0.0
1.45-1.60	0.0
1.60-1.75	0.0
>1.75	0.0
WA (x)	0.80

Morningstar DBRS Stabilized DSCR (x)	
DSCR (x)	% of the Pool (Senior Note Balance[1])
0.00-1.00	92.6
1.00-1.15	5.6
1.15-1.30	1.9
1.30-1.45	0.0
1.45-1.60	0.0
1.60-1.75	0.0
>1.75	0.0
WA (x)	0.80

Morningstar DBRS Stabilized Balloon LTV	
LTV (%)	% of the Pool (Senior Note Balance[1,2])
0.0-50.0	4.6
50.0-60.0	0.0
60.0-70.0	92.6
70.0-80.0	2.8
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 (%)	65.2

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

Largest Loan Summary

Loan Detail

Loan Name	Trust Balance ($)	% of Pool	Morningstar DBRS As-Is DSCR (x)	Morningstar DBRS Stabilized DSCR (x)	Morningstar DBRS As-Is LTV (%)	Morningstar DBRS Stabilized LTV (%)
40 Bruckner Boulevard	80,000,000	8.3	0.00	0.81	72.9	69.5
Natura Gardens	80,000,000	8.3	0.66	0.68	67.1	67.0
20 Midtown	80,000,000	8.3	0.51	0.86	65.8	62.3
Woodside Central	75,000,000	7.8	0.28	0.62	65.9	62.6
Kenect Nashville	75,000,000	7.8	0.50	0.63	69.7	67.7
Wyvernwood	70,000,000	7.2	0.80	0.82	70.7	62.5
Bella Encanta	59,400,000	6.1	0.43	0.83	66.8	65.0
Metro Edgewater	57,500,000	5.9	0.00	0.70	73.8	68.7
Casa Serena	48,872,000	5.1	0.70	0.81	78.9	69.3
Avilla Oakridge	42,000,000	4.3	0.77	0.87	67.3	65.1

Property Detail

Loan Name	Morningstar DBRS Property Type	City	State	Morningstar DBRS Year Built	SF/Units	Fully Funded Mortgage Loan per SF/Units ($)	Fully Funded Mortgage Maturity Balance per SF/Units ($)
40 Bruckner Boulevard	Multifamily	Bronx	NY	2023	365	387,671	387,671
Natura Gardens	Multifamily	Miami	FL	2023	460	276,087	276,087
20 Midtown	Multifamily	Birmingham	AL	2022	325	289,231	289,231
Woodside Central	Multifamily	Queens	NY	2023	478	395,397	395,397
Kenect Nashville	Multifamily	Nashville	TN	2020	500	202,400	202,400
Wyvernwood	Multifamily	Los Angeles	CA	1939	1,175	140,280	140,280
Bella Encanta	Multifamily	Mesa	AZ	2023	212	311,321	311,321
Metro Edgewater	Multifamily	Miami	FL	2023	279	412,186	412,186
Casa Serena	Multifamily	Fremont	CA	1970	170	308,882	308,882
Avilla Oakridge	Multifamily	Forney	TX	2022	209	200,957	200,957

Morningstar DBRS Sample

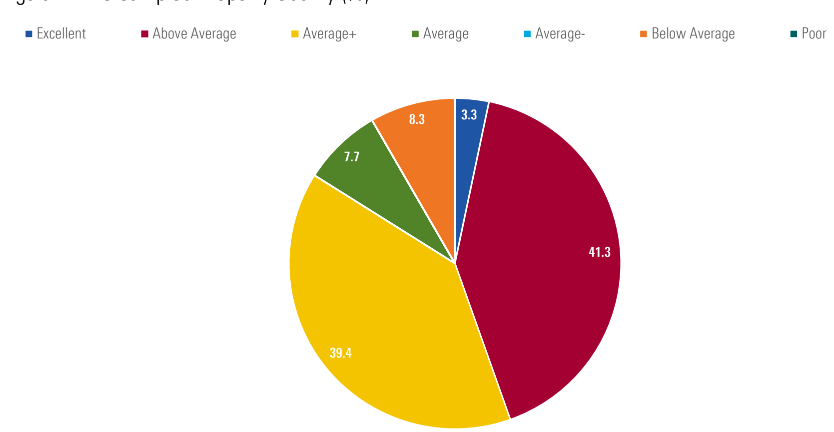
Morningstar DBRS Sample Results

Prospectus ID	Loan Name	% of Pool	Morningstar DBRS Stabilized NCF ($)	Morningstar DBRS Stabilized NCF Variance (%)	Morningstar DBRS Major Variance Drivers	Morningstar DBRS Property Quality
1	40 Bruckner Boulevard	8.3	10,714,992	-17.4	Stabilized GPR	Above Average
2	Natura Gardens	8.3	7,967,426	-20.4	Stabilized GPR	Above Average
3	20 Midtown	8.3	5,906,356	-25.1	Stabilized GPR; Utility Reimbursements	Average+
4	Woodside Central	7.8	11,280,748	-23.8	Stabilized GPR; Concessions; Expenses	Above Average
5	Kenect Nashville	7.8	5,912,819	-32.3	Vacancy; Operating Expenses	Average+
6	Wyvernwood	7.2	11,091,126	-29.3	Stabilized GPR; Vacancy; Operating Expenses	Below Average
7	Bella Encanta	6.1	5,043,237	-16.5	Stabilized GPR; Vacancy	Average+
8	Metro Edgewater	5.9	7,371,052	-24.3	Stabilized GPR	Above Average
9	Casa Serena	5.1	3,263,149	-30.0	Stabilized GPR	Average
10	Avilla Oakridge	4.3	2,696,549	-20.1	Stabilized GPR	Average+
12	AKA Rittenhouse Square	3.9	2,367,214	-29.2	Stabilized GPR; Vacancy	Average+
14	1909 Rittenhouse	2.9	8,831,634	-19.2	TIs; Real Estate Taxes; Stabilized GPR	Excellent
15	Oaklyn	2.8	6,184,198	-24.4	Economic Vacancy; Concessions; Expenses; Real Estate Taxes	Above Average
18	Mossdale Landing	2.6	3,913,442	-24.5%	Stabilized GPR; Utility Reimbursements	Average+
19	AKA Sutton Place	1.9	4,435,537	-7.6%	Operating Expenses	Above Average
20	Brooke Mill Apartments	1.7	3,864,646	-21.8%	Stabilized GPR	Average
21	Ilion Apartments	1.1	3,724,599	-15.7%	Stabilized GPR; Expenses	Average+
22	The Arc at Westchester Place	1.0	4,137,561	-22.3%	Stabilized GPR	Above Average

Morningstar DBRS Site Inspections

Morningstar DBRS sampled 18 of the 22 loans, representing 86.9% of the initial pool by allocated cut-off date loan balance. Morningstar DBRS toured the interior and exterior of 15 assets, representing 75.3% of the initial pool balance. Morningstar DBRS used these property tours to help assess property quality and analyze the loan more accurately. For the remaining loans, Morningstar DBRS made an assessment of the property quality based on a review of third-party reports, documents provided by the Issuer, and online information. The resulting Morningstar DBRS property quality scores are highlighted in the chart below.

Morningstar DBRS Sampled Property Quality (%)



Source: Morningstar DBRS.

Morningstar DBRS Cash Flow Analysis

Morningstar DBRS completed a cash flow review and a cash flow stability and structural review for 18 of the 22 loans, representing 86.9% of the initial pool by loan balance. For the loans not subject to an NCF review, Morningstar DBRS applied an NCF variance of -28.8% and -22.4% to the Issuer's as-is and stabilized NCFs, respectively, which reflect the average sampled NCF variances (excluding certain outliers from the Morningstar DBRS As-Is and Stabilized NCF Analyses).

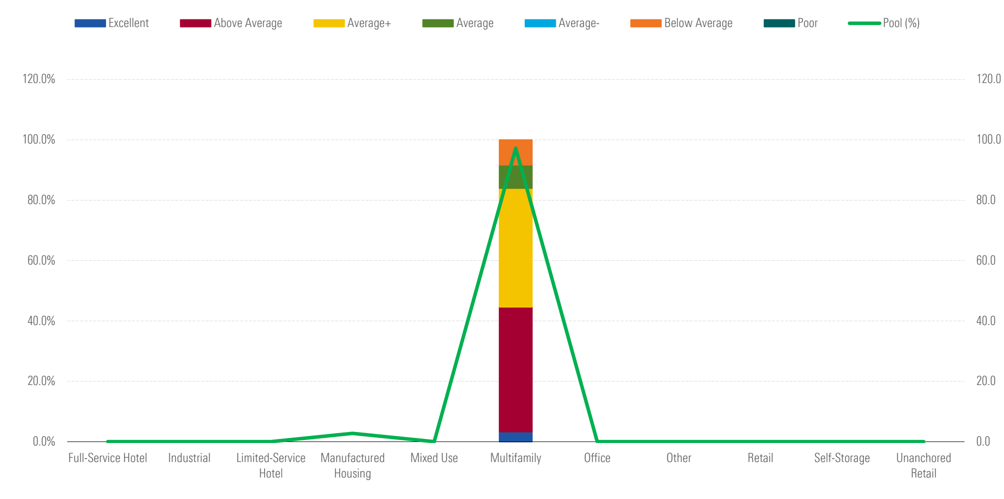
As-Is NCF

The Morningstar DBRS As-Is NCF was based on the current performance of the properties, without giving any credit to the future upside that may be realized upon the sponsors' completion of their business plans. The Morningstar DBRS As-Is sample had an average in-place NCF variance of -22.8% from the Issuer's NCF and ranged from -100.0% to 15.3%. Morningstar DBRS considered three sampled loans as outliers when determining the haircut to apply to non-sampled loans.

Stabilized NCF

The Morningstar DBRS Stabilized NCF assumed the properties stabilized at market rent and/or recently executed leases and market expenses that Morningstar DBRS 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 occupancy and/or rental rates for multifamily properties based on the recent delivery of the assets and significant ongoing renovations, with rents already achieved on renovated units providing the best guidance and market rent upon renovation. The Morningstar DBRS sample had an average Morningstar DBRS Stabilized NCF variance of -22.4% from the Issuer's stabilized NCF and ranged from –32.3% to -7.6%.

Morningstar DBRS Sampled Property Type



Source: Morningstar DBRS.

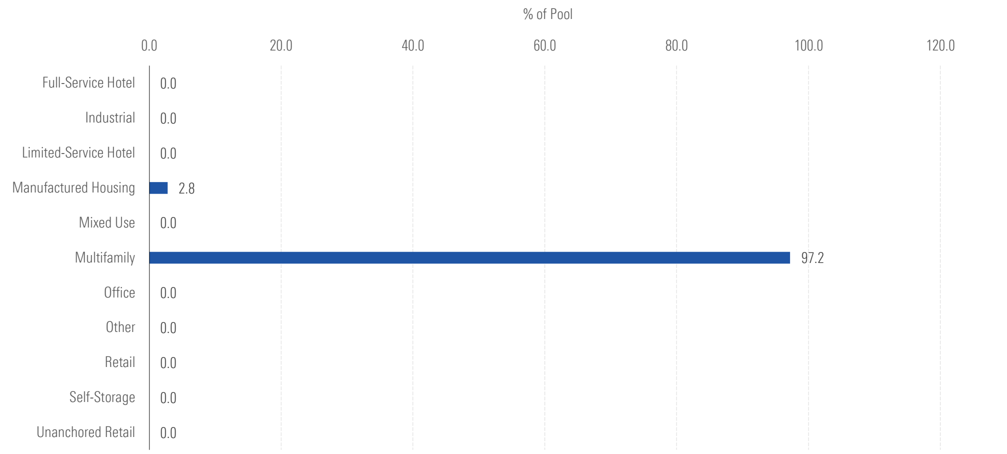
Model Adjustments

Morningstar DBRS applied upward capitalization rate (cap rate) adjustments to two loans including 40 Bruckner Boulevard (Prospectus ID #1) and AKA Rittenhouse Square (Prospectus ID #12), representing 12.2% of the initial pool balance. Morningstar DBRS adjusted the cap rates for these two loans to reflect its view of the respective markets and the inherent risk associated with the sponsor's business plan. The downward stabilized value adjustments are highlighted in the Morningstar DBRS Sampled Model Adjustments table below.

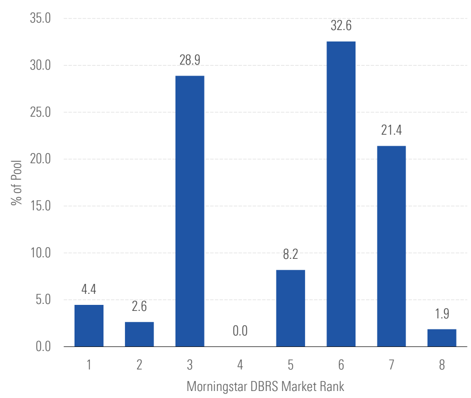
Loan	Prospectus ID	Issuer's Implied Cap Rate (%)	Morningstar DBRS Adjusted Cap Rate (%)	Appraised As-Is LTV (%)	Appraised Stabilized Balloon LTV (%)	Morningstar DBRS As-Is LTV (%)	Morningstar DBRS Stabilized LTV (%)
40 Bruckner Boulevard	1	5.8	6.4	66.2	63.2	72.9	69.5
AKA Rittenhouse Square	12	5.0	6.0	61.3	57.2	73.1	68.3

Transaction Concentrations

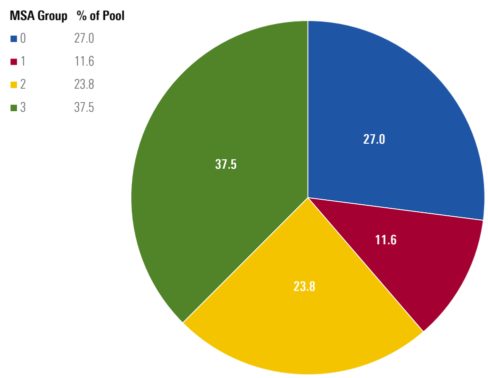
Morningstar DBRS Property Type



Morningstar DBRS Market Rank

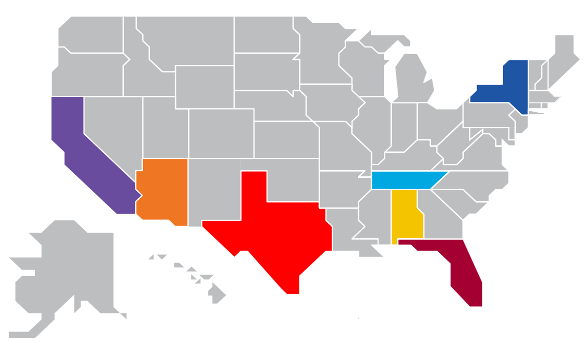


Morningstar DBRS MSA Group



Largest Property Location

Property Name	City	State
40 Bruckner Boulevard	Bronx	NY
Natura Gardens	Miami	FL
20 Midtown	Birmingham	AL
Woodside Central	Queens	NY
Kenect Nashville	Nashville	TN
Wyvernwood	Los Angeles	CA
Bella Encanta	Mesa	AZ
Metro Edgewater	Miami	FL
Casa Serena	Fremont	CA
Avilla Oakridge	Forney	TX



Source: Morningstar DBRS.

Loan Structural Features

Loan Terms: All 22 loans are IO during the initial loan term, ranging from 24 months to 36 months with one to three nine- or 12-month extension options. Twenty loans, representing 95.4% of the initial pool balance, amortize on 30-year schedules during all or a portion of their extension options.

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

Interest Rate Protection: All 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 Morningstar DBRS stressed interest rate is less than the interest rate cap purchased by the borrower, Morningstar DBRS would default to the lower of the Morningstar DBRS stressed rate.

Subordinate Debt: One loan in the pool, 20 Midtown (representing 8.3% of the initial pool balance), is subject to subordinate debt financing. The subordinate debt was provided by a third party and will be held outside the trust. No loans in the pool are permitted to obtain additional future debt.

Subordinate Debt

Loan Name	Trust Balance ($)	Future Funding ($)	Pari Passu Balance ($)
40 Bruckner Boulevard	80,000,000	12,910,000	48,590,000
Natura Gardens	80,000,000	2,250,000	44,750,000
20 Midtown	80,000,000	2,400,000	11,600,000
Woodside Central	75,000,000	4,225,000	109,775,000
Kenect Nashville	75,000,000	11,877,187	14,322,813
Wyvernwood	70,000,000	1,681,220	93,147,780
Bella Encanta	59,400,000	6,600,000	0
Metro Edgewater	57,500,000	7,500,000	50,000,000
Casa Serena	48,872,000	3,638,000	0
Avilla Oakridge	42,000,000	0	0
Solamar Apartments	38,000,000	0	5,000,000
AKA Rittenhouse Square	37,800,000	250,000	0
Eastlake 2851	34,500,000	0	0
1909 Rittenhouse	27,791,513	22,208,487	80,000,000
Oaklyn	27,273,500	4,726,500	50,000,000
Sawbuck	27,000,000	0	10,000,000
Horizon Portfolio	26,880,000	8,930,550	0
Mossdale Landing	25,500,000	0	25,500,000
AKA Sutton Place	18,000,000	0	30,000,000
Brooke Mill Apartments	16,125,000	2,040,000	30,000,000
Ilion Apartments	11,077,000	5,000,000	30,000,000
The Arc at Westchester Place	9,212,352	2,000,000	47,287,648

Pari Passu Debt: Sixteen loans, representing 74.2% of the initial pool balance, have pari passu participation interest totaling $680.0 million. Ten of these loans, representing 34.9% of the initial pool, were previously securitized in MF1 2023-FL12, which Morningstar DBRS rated. Please see the table below for a chart highlighting the previously securitized loans.

Loan Name	Trust Balance ($)	Whole Loan Amounts ($)	Previous Securitization
Woodside Central	75,000,000	189,000,000	MF1 2023-FL12
Wyvernwood	70,000,000	164,829,000	MF1 2023-FL12
Metro Edgewater	57,500,000	115,000,000	MF1 2023-FL12
1909 Rittenhouse	27,791,513	130,000,000	MF1 2023-FL12
Oaklyn	27,273,500	82,000,000	MF1 2023-FL12
Mossdale Landing	25,500,000	51,000,000	MF1 2023-FL12
AKA Sutton Place	18,000,000	48,000,000	MF1 2023-FL12
Brooke Mill Apartments	16,125,000	48,165,000	MF1 2023-FL12
Ilion Apartments	11,077,000	46,077,000	MF1 2023-FL12
The Arc at Westchester Place	9,212,352	58,500,000	MF1 2023-FL12

Future Funding: There are 16 loans, representing 80.9%, that have a future funding component. The aggregate of future funding is $98.2 million, with future funding amounts per loan ranging from $250,000 to $22.2 million. The proceeds necessary to fulfill the future funding obligations will primarily come from a committed warehouse line and will initially be held outside the trust but will be pari passu with the trust participations. The future funding is generally for property renovations. Each property has a business plan to execute that the sponsor expects to increase the NCF. Morningstar DBRS believes the business plans are generally achievable given the market conditions, recent property performance, and adequate available future funding (or upfront reserves) for planned renovations.

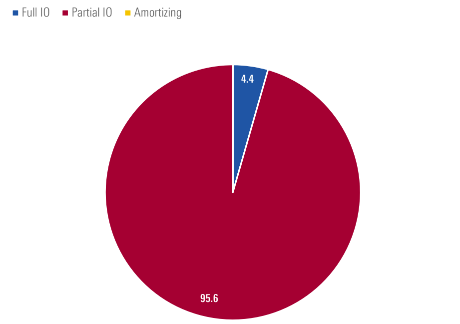
Leasehold: One loan, 40 Bruckner Boulevard (8.3% of the initial pool balance), is secured by a leasehold interest. Morningstar DBRS considers the leasehold interest to be traditionally financeable as the ground lease extends decades beyond the loan maturity.

Reserve Requirement		
Type	# of Loans	% of Pool
Tax Ongoing	19	85.0
Insurance Ongoing	12	49.5
Capex Ongoing	14	68.7
Leasing Costs Ongoing[1]	0	0.0

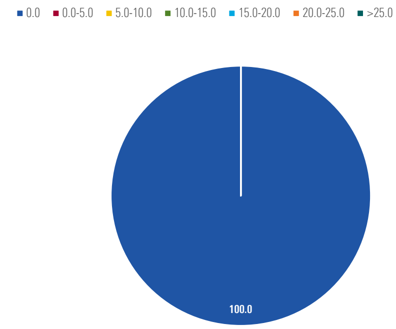
1. Percent of office, retail, industrial, and mixed-use assets based on Morningstar DBRS property types.

Borrower Structure		
Type	# of Loans	% of Pool
SPE with Independent Director and Nonconsolidation Opinion	21	96.4
SPE with Independent Director Only	1	3.6
SPE with Nonconsolidation Opinion Only	0	0.0
SPE Only	0	0.0

IO /Amortization (%)

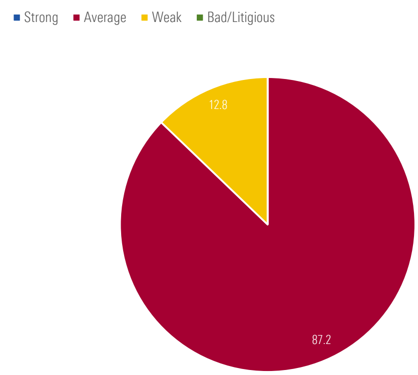


Morningstar DBRS Expected Amortization (%)



Source: Morningstar DBRS.

Sponsor Strength (%)



Source: Morningstar DBRS.

Property Release: Three loans, representing 11.6% of the initial pool balance, allow for the release of one or more properties or a portion of the mortgaged property, subject to release prices above the allocated loan amounts of the respective properties and/or certain leverage tests prescribed in the individual loan agreements.

Property Substitution: No loans in the pool allow for the substitution of properties.
Terrorism Insurance: As of the cut-off date, all loans currently carry or, in the case of the delayed-close loans, are expected to carry terrorism insurance.

40 Bruckner

Loan Snapshot

Seller
MF1
Ownership Interest
Leasehold
Trust Balance ($ million)
80.0
Loan PSF/Unit ($)
387,671
Percentage of the Pool
8.3
Fully Extended Loan Maturity/ARD
January 2029
Amortization
Interest-Only, Amortizing Balloon
Morningstar DBRS As-Is DSCR (x)
0.00
Morningstar DBRS Stabilized DSCR (x)
0.81
Morningstar DBRS As-Is Issuance LTV (%)
72.9
Morningstar DBRS Stabilized Balloon LTV (%)
69.5
Morningstar DBRS Property Type
Multifamily
Morningstar DBRS Property Quality
Above Average

Debt Stack ($ millions)

Trust Balance
80.0
Pari Passu
48.6
Remaining Future Funding
12.9
Mortgage Loan Including Future Funding
141.5
Loan Purpose
Refinance
Equity Contribution/(Distribution) ($ million)
(2.1)

Collateral Summary			
Morningstar DBRS Property Type	Multifamily	**Year Built/Renovated**	2023
City, State	Bronx, NY	**Physical Occupancy (%)**	0.0
Units/SF	365	**Physical Occupancy Date**	September 2024

This loan is secured by the borrower's leasehold interest in 40 Bruckner, a 365-unit multifamily property with 16,052 sf of commercial space in the Bronx, New York. Whole loan proceeds of $141.5 million will refinance the $90.5 million existing construction loan, return $25.0 million to preferred equity investors, and return $2.1 million to the sponsors. The remaining loan proceeds will also fund a $8.5 million interest shortfall reserve, finance the TI/LC reserve and unabated tax reserve, and cover closing costs. The two-year, floating-rate loan has three one-year extension options that are exercisable subject to the collateral's achievement of certain criteria set forth in the loan agreement. The loan is IO throughout the initial term and first extension option, and it amortizes on a 30-year schedule in the remaining extension options.

The collateral finished construction in late 2023 and received its TCO on December 22, 2023. The property began marketing in November 2023, with full marketing efforts scheduled for January 2024. The property is well amenitized with a rooftop pool, rooftop deck with barbecues, an outdoor screening area, fitness center, dog park, yoga studios, a wellness center and a library. The 16,052 sf of ground floor-floor commercial space is also currently vacant with 706 sf designated as community facility space. At the time of Morningstar DBRS' analysis, the collateral was 100.0% vacant, but the sponsor anticipates that the market-rate units will be fully stabilized in August 2024. The 365 units are comprised of 255 market-rate units and 110 affordable units. The unit mix includes 54 studio, 180 one-bedroom, and 131 two-bedroom units, and the table below shows a breakout based on the rents that Morningstar

DBRS concluded, which are generally based on the appraisal and supported in the Reis submarket by vintage and the appraiser's competitive set.

Unit Mix and Rents

Unit Type	Units	Avg Unit Size (sf)	Rent/Month ($)
Studio - MR	38	431	2,787
1 Bed - MR	126	578	3,079
2 Bed - MR	91	891	4,139
Studio - Affordable	16	384	2,500
1 Bed - Affordable	54	532	2,850
2 Bed - Affordable	40	773	3,735
Total/WA	**365**	**647**	**3,326**

Source: Appraisal and Asset Summary Report.

Competitive Set

Property	Location	Distance from Subject (Miles)	Units	Year Built/ Renovated	Occupancy (%)	Avg. Rental Rate Per Unit ($)	Avg. Unit Size (SF)
Third at Bankside	New York City, NY	0.5	458	2021	93.0	3,324	980
The Motto	Bronx, NY	0.4	139	2023	97.0	3,235	938
276 Grand Concourse	Bronx, NY	0.7	217	2022	0.0	2,804	896
Estela	Bronx, NY	1.0	341	2023	98.0	3,398	1,082
The Crescendo	Bronx, NY	0.1	130	2016	98.0	3,078	987
Total/WA Comp. Set	**Various, NY**	**Various**	**1,285**	**Various**	**79.6**	**3,221**	**989**
40 Bruckner Boulevard	**Bronx, NY**	**n/a**	**365**	**1959**	**0.0**	**3,326**	**1,015**

Source: Appraisal, except the Subject figures are based on the appraisal.

Sponsorship

The sponsor for this transaction is JCS Realty, a real estate developer, owner, and manager based in Brooklyn, New York. The firm was founded in 2014 by Jacob Schwimmer and David Templer, and since then, it has completed 11 projects in Brooklyn and two other projects in the Mott Haven are of the Bronx. JCS's portfolio primarily comprises multifamily properties that it has built across New York City, including Brooklyn and the Bronx. Based on the sponsor's experience, Morningstar DBRS concluded a sponsor strength of Average.

The property will be managed by JCS Realty for a contractual fee of 2.50%. JCS self-manages its entire New York City portfolio of 14 assets.

Morningstar DBRS Analysis

Site Inspection Summary

Morningstar DBRS toured the interior and exterior of the property on Tuesday, January 16, 2024, at 10:00 a.m. Based on the site inspection and management meeting, Morningstar DBRS found the property quality to be Above Average.

The mid-rise multifamily property sits in the Mott Haven neighborhood of the Bronx, approximately five miles northeast of Midtown Manhattan. The immediately surrounding area featured a mix of residential and commercial property types, predominantly walk-up buildings with retail on street-level and what appeared to be apartments on the upper floors. There were several community institutions in the neighborhood, including religious centers, a charter school, an elementary school, and several parks. Similar to other parts of New York City and the Bronx, there was limited street parking availability and it appeared many residents of the neighborhood used other means of transportation, such as public transportation, walking, or bicycling. The property is less than a 10-minute walk from the 3rd Avenue – 138th Street MTA station that services the 6 train, which provides access to the rest of the Bronx to the north and Manhattan to the south. Furthermore, it takes just 20 minutes to reach Grand Central station via the 6 train. Additionally, there were a number of eateries in the immediate area, including a deli, a pizza shop, a Mexican restaurant, and a McDonald's within a block of the property.

The property features a fair amount of retail and commercial space on the ground floor, which features two corner spaces and nearly half a city block fenced in by Bruckner Boulevard to the north, E 132nd Street to the south, Alexander Avenue to the west and Willis Avenue to the east. The entrance to the lobby is on Alexander Avenue and the wide-open lobby features a significant amount of seating. The property features a significant amount of common area space, spread among the ground floor, the cellar space, and the roof. On the ground floor, there are two large event spaces that could be reserved by residents for private events or meetings. Additionally, there is a playground and dog park in the courtyard. The two cellar floors feature additional conference rooms and seating, a kids playroom, a game room, a fitness center, and a spa with a jacuzzi, sauna, and steam room. There are also two movie theaters available for reservation. The roof features a pool, showers, a barbecue grilling area, and a mini-golf area. The spa area was still in the process of completion but looked like it could be ready for use within a few days or weeks. The rest of the amenities appeared to be fully operational. The property representative informed Morningstar DBRS that the amenity package would be $250 per person per month for all amenities excluding the spa with its jacuzzi, sauna, and steam room. The spa would be an additional $75 per person per month and the rooftop pool would be $600 per person for the season, which begins Memorial Day weekend and ends Labor Day weekend. Overall, the common area space showed very well despite the ongoing cleaning of construction materials that was prevalent throughout the property in preparation for a significant wave of tenants moving in this spring and summer.

Morningstar DBRS toured one studio unit, two one-bedroom units, and one two-bedroom, two-bathroom unit. All units included stainless-steel kitchen appliances, quartz countertops, dishwashers, and in-unit washer and dryer. Some bathrooms were equipped with a bathtub with shower while others featured a stand-up shower. The kitchens contained adequate counter space and the two-bedroom unit had significant counter space with a separate peninsula counter that allowed for bar seating and housed the sink and faucet. Each unit toured had an in-unit stackable washer and dryer. The studio and one-bedroom units had adequate natural light, but the two-bedroom unit Morningstar DBRS toured was a corner unit and allowed significantly more natural light to flow into the living room and kitchen area. Overall, the units showed well given that the property is brand new and the units have seen no occupancy or tenant use.

Morningstar DBRS NCF Summary

NCF Analysis				
	Appraisal	Issuer NCF	Morningstar DBRS NCF	NCF Variance (%)
GPR ($)	15,452,281	16,748,800	14,565,708	-13.0
Other Income ($)	1,489,960	1,471,202	1,326,078	-9.9
Vacancy & Concessions ($)	-668,054	-837,440	-796,557	-4.9
EGI ($)	**16,274,187**	**17,382,562**	**15,095,229**	**-13.2**
Expenses ($)	8,246,963	4,317,973	4,252,572	-1.5
NOI ($)	**8,027,224**	**13,064,588**	**10,842,657**	**-17.0**
Capex ($)	79,481	91,250	127,666	39.9
NCF ($)	**7,947,743**	**12,973,338**	**10,714,992**	**-17.4**

The Morningstar DBRS Stabilized NCF is based on the Morningstar *DBRS North American Commercial Real Estate Property Analysis Criteria*. The resulting Morningstar DBRS Stabilized NCF was $10,714,992 representing a -17.4% variance from the Issuer’s stabilized NCF of $12,973,338. The primary driver of the variance was GPR. Morningstar DBRS concluded to a GPR based on a combination of the appraiser’s market rents and the sponsor’s projections, resulting in a WA rental rate of $3,326/unit, and the Issuer’s GPR figure is based on the sponsor’s pro-forma projections with a WA rental rate of $3,824/unit.

Morningstar DBRS Viewpoint

The subject is located on the southern edge of the Bronx, in the Reis-identified submarket of Bronx County. As of Q3 2023, the submarket reported a vacancy rate of 4.1% and an average rental rate of $2,000 per unit. Morningstar DBRS concluded to a blended vacancy rate of 5.0% for the market-rate units and 3.0% for the affordable units, for a total vacancy rate of 4.4%. While the subject property falls within the Bronx County submarket, its proximity to the 4 and 6 trains makes Manhattan easily accessible, with a 30-minute commute to Midtown. The nearby Upper East Side Reis submarket reported an average rental rate of $5,101 per unit in Q3 2023, which is expected to maintain a steady annual growth rate of 1.5% to 4.1% over the next five years. Morningstar DBRS concluded stabilized rents of $3,414 per unit for the market-rate units, well below the rents reported in Manhattan and in line with the new construction in the Bronx. The amenity offerings along with the relatively reasonable price point make the property attractive to those willing to live outside of Manhattan.

The property is required to maintain 110 affordable units in order to qualify for the 421a tax abatement benefit, which is a 35-year-long tax abatement program. The Morningstar DBRS cash flow considers the tax abatement in its analysis and the resulting cash flow reflects a stabilized DSCR of 0.81x. While the cash flow does not cover the stressed debt service, the loan is structured with a $8.5 million interest reserve, and loan proceeds reflect a modest issuer stabilized LTV of 63.2% based on the appraiser's stabilized value. However, the collateral is encumbered by a ground lease, and the ground rent represents approximately 11.7% of Morningstar DBRS' stabilized EGI. The property is in the fourth year of the 99-year ground lease, which is structured with 10.0% increases to ground rent every five years, which coincides with end of the initial loan term, thereby adding to the refinance stress. The leasehold ownership interest led Morningstar DBRS to make a cap-rate adjustment, which resulted in a stabilized LTV of 69.5%.

Overall, the strong market rank, MSA, and Above Average property quality resulted in an expected loss well-below the deal average.

Natura Gardens

Loan Snapshot

Seller
MF1
Ownership Interest
Fee
Trust Balance ($ million)
80.0
Loan PSF/Unit ($)
276,087
Percentage of the Pool
8.3
Fully Extended Loan Maturity/ARD
February 2029
Amortization
Interest-Only, Amortizing Balloon
Morningstar DBRS As-Is DSCR (x)
0.66
Morningstar DBRS Stabilized DSCR (x)
0.68
Morningstar DBRS As-Is Issuance LTV (%)
67.1
Morningstar DBRS Stabilized Balloon LTV (%)
67.0
Morningstar DBRS Property Type
Multifamily
Morningstar DBRS Property Quality
Above Average

Debt Stack ($ millions)

Trust Balance
80.0
Pari Passu
44.8
Remaining Future Funding
2.3
Mortgage Loan Including Future Funding
127.0
Loan Purpose
Refinance
Equity Contribution/(Distribution) ($ million)
(15.2)

Collateral Summary			
Morningstar DBRS Property Type	Multifamily	**Year Built/Renovated**	2023
City, State	Miami Lakes, FL	**Physical Occupancy (%)**	93.9
Units/SF	460	**Physical Occupancy Date**	January 2024

This loan is secured by the borrower's fee-simple interest in Natura Gardens, a Class A, 460-unit garden style multifamily complex in Miami Lakes, approximately 20.4 miles west of the Miami CBD. The loan collateral is a sponsor-developed apartment community that initially delivered in January 2023 and has subsequently leased up to approximately 93.9% physical occupancy as of the January 2024 rent roll. Initial loan proceeds of $124.8 million ($271,196 per unit) were used to refinance construction debt encumbering the property in the amount of $65.4 million, repay $36.5 million of preferred equity, and cover transaction closing costs. The loan features $2.3 million in future funding proceeds to be used to fund an additional interest and carry reserve. The two-year floating-rate loan is structured with three 12-month extension options that are exercisable upon the collateral's satisfaction of, among other criteria, certain debt yield, LTV, and DSCR hurdles set forth in the initial loan agreement. The loan is IO for the initial loan term and the first extension option, and will amortize on a 30-year schedule during the second extension option. The features a Morningstar DBRS Issuance LTV of 67.1%.

Unit Mix and Rents

Unit Type	Units	Avg Unit Size (sf)	Rent/Month ($)
One Bedroom	188	762	2,153
Two Bedroom	216	1,089	2,621
Three Bedroom	56	1,447	3,251
Total/WA	460	999	2,512

Source: January 2024 rent roll.

Natura Gardens is a recently built apartment community that has reached its initial stabilized occupancy and is now focused on concessions burn off to achieve a stabilized NRI. As of January 2024, the property was 93.9% physically occupied. Property-wide amenities include a resort-style pool, covered outdoor kitchen, media room, game room, fitness center, and business center with co-working spaces. Additionally, there are several dog parks located throughout the premises. Interior unit amenities include shaker-style cabinets, quartz countertops, kitchen islands, stainless-steel appliances, walk-in closets, and covered balconies in a majority of units. All units feature an in-unit washer and dryer. The asset summary report in conjunction with the appraisal noted six competitive properties within the area. Please note the table below for more information.

Competitive Set

Property	Location	Distance from Subject (Miles)	Units	Year Built/ Renovated	Occupancy (%)	Avg. Rental Rate Per Unit ($)	Avg. Unit Size (SF)
Elan Solea	Hialeah, FL	0.1	359	2023	44.3	2,603	1,040
Manor Hialeah	Hialeah, FL	4.6	642	2023	60.0	2,768	967
Atlantico at Aqua Bella	Hialeah, FL	0.4	245	2020	96.0	2,759	1,060
Eurus at Miramar	Miramar, FL	3.4	280	2020	98.0	2,739	1,099
Vesada	Doral, FL	6.0	369	2021	93.0	2,720	1,010
Palmera	Doral, FL	6.0	440	2020	93.0	2,773	1,021
Total/WA Comp. Set	**Various**	**Various**	**2,335**	**Various**	**77.4**	**2,732**	**1,021**
Natura Gardens	**Miami, FL**	**n/a**	**460**	**2023**	**93.9**	**2,512**	**999**

Source: Appraisal, except the Subject figures are based on the rent roll dated January 2024.

Sponsorship

The sponsor for this transaction is Terra Group. Terra Group is a family-owned real estate development firm based in Miami that was founded in 2001. The firm has demonstrated success within South Florida having developed over 30 projects within the metro area. Although not a repeat borrower of MF1, the sponsor has adequate net worth/liquidity metrics as it relates to the financing of this loan.

The property manager for the subject collateral is the sponsor-affiliated firm Grove Property Management. With over 15 years of managing experience, they currently manage 847-units across two multifamily properties and over 583,000 sf of commercial space located within South Florida. The contractual management fee at the property is 2.5%.

Morningstar DBRS Analysis

Site Inspection Summary

Morningstar DBRS toured the interior and exterior of the property on Wednesday, January 17, 2024, at 10:45 a.m. Based on the site inspection and management meeting, Morningstar DBRS found the property quality to be Above Average.

The property's main entrance is located just off of Interstate 75, which is in Miami Lakes, a suburb of Miami and Fort Lauderdale. Miami Lakes is directly west and located in between Miami and Fort Lauderdale; the collateral is approximately a 30-minute drive from downtown Miami and approximately a 45-minute drive from downtown Fort Lauderdale. At the time of inspection, the majority of the surrounding area was residential and commercial, featuring other multifamily properties, single-family residences, and retail spaces varying from strip malls to single-tenant spaces.

The property has good curb appeal, with visible signage and appealing architectural finishes. The entrance of the community is secured by ButterflyMX, a security system where residents access controls and the gate entrance via smartphone. The property manager noted that one gate will remain open for prospective tenants during business hours. The entrance to the property leads directly to the main leasing office and clubhouse where Morningstar DBRS met with the property management team. The lobby of the clubhouse is very spacious, with floor to ceiling windows offering natural light. The first floor of the clubhouse includes multiple seating areas, a complimentary coffee bar, a billiards table, a movie room, and multiple conference rooms for tenants. The second floor of the clubhouse offers a playroom for children, a gym, a yoga studio, and more conference rooms. The amenities were all in great condition, all featuring modern furniture and appealing finishes. Behind the clubhouse is the resort-style pool, which includes outdoor seating, an outdoor kitchen, a tiki hut sandbar, and playground for children. There were no signs of deferred maintenance at the property.

Morningstar DBRS toured two one-bedroom units and two two-bedroom units. The units all offered appealing interior finishes such as quartz countertops and backsplashes, stainless-steel appliances, walk-in closets, vinyl wood flooring, and in-unit washers and dryers. The kitchens included a large center island presenting an open-floor concept into the dining and living areas. Each bathroom had a modern aesthetic featuring quartz countertops, a marble backsplash and vinyl wood flooring. The bedrooms were very spacious and featured walk-in closets. The only difference between the interior amenities across all units at the property was the presence of a patio or balcony space, which was not available in all units. At the time of inspection, the management team noted that collateral was approximately 93.0% occupied and anticipated to reach stabilized occupancy by the end of next month, February 2024. Overall, Morningstar DBRS found the property to be well positioned in the market because of its recent build, high-quality units and amenities, and convenient location to both the Miami and Fort Lauderdale CBDs.

Morningstar DBRS NCF Summary

NCF Analysis					
	November 2023 T-6	Appraisal	Issuer NCF	Morningstar DBRS NCF	NCF Variance (%)
GPR ($)	13,737,010	14,442,720	16,029,836	13,835,361	-13.7
Other Income ($)	1,147,711	1,943,958	2,090,875	1,989,958	-4.8
Vacancy & Concessions ($)	-5,212,885	-722,136	-801,492	-1,041,890	30.0
EGI ($)	**9,671,837**	**15,710,542**	**17,319,220**	**14,783,428**	**-14.6**
Expenses ($)	3,663,594	6,590,733	7,198,373	6,701,003	-6.9
NOI ($)	**6,008,242**	**9,119,809**	**10,120,847**	**8,082,426**	**-20.1**
Capex ($)	0	115,000	115,000	115,000	0.0
NCF ($)	**6,008,242**	**9,004,809**	**10,005,847**	**7,967,426**	**-20.4**

The Morningstar DBRS Stabilized NCF is based on the *Morningstar DBRS North American Commercial Real Estate Property Analysis Criteria*. The resulting Morningstar DBRS Stabilized NCF was $7,967,426, representing a variance of -20.4% from the Issuer's Stabilized NCF of $10,005,847. The primary drivers for the variance include GPR and economic vacancy. Morningstar DBRS assumed GPR in line with the in-place achieved rents per space type throughout the property as of the January 8, 2024, rent roll, concluding to an average unit GPR of $2,512. The GPR per month conclusion is slightly below the identified competitive set which indicates that there may be some rental revenue upside as the property transitions from its first-generation leases to renewals. Morningstar DBRS concluded to an economic vacancy of 7.5%, which consists of a 6.5% physical vacancy, 0.5% concession ratio, and 0.5% bad debt assumption.

Morningstar DBRS Viewpoint

The collateral is within the Reis-defined Miami Lakes submarket, one of thirteen geographic concentrations within the Miami MSA. The submarket has become the latest development hotspot within Miami as the sponsor notes approximately 1,800 units that have recently delivered or will go online within the next 12 months within 10 miles of the subject collateral. The property is adjacent to State Highway 75 which provides access to all of South Florida. Furthermore, the property is approximately 10 miles west of the Miami International Airport (MIA). The area surrounding the collateral is suburban in nature and features several other multifamily complexes and several retail outlets.

The sponsor's business plan is to burn off concessions offered to first generation leases and to maintain occupancy while new supply goes online within the property's neighborhood. The sponsor has retained a repeat vendor to assist with leasing and has found demonstrable success as evidenced by current occupancy. Of the six properties identified in the competitive set, only two are currently offering concessions of one month free due to their recent delivery. The other four assets are currently not offering any concessions. The collateral's exterior and interior finishes are Above Average and of high quality, which should help the subject avoid obsolescence as newer competing properties are delivered in the submarket. As a further mitigant, the property has already achieved high physical occupancy of 93.9% as of the January 2024 rent roll and should not experience a large occupancy decrease as a result of new buildings in the immediate area going online. Further demonstrating the tenant demand in the submarket, Reis projects that on an annualized basis through 2024 and 2025, asking rents are expected to climb 2.1% to finish at $1,774 per unit. Morningstar DBRS's concluded GPR of $2,506 per unit indicates the property is superior to the current submarket multifamily product, although it is slightly lower than the concluded competitive set asking rents, which includes properties that have not yet reached full stabilization but are of a newer vintage.

The loan exhibits modest leverage at issuance as evidenced by a Morningstar As-Is LTV of 67.1% derived from the appraiser's as-is valuation of $189.3 million ($411,522 per unit). The property is effectively stabilized although there is a $2.3 million shortfall reserve in place as a result of the transaction's financing to assist with any operational shortfalls that may have been experienced as the property was leasing up. As a result, the appraiser's stabilized valuation is only modestly higher at $189.6 million ($412,174 per unit) resulting in a Morningstar DBRS stabilized LTV of 67.0%. Morningstar DBRS has reviewed the property's proposed business plan and concluded that it is realistic and achievable in terms of feasibility, resulting in a below-average business plan score. The property's quality, combined with its favorable location within the Miami MSA multifamily market, has resulted in an expected loss lower than the deal average.

20 Midtown

Loan Snapshot

Seller
MF1
Ownership Interest
Fee
Trust Balance ($ million)
80.0
Loan PSF/Unit ($)
289,231
Percentage of the Pool
8.3
Fully Extended Loan Maturity/ARD
January 2029
Amortization
Interest-Only, Amortizing Balloon
Morningstar DBRS As-Is DSCR (x)
0.51
Morningstar DBRS Stabilized DSCR (x)
0.86
Morningstar DBRS As-Is Issuance LTV (%)
65.8
Morningstar DBRS Stabilized Balloon LTV (%)
62.3
Morningstar DBRS Property Type
Multifamily
Morningstar DBRS Property Quality
Average+

Debt Stack ($ millions)

Trust Balance
80.0
Pari Passu
11.6
Remaining Future Funding
2.4
Mortgage Loan Including Future Funding
94.0
Loan Purpose
Refinance
Equity Contribution/(Distribution) ($ million)
10.8

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Collateral Summary			
Morningstar DBRS Property Type	Multifamily	**Year Built/Renovated**	2022
City, State	Birmingham, AL	**Physical Occupancy (%)**	73.5
Units/SF	325	**Physical Occupancy Date**	November 2023

The loan is secured by the borrower's fee-simple interest in 20 Midtown, a 325-unit, newly constructed, mid-rise development that also features 40,770 sf of retail space and a 463-stall parking garage. The initial loan proceeds of $91.6 million, a $2.4 million future funding component, and sponsor equity of $10.8 million will refinance $64.4 million of existing debt and pay off $29.8 million of preferred equity, fund a $2.4 million TI/LC reserve, fund an interest shortfall reserve of $2.8 million, and cover closing costs of $5.2 million. The total debt service shortfall reserve is projected to cover approximately 12 months of debt service shortfalls, which should provide ample time for the property to reach stabilized operations. The loan is IO during the initial two-year term and the first extension option and amortizes on a 30-year schedule during the second and third extension options, if exercised. The extension options are exercisable upon the collateral's satisfaction of, among other criteria, certain debt yield and DSCR hurdles set forth in the initial loan agreement. Additionally, the sponsor is required to pay an extension fee equal to 0.25% of the loan amount for each of the second and third extension terms, as well as the purchase of a replacement interest rate cap for the applicable extension term. As a result of the refinancing, the sponsor will have approximately $43 million of cash equity in the collateral.

The collateral was built in 2022 and consists of 325 multifamily units within a five-story apartment building that sits above the commercial space. Community amenities at 20 Midtown include a swimming pool with a private terrace sundeck and indoor/outdoor gathering areas with grills, a fitness center featuring Peloton equipment and a yoga studio, and a dog run. As of the November 20, 2023, rent roll, the multifamily portion of the collateral was 73.5% occupied and was achieving WA monthly rents of

$1,720 per unit. Additional information on the residential unit mix and unit rental rates can be found in the table below.

Unit Mix and Rents

Unit Type	Units	Avg Unit Size (sf)	Rent/Month ($)
Studio	166	549	1,410
One Bedroom	94	918	1,918
Two Bedroom	61	1,043	2,375
Three Bedroom	4	1,774	3,230
Total/WA	**325**	**764**	**1,720**

Source: November 2023 rent roll.

The retail portion of the property is 70.3% leased to nine tenants, most of which are national restaurant chains, including Outback Steakhouse, Toasted Yolk, CAVA, Milo's, and Panda Express, with other smaller tenants occupying suites less than 2,500 sf. Several retail tenants are currently in the process of building out their respective spaces, which are anticipated to be delivered in 2024. For more information on the property's retail tenants, please see the table below.

Tenant Summary

Tenant	SF	% of total NRA	Morningstar DBRS Base Rent PSF ($)	Morningstar DBRS Annual Rent ($)	% of Total Morningstar DBRS Base Rent	Investment Grade? (Y/N)
Outback Steakhouse	6,650	16.3	40.00	266,000	16.4	N
Toasted Yolk	4,043	9.9	40.00	161,720	10.0	N
CAVA	3,200	7.8	40.00	128,000	7.9	N
Milo's	3,200	7.8	40.00	128,000	7.9	N
Panda Express	2,500	6.1	40.00	100,000	6.2	N
Other Small Retail	7,565	18.6	40.00	302,600	18.6	N
Other Small Office	1,492	3.7	36.00	53,712	3.3	N
Subtotal/WA	**28,650**	**70.3**	**39.79**	**1,140,032**	**70.2**	**Various**
Vacancy Space	12,120	29.7	40.00	484,800	29.8	N
Total/WA	**40,770**	**100.0**	**39.85**	**1,624,832**	**100.0**	**Various**

Source: November 2023 rent roll.

The appraiser identified six apartment buildings within 2.6 miles of the subject that compete with it for prospective residential tenants. The comparable properties have an average year built/renovation date of 2019, which is slightly older than the subject's vintage of 2022. As the subject was delivered in 2022 and is still in lease-up, all of the competing properties are achieving a higher occupancy than the subject's occupancy of 73.5%. Although the collateral is achieving an average rental rate that is slightly lower than the comp set average, it should be noted that the subject property's average unit size is also slightly smaller. The property has shown favorable leasing momentum, as 45 leases signed between August and November 2023 were at rental rates that are on average $93 above older leases. Please see the table below for additional information on the competitive properties identified by the appraiser.

Competitive Set							
Property	Location	Distance from Subject (Miles)	Units	Year Built/ Renovated	Occupancy (%)	Avg. Rental Rate Per Unit ($)	Avg. Unit Size (SF)
Armour & Co.	Birmingham, AL	0.6	20	1897/2022	95.0	2,578	1,172
Lakeview Green	Birmingham, AL	1.0	118	2021	92.0	1,491	783
Met of 7th	Birmingham, AL	1.1	262	2016/2022	91.0	1,689	905
Park 35 on Clairmont	Birmingham, AL	1.8	271	2016	91.0	1,770	904
The Hill at Eastbury	Homewood, AL	2.6	122	2012	96.0	2,304	1,001
The Palmer Parkside	Birmingham, AL	0.5	228	2021	93.0	1,737	838
Total/WA Comp. Set	**Various**	**Various**	**1,021**	**Various**	**92.2**	**1,789**	**892**
20 Midtown	**Birmingham, AL**	**n/a**	**325**	**2022**	**73.5**	**1,720**	**764**

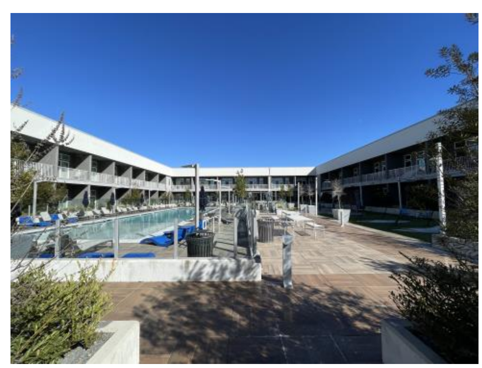
Source: Appraisal, except the Subject figures are based on the rent roll dated November 2023.

Sponsorship

The sponsor for this transaction is Scott Bryant and Richard Schmalz who are Birmingham-based real estate owners and developers. The sponsors are committed to this pocket of Birmingham and purchased the subject site in 2020 for a second phase on 20 Midtown. The first phase was completed in 2017 and consists of 111 residential units and ground floor retail including Publix, Starbucks, and Chipotle. The nonrecourse carveout guarantor has significant net worth and is required to maintain minimum net worth and liquidity of $94 million and $9.4 million, respectively. Due to the sponsor's experience and adequate net worth and liquidity, Morningstar DBRS has assessed the sponsor strength as Average. Arlington Properties will manage the residential and commercial portions of the property for a contractual fee of 2.5% of rent. The company is headquartered in Birmingham and manages more than 20,000 units across 10 states, including 43 properties in Alabama.

Morningstar DBRS Analysis

Site Inspection Summary



Morningstar DBRS toured the interior and exterior of the property on January 17, 2024, at 12:30 p.m. Based on the site inspection and management tour, Morningstar DBRS found the property quality to be Average+.

The asset is situated on an entire city block in the southern part of the Birmingham CBD. The property is bounded by 2nd Avenue to the north, 3rd Avenue to the south, 20th Street to the west, and Richard Arrington Jr. Boulevard South to the east. The property is situated in a highly developed infill location with numerous office, hotel, residential, and mixed-use properties in the immediate area. The property has excellent accessibility as it is within walking and biking distance to the economic drivers within the CBD as well as the University of Alabama at Birmingham (UAB), which is less than 0.3 miles south of the property. The property also has good access to economic drivers within the surrounding MSA as it is less than a mile west of U.S. Hwy. 280, a mile east of I-65, and a mile south of I-20.

The building is constructed around the amenity courtyard on the fourth floor and the three-story parking garage, which is connected to the building for easy access for residents. The majority of the of amenities at the property are around the courtyard, except the dog run, which is on the third floor. The courtyard contains the pool, barbecue grills, and access to a tenant lounge and fitness center.

Morningstar DBRS toured several units, including a studio, one-bedroom, two-bedroom, and three-bedroom. The units showed well and were in great condition. All units featured 10-foot ceilings, stainless steel appliances, granite countertops, large windows, and in-unit washer/dryers. While the units were moderately sized, they were laid out in a manner that allowed for efficient use of the space. At the time of the inspection, the residential units were 78% leased, and the sponsor expressed there was a pickup in recent applications after the new year compared to Q4 2023, which is typical for this market. The retail units are street facing on the ground level with some units having the benefit of drive-thru lanes that are accessed by the surface level of the parking garage. Retail units that were built-out and in operation include Panda Express, CAVA, Milos, Great Clips, and Synovus Bank. The build out for Outback Steakhouse is nearly complete, and work has not commenced for the other leased units. Management reported the subject’s robust amenity package as the biggest differentiator from its competitors.

Morningstar DBRS NCF Summary

NCF Analysis					
	October 2023 T-12	Appraisal	Issuer Stabilized NCF	Morningstar DBRS NCF	NCF Variance (%)
GPR ($)	7,313,608	7,417,210	8,096,882	7,217,804	-10.9
Other Income ($)	957,250	3,098,279	3,074,564	2,478,126	-19.4
Vacancy & Concessions ($)	-4,212,460	-445,032	-404,844	-577,424	42.6
EGI ($)	**4,058,399**	**10,070,457**	**10,766,603**	**9,118,506**	**-15.3**
Expenses ($)	1,827,707	2,451,236	2,762,287	2,912,015	5.4
NOI ($)	**2,230,692**	**7,619,221**	**8,004,315**	**6,206,491**	**-22.5**
Capex ($)[1]	96,832	81,250	122,020	300,135	146.0
NCF ($)	**2,133,860**	**7,537,971**	**7,882,295**	**5,906,356**	**-25.1**

1. Capex includes Replacement Reserve and TI/LC reserve as there is commercial component in this property.

The Morningstar DBRS Stabilized NCF is based on the *Morningstar DBRS North American Commercial Real Estate Property Analysis Criteria*. The resulting Morningstar DBRS Stabilized NCF is $5,906,356, representing a variance of -25.1% from the Issuer's Stabilized NCF of $7,882,295.

The primary drivers of the variance were GPR and other income. Morningstar DBRS based the stabilized GPR on the average in-place rents from the November 2023 rent roll, limiting upside credit to actual leases signed between August and November 2023. In comparison, the Issuer based its stabilized GPR on recent leasing activity and factored in projected rent growth over the next few years. Morningstar DBRS generally based the stabilized other income on the T-12 figures adjusted for occupancy while the Issuer inflated the appraiser's prospective stabilized figures through Year 5 (2029).

Morningstar DBRS Viewpoint

The loan is collateralized by a Class A multifamily property in Birmingham and features 40,770 sf of retail space, which serves as an additional amenity to residents. The collateral is in an established neighborhood within the Birmingham CBD that benefits from close proximity to economic drivers in the downtown core and the surrounding MSA. The property is heavily influenced by the UAB campus less than a half mile to the south. Due to its central location and close proximity to prominent demand generators, the subject's neighborhood has become highly desirable in recent years, resulting in an influx of new development that has directly affected the collateral's performance.

As the collateral was recently built in 2022, the sponsor's business plan is to increase the residential occupancy and complete the construction of the commercial spaces in order to reach stabilization. As of the November 2023 rent roll, the residential portion of the property was 73.5% occupied; however, at the time of the Morningstar DBRS site inspection, management noted that residential units were 78% leased, illustrating the pre-development forecast leasing demand for the collateral. The commercial spaces have continued to see demand, and a majority of the leased space will be fully built out by late 2024. Morningstar DBRS contends that the sponsor and management company will be able to successfully lease up the property to a stabilized occupancy. As further support of the viability of the business plan, the sponsorship group also owns and operates the adjacent Phase I of 20 Midtown (not part of the loan collateral). Completed in 2017, Phase I consists of 111 residential units and ground floor retail, which reported occupancy of 95.0% and 100.0%, respectively. The residential component of Phase I is reportedly achieving rents of $1,989 per unit ($2.55 psf), which is above the Morningstar DBRS stabilized rent assumption for Phase II of $1,851 per unit ($2.42 psf).

The property exhibits strong market characteristics as it is in a Morningstar DBRS Market Rank 6, which reflect a densely populated market with a history of loans with low defaults and losses. Furthermore, Morningstar DBRS assigned a property quality of Average+ because of the exceptional unit finishes, common area amenities, and the recent build of the collateral. As a result of the market characteristics, moderate leverage, and property quality, the subject loan displays a lower-than-average expected loss within the collateral pool.

Woodside Central

Loan Snapshot

Seller
MF1
Ownership Interest
Fee
Trust Balance ($ million)
75.0
Loan PSF/Unit ($)
395,397
Percentage of the Pool
7.8
Fully Extended Loan Maturity/ARD
October 2028
Amortization
Interest-Only, Amortizing Balloon
Morningstar DBRS As-Is DSCR (x)
0.28
Morningstar DBRS Stabilized DSCR (x)
0.62
Morningstar DBRS As-Is Issuance LTV (%)
65.9
Morningstar DBRS Stabilized Balloon LTV (%)
62.6
Morningstar DBRS Property Type
Multifamily
Morningstar DBRS Property Quality
Above Average

Debt Stack ($ millions)

Trust Balance
75.0
Pari Passu
109.8
Remaining Future Funding
4.2
Mortgage Loan Including Future Funding
189.0
Loan Purpose
Refinance
Equity Contribution/(Distribution) ($ million)
(2.8)

Collateral Summary			
Morningstar DBRS Property Type	Multifamily	**Year Built/Renovated**	2023
City, State	Woodside, NY	**Physical Occupancy (%)**	61.5
Units/SF	478	**Physical Occupancy Date**	December 2023

This loan is secured by the borrower's fee-simple interest in Woodside Central, a 478-unit multifamily property in Queens, New York. Initial loan proceeds of $181.5 million along with $7.5 million of future funding will refinance $170.5 million of existing debt, fund a $10.0 million debt service reserve, repay a partner loan, cover closing costs, and fund upfront reserves. The three-year floating-rate loan has two, one-year extension options that are exercisable subject to the collateral's achievement of certain criteria set forth in the loan agreement. The loan is IO throughout the initial term and first extension option, and it amortizes on a 30-year schedule in the remaining extension options.

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

Unit Mix and Rents			
Unit Type	Units	Avg Unit Size (sf)	Rent/Month ($)
Studio - MR	90	472	2,650
One Bedroom - MR	178	643	3,234
Two Bedrooms - MR	66	909	4,192
Studio - Affordable	39	477	1,511
One Bedroom - Affordable	76	643	1,579
Two Bedrooms - Affordable	29	935	1,824
Total/WA	**478**	**652**	**3,176**

Soure: December 2023 rent roll.

As of the rent roll dated December 20, 2023, the residential collateral was 61.5% occupied. The market-rate units are 72.9% occupied and achieved a WA rental rate of $3,266 per unit. The sponsor estimates affordable units to range from $1,511 per unit for studios and $1,824 for two-bedroom units. While the affordable units are 7.6% occupied, they are subject to the NYC Housing Preservation and Development (HPD) tenant approval process, which often lengthens the initial lease-up process, although demand for affordable units significantly outweighs new supply. All units include in-unit washer/dryers, and there is also a shared laundry facility for larger items. Amenities at the property include a fitness center with a separate yoga room, media lounge, a storage room, bike storage, and additional tenant lounges. Both towers feature outdoor amenity space; the western tower has an outdoor terrace and the eastern tower has a rooftop deck.

Competitive Set							
Property	Location	Distance from Subject (Miles)	Units	Year Built/Renovated	Occupancy (%)	Avg. Rental Rate Per Unit ($)	Avg. Unit Size (SF)
69-65 Yellowstone Boulevard	Queens, NY	2.7	166	2023	98.0	4,269	792
The Elm West	Queens, NY	0.9	142	2017	98.0	2,891	736
90-02 Queens Boulevard	Queens, NY	1.3	144	1964/2017	99.0	2,696	665
91-09 Roosevelt Avenue	Queens, NY	1.2	150	2023	98.0	2,942	558
50-11 Queens Boulevard	Queens, NY	1.0	75	2019	98.0	3,587	722
46-02 70th Street	Queens, NY	0.1	74	2021	97.0	2,645	560
The Alexander	Queens, NY	1.6	314	2008	97.0	3,701	865
Total/WA Comp. Set	**Queens, NY**	**Various**	**1,065**	**Various**	**97.8**	**3,357**	**735**
Woodside Central	**Queens, NY**	**n/a**	**478**	**2023**	**61.5**	**3,176**	**652**

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

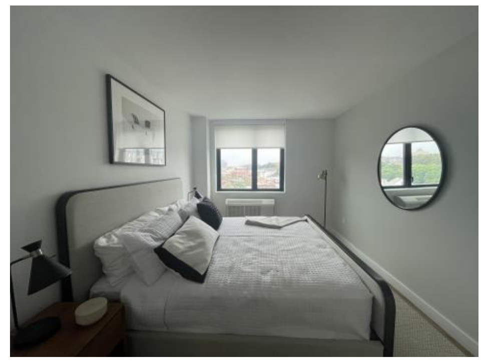
Sponsorship

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

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

Morningstar DBRS Analysis

Site Inspection Summary



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

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

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

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

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

Morningstar DBRS NCF Summary

NCF Analysis

	November 2023 T-3	Sponsor Budget Year 3	Appraisal Prospective Stabilized NCF	Issuer Stabilized NCF	Morningstar DBRS Stabilized NCF	NCF Variance (%)
GPR ($)	16,321,203	17,175,037	17,134,057	18,444,984	15,804,586	-14.2
Other Income ($)	449,695	1,531,389	1,471,309	1,470,431	1,206,251	-22.8
Vacancy & Concessions ($)	-12,080,831	-343,501	-853,495	-922,249	-1,011,097	9.8
EGI ($)	**4,690,067**	**18,362,925**	**17,751,871**	**18,993,166**	**15,999,740**	**-16.1**
Expenses ($)	1,402,668	3,977,159	6,821,933	4,060,998	4,546,757	9.4
NOI ($)	**3,287,399**	**14,385,766**	**10,929,938**	**14,932,168**	**11,452,983**	**-23.1**
Capex ($)	0	0	126,778	119,500	172,235	44.1
NCF ($)	**3,287,399**	**14,385,766**	**10,803,160**	**14,812,668**	**11,280,748**	**-23.8**

The Morningstar DBRS Stabilized NCF is based on the *Morningstar DBRS North American Commercial Real Estate Property Analysis Criteria*. The resulting Morningstar DBRS Stabilized NCF was $11,280,748 representing a -23.8% variance from the Issuer's stabilized NCF of $14,812,668. The primary drivers of the variance were GPR, expenses, and concessions. Morningstar DBRS concluded to a GPR based on the in-place rent roll with vacant market-rate units grossed up to in-place rents and vacant affordable units grossed up to the borrower's projected rents. Morningstar DBRS's expenses are based on the sponsor's budget inflated by 10.0%, while the Issuer utilized the appraiser's stabilized expenses. Morningstar DBRS concluded to concessions of 2.0%, and the Issuer did not assume any concessions in their stabilized cash flow.

Morningstar DBRS Viewpoint

The collateral is located within the Reis-identified submarket of Queens County, and more specifically, Woodside. Per Reis, the Queens County submarket is the second largest in the NYC market and has experienced an annualized inventory growth rate of 2.2% since Q3 2013, compared with the metro growth rate of 1.7% over the same period. As of Q3 2023, the submarket reported a 2.1% vacancy rate and an average rental rate of $3,543 per unit. While the collateral is one of the most recent deliveries to the micro-Woodside market, the greater Queens County submarket is expected to see a steady stream of new deliveries throughout 2024 and 2025 with 5,826 units anticipated, which amounts to 24.4% of the new construction in the New York City metro area. While Reis anticipates vacancy to drift upwards from the Q3 level of 2.1%, it is not expected to exceed 5.0%. Additionally, the collateral benefits from a Morningstar DBRS MSA 3 and Market Rank 6, two positive indicators of a lower expected loss profile when compared with properties in less densely developed areas that have experienced higher losses.

As of the rent roll dated December 20, 2023, the market-rate units were 72.9% occupied and the affordable units were 7.6% occupied. This represents a leasing velocity of over 13 units per month since the September 7, 2023 rent roll that was used in the MF1 2023-FL12 securitization. The affordable units are subject to NYC HPD tenant approval requirements, which can be a lengthy process; however, once approved the tenants generally stay longer and occupancy for affordable units is generally higher than market units. The leasing velocity represents an average of 58 leases per month, which would put the market-rate units on track to be fully occupied in the next two to three months. In addition to increasing occupancy across the residential units, the sponsor plans to reduce concessions. As of the July 2023 T-3, concessions were at 7.2%, or nearly one month free. Morningstar DBRS concluded to stabilized concessions of 2.0%, which is relatively in line with the Queens County submarket.

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

The loan has a relatively low As-Is LTV at 65.9%, compared with the other loans in the pool and benefits from its location within a Morningstar DBRS MSA Group 3 and Above Average property quality. As a result, the loan has an expected loss below the deal average.

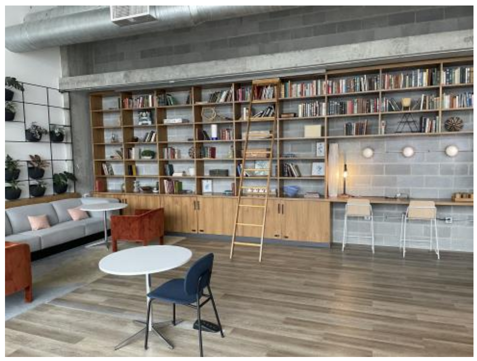
Kenect Nashville

Loan Snapshot

Seller	MF1
Ownership Interest	Fee
Trust Balance ($ million)	75.0
Loan PSF/Unit ($)	202,400
Percentage of the Pool	7.8
Fully Extended Loan Maturity/ARD	November 2028
Amortization	Interest-Only, Amortizing Balloon
Morningstar DBRS As-Is DSCR (x)	0.50
Morningstar DBRS Stabilized DSCR (x)	0.63
Morningstar DBRS As-Is Issuance LTV (%)	69.7
Morningstar DBRS Stabilized Balloon LTV (%)	67.7
Morningstar DBRS Property Type	Multifamily
Morningstar DBRS Property Quality	Average+

Debt Stack ($ millions)

Trust Balance	75.0
Pari Passu	14.3
Remaining Future Funding	11.9
Mortgage Loan Including Future Funding	101.2
Loan Purpose	Refinance
Equity Contribution/(Distribution) ($ million)	9.7



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Collateral Summary			
Morningstar DBRS Property Type	Multifamily	**Year Built/Renovated**	2020
City, State	Nashville, TN	**Physical Occupancy (%)**	84.8
Units/SF	420	**Physical Occupancy Date**	September 2023

This loan is secured by the borrower's fee-simple interest in a 420-unit, Class A high-rise apartment building about two miles west of downtown Nashville, Tennessee. Situated on a 1.2-acre site, the property consists of a single, 14-story apartment building, a single six-story garage building, 23,079 sf of ground-floor retail space, and 16,000 sf of coworking space that was constructed in 2020 by the sponsor. As of the September 8, 2023, reporting, the residential portion of the property was 84.8% occupied, the commercial space was 100% leased, and the co-working portion had a 33.9% economic occupancy rate. The sponsor's business plan for the subject is the lease up of the multifamily component to a stabilized occupancy of 90%, complete the buildout of the retail component, and stabilize the coworking component. The initial loan proceeds of $88.7 million along with $9.7 million of borrower equity refinanced $36.6 million of existing debt, paid off a partnership loan of $55.0 million, funded shortfall reserves, and covered closing costs. The loan is structured with up to $12.5 million of future funding, which will facilitate the borrower's capex budget of $1.9 million, fund TI/LC reserves of $2.0 million, and fund additional shortfall reserves. The sponsor will have more than $51.0 million of equity remaining in the transaction. The floating-rate loan is IO throughout the initial two-year term and first extension option and amortizes on a 30-year schedule in the second and third extension options, if exercised.

Common area amenities include a pool, fitness center, community workspace, community garden, and a 24-hour community kitchen. Units feature stainless-steel appliances, in-unit washers and dryers, floor-to-ceiling windows, and tech-enabled smart-home features. Select units feature an outdoor terrace. The unit mix predominantly consists of studios and one-bedroom units, but there are 40 three-bedroom units available to rent by-the-bed. The 40 three-bedroom units are counted and leased by management as 120 separate furnished "co-living" units where each tenant signs a separate lease; as a result, management shows 500 units on their rent roll. Over 200 of the 420 units are offered as furnished and Belmont University master leases 84 of the furnished units until June 2024. Please refer to the table below for information on the unit mix.

Unit Mix and Rents

Unit Type	Units	Avg Unit Size (sf)	Rent/Month ($)
Studio	246	363	1,873
One Bedroom	134	569	2,297
Three Bedroom[1]	40	1,148	4,832
Total/WA	**420**	**503**	**2,290**

1. The 40 three-bedroom units are counted and leased by management as 120 separate furnished "co-living" units, and are leased by the bed.
Source: September 2023 rent roll.

The appraiser identified five apartment buildings within 1.6 miles of the subject that compete with it for prospective residential tenants. The comparable properties have an average year built of 2019, which is in line with subject's vintage of 2020. The collateral's average rent of $2,290 per unit is considerably lower than the competitors' WA rent of $2,911 per unit due to significantly smaller unit sizes. Additionally, the unit sizes are substantially smaller than the Reis-designated Downtown/West End/Green Hills submarket, which has an average studio at 527 sf compared with the collateral at 363 sf, the one-bedroom average at 775 sf compared with 569 sf for the collateral, and the three-bedroom average at 1,418 sf compared with 1,148 sf for the collateral. Per management, smaller unit sizes are in line with Kenect's vision of "efficient" apartments to young professionals. Please see the table below for additional information on the competitive properties identified by the appraiser.

Competitive Set

Property	Location	Distance from Subject (Miles)	Units	Year Built/ Renovated	Occupancy (%)	Avg. Rental Rate Per Unit ($)	Avg. Unit Size (SF)
The Morris Apartments	Nashville, TN	315 ft	344	2018	96.0	2,508	785
Sentral SoBro	Nashville, TN	1.6 mi	299	2021	94.0	2,803	900
Fallyn	Nashville, TN	0.1 mi	311	2022	69.0	4,376	1,170
Skyhouse Nashville	Nashville, TN	0.3 mi	352	2017	93.0	2,649	783
Residences at Aertson	Nashville, TN	0.2 mi	350	2017	94.0	2,361	917
Total/WA Comp. Set	**Various**	**Various**	**1,656**	**Various**	**89.5**	**2,911**	**906**
Kenect Nashville	**Nashville, TN**	**n/a**	**420**	**2020**	**84.8**	**2,290**	**503**

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

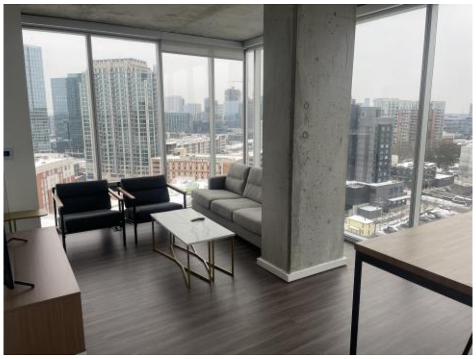
Sponsorship

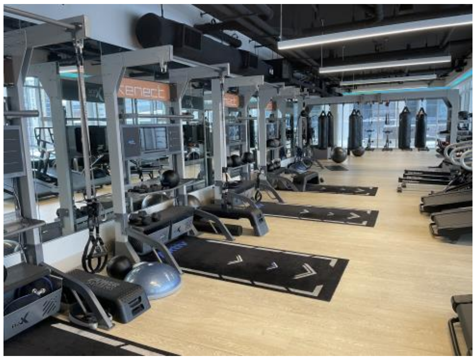
The sponsors for this transaction is Akara Partners. The sponsor's limited partner in the transaction is a is a joint venture between Daiwa House Industry Co. and Mitsubishi HC Realty Capital. Founded in 1955, Daiwa House is Japan's largest homebuilder, specializing in prefabricated houses. Their U.S. operations focus on establishing joint ventures and local subsidiaries to build, operate, and manage rental housing for expatriates. Akara Partners is a vertically integrated real estate investment firm that combines investment management, development, and advisory services. Akara Partners has developed 3,900 multifamily units, with $1.5 billion of real estate currently in development. Akara established the Kenect brand, which aims to provide serviced apartments for young professionals, and has previously developed or delivered five Kenect-branded properties in Phoenix, Chicago, Cleveland and Denver. Per Kenect's website, there are only two assets currently operating under the Kenect brand, which include the subject and a property Phoenix.

The property will be managed by, Kenect Living LLC, a sponsor-affiliated management company, for a contractual rate of 3.0%.

Morningstar DBRS Analysis

Site Inspection Summary





Morningstar DBRS toured the property on Thursday, January 18, 2024, at 10:00 a.m. Based on the site inspection and management tour, Morningstar DBRS found the property to be Average +.

Kenect Nashville is located in the heart of midtown Nashville, and adjacent to lower Broadway, which is home to the world-renowned Music Row. The collateral benefits from close proximity to Broadway as it provides good accessibility to downtown Nashville, which is about two miles west of the property. The property is surrounded by strong demand drivers such as Vanderbilt University, Belmont University, and Medical Center. Located in a fairly busy neighborhood, the property has prominent signage, a modern design, and large glass windows, which improves the curb appeal of the property. Morningstar DBRS observed that along with many restaurants and hotels, there was also a significant number of newly constructed mid- to high-rise apartment buildings in the immediate surrounding area of the collateral that compete directly with the property and were prominently marketing vacant units for lease. Additionally, there was a significant amount multifamily developments under construction in the blocks surrounding the asset that will also directly compete with the asset.

The exterior of the building is modern with transparent glazing walls, and a green roof system with rooftop amenities, such as a pool with sun shelf and cabanas, a barbeque area, a vegetable garden, and a dog park. The roof deck offers impressive views of the city. The property offers a wide range of amenities as residents have access to a well-equipped fitness center, clubhouse, concierge, and community kitchen. Morningstar DBRS found the amenities to be in excellent condition with a modern and sleek design.

During the property tour, the ground-level retail spaces were visibly under construction. Per management, the tenants are currently building out their spaces and intend to open by fall 2024. The property also features 16,000 sf of co-working area on floors 2, 3, and 4. The area offers float desks, dock desks, and office pods. Co-working amenities include a full kitchen, complimentary coffee, and a meditation room. Residential tenants pay an annual amenity fee, which provides access to a floating desk; nonresidents may purchase a monthly membership and nonresident coworking members have access to all the amenities of the residential tenants. Per management, this has not hindered the lease-up of the asset and provides a community feel. Morningstar DBRS noticed that most desks and reserved office spaces in the co-working area were vacant. Additionally, management noted that the coworking occupancy has average 15.0% historically.

Morningstar DBRS inspected three vacant units at the subject: a studio, a one-bedroom, and a three-bedroom unit. The units generally showed well, and were in seemingly new condition; however, they were noticeably small. Each unit had floor-to-ceiling windows, which provided good natural lighting and an open-concept feel. The ceilings of the units had a painted drywall texture, creating a modern aesthetic. Kitchens featured stainless-steel appliances, white cabinetry, and a countertop that opened into the living space. Bedrooms had spacious walk-in closets and vinyl plank flooring. Bathrooms were of a good size and featured walk-in showers. Units are also equipped with a washer/dryer set. While the studio and one-bedroom unit had efficient layouts, the three-bedroom unit had an awkward layout as a result of a large cement column in the living room. Furthermore, the bedrooms in the one- and three-bedroom units were small and would be unable to fit a queen size bed or larger. Per management, currently 80% of units are leased as furnished, and they plan to offer 100% of units as furnished in the future due to the smaller unit sizes at the property not accommodating traditional and/or larger furniture where the smaller furniture featured at the property was specifically designed for the property's smaller units to maximize space. For instance, the furnished studio unit featured a murphy bed that folded down over the couch. Management also noted that about 200 units are currently leased by Belmont University. When asked about the extended lease-up of the property, management noted the slow lease-up was a result of the coronavirus pandemic.

Morningstar DBRS NCF Summary

NCF Analysis

	July 2023 T-12	Appraisal	Issuer NCF	Morningstar DBRS NCF	NCF Variance (%)
GPR ($)	11,262,088	11,704,372	12,756,865	11,429,236	-10.4
Other Income ($)	1,645,806	3,165,891	3,694,593	2,833,144	-23.3
Vacancy & Concessions ($)	-3,226,354	-848,567	-1,052,441	-1,943,873	84.7
EGI ($)	**9,681,540**	**14,021,696**	**15,399,017**	**12,318,507**	**-20.0**
Expenses ($)	5,982,725	5,341,279	6,502,950	6,192,572	-4.6
NOI ($)	**3,698,815**	**8,680,417**	**8,896,066**	**6,125,935**	**-31.1**
Capex ($)	0	85,251	168,000	213,116	26.9
NCF ($)	**3,698,815**	**8,595,166**	**8,728,066**	**5,912,819**	**-32.3**

The Morningstar DBRS NCF is based on the *Morningstar DBRS North American Commercial Real Estate Property Analysis Criteria*. The resulting Morningstar DBRS stabilized NCF for the subject was $5,912,819, representing a variance of -32.3% from the Issuer's stabilized NCF of $ $8,728,066. The primary drivers of the variance were GPR and TI/LCs. Morningstar DBRS based the stabilized GPR on the average in-place rents from the September 2023 rent roll. Meanwhile, the Issuer factored in projected rent growth over the next few years in their Stabilized GPR figure. Morningstar DBRS generally based the stabilized TI/LCs on a blend appraiser's assumptions and actual TIs offered at the property while the Issuer did not assume any TI/LCs on the commercial space.

Morningstar DBRS Viewpoint

The loan is secured by a multifamily property that features 420 units (500 beds) with 23,079 of ground-floor retail space and 16,000 sf of coworking space in a prime location in downtown Nashville near Music Row. Even with a master lease to Belmont University (20.0% of units or 19.2% of beds) and attractive quality, the property has yet to reach a stabilized occupancy since being delivered in early 2020. While the Nashville MSA has been ranked as one of the largest metros in terms of job and population growth in the nation over the past 10 years, this has been accompanied by a large influx of new multifamily development. The Reis Downtown/West End/Green Hills submarket is the largest in the Nashville market with 52.0% of the inventory coming from properties built between 2010—19 and 34.0% being built after 2019. The development pipeline is expected to remain high over the next few years, as Reis expects a total of nearly 8,000 of new deliveries by 2028 with more than 4,700 in 2024 and 2025. The largest amounts of new developments in the submarket resulted in an inflated vacancy of 16.9% for the submarket in Q3 2023, with properties built after 2019 exhibiting a vacancy rate of 27.6% in November 2023. While net new household formation will facilitate higher absorption rates, overall vacancy rates are projected to remain elevated over the next few years with an estimated vacancy of 11.4% by 2025 and 8.9% by 2028. Although vacancy will remain elevated, the submarket is expected to benefit from a projected average annual rental rate growth of 3.4% through the same period, per Reis.

Morningstar DBRS believes that the collateral will face some challenges remaining competitive largely due to their substantially smaller units, which are between 19% and 32% smaller than the submarket, and the collateral's relatively niche target market by primarily offering furnished units as well as "co-living" units. Per management, "co-living" units are leased by bed, and they offer to match tenants with roommates. Additionally, if Belmont University does not extend their master lease (20.0% of units) in 2024, management will face significant headwinds maintaining high occupancy as well as higher rents amidst addition of Class A multifamily apartments in the market, due to the unique product offering of the subject.

The sponsor's business plan is to increase the residential occupancy, complete the construction of the commercial spaces, and bring the coworking membership utilization to 70.0% in order to reach stabilization. The commercial spaces, leased to Ichiddo Ramen, Twin Peaks and Nacho Daddy, are anticipated to open for business in 2024. The sponsor's lease-up play is relatively low-risk in terms of business plan execution. However, the drastic increase of new supply is the primary risk to the collateral's ability to lease up to a stabilized occupancy rate for the multifamily component and the saturated coworking offerings will hinder the collateral's ability to increase membership. The collateral may quickly find itself outpaced by amenity offerings within its competitive set as new properties with superior amenities become available. Morningstar DBRS concluded to a 12.0% vacancy rate, which is based on the Reis submarket forward looking five-year average vacancy rate and takes the new supply into account. Morningstar DBRS has concluded a stabilized GPR in line with the property’s current projected market rents because no additional capex is being injected into the property to improve the overall quality to differentiate it from competition or new developments.

The property is in MSA Group 0 and Morningstar DBRS Market Rank 6, two beneficial geographic metrics. While the Morningstar DBRS As-is LTV of 69.7% reflects a high leverage point, when compared with seven CRE CLO loans in a five-mile radius that have been securitized since 2021, Morningstar DBRS As-is LTV indicates a more elevated leverage loan, which has an average Issuance LTV of 65.6%.

Wyvernwood Gardens

Loan Snapshot

Seller	MF1
Ownership Interest	Fee
Trust Balance ($ million)	70.0
Loan PSF/Unit ($)	140,280
Percentage of the Pool	7.2
Fully Extended Loan Maturity/ARD	July 2028
Amortization	Interest-Only, Amortizing Balloon
Morningstar DBRS As-Is DSCR (x)	0.80
Morningstar DBRS Stabilized DSCR (x)	0.82
Morningstar DBRS As-Is Issuance LTV (%)	70.7
Morningstar DBRS Stabilized Balloon LTV (%)	62.5
Morningstar DBRS Property Type	Multifamily
Morningstar DBRS Property Quality	Below Average

Debt Stack ($ millions)

Trust Balance	70.0
Pari Passu	93.1
Remaining Future Funding	1.7
Mortgage Loan Including Future Funding	164.8
Loan Purpose	Refinance
Equity Contribution/(Distribution) ($ million)	2.2

Collateral Summary			
Morningstar DBRS Property Type	Multifamily	**Year Built/Renovated**	1939
City, State	Los Angeles, CA	**Physical Occupancy (%)**	96.3
Units/sf	1,175	**Physical Occupancy Date**	September 2023

The loan is secured by the borrower's fee-simple interest in Wyvernwood Garden, a 1,175-unit multifamily complex in Los Angeles. Whole-loan proceeds of $164.8 million, split between a $70.0 million trust balance, $93.1 million of pari passu, and $2.0 million of future funding, plus $2.2 million of sponsor equity, were used to pay off an existing debt of $154.5 million, fund a $3.0 million interest reserve, fund a reserve for immediate repairs, and cover remaining closing costs. A $77.5 million pari passu piece of this loan was previously securitized in the MF1 2023-FL12 transaction. The five-year fully extended loan has a two-year initial term with three one-year extension options. Based on the appraiser's as-is and stabilized values of $233.0 million and $263.8 million, the resulting whole loan as-is and stabilized LTVs are 70.7% and 62.5%, respectively.

The property has been financed with fixed-rate CMBS debt in the past. This transaction will mark the property's fourth five-year term CBMS financing over the last 15 years. The Sponsor plans to exit through another CMBS loan when market conditions improve. The Sponsor will provide $2.2 million in equity at closing.

Built in phases in 1939, 1963, and 1964, the subject was one of the first garden-style multifamily complexes in the country. As of September 2023, the subject was 96.3% occupied. The property features the four unit types listed in the table below. Unit interiors are dated, offering black and white appliance packages and vintage cabinetry. There are no common area amenities offered to tenants at this property.

Unit Mix and Rents

Unit Type	No. of Units	Avg. Unit Size (sf)	Rent/Mo. ($)
Studio	22	300	1,171
1 Bedroom	443	613	1,180
2 Bedroom	634	830	1,410
3 Bedroom	76	1,122	1,715
Total/WA	**1175**	**757**	**1,340**

Source: September 2023 rent roll..

Competitive Set

Property	Location	Distance from Subject (Miles)	Units	Year Built/ Renovated	Occupancy (%)	Avg. Rental Rate Per Unit ($)	Avg. Unit Size (sf)
Woodbridge Village Apartments	Los Angeles, CA	5.4	208	1966	98.0	1,595	541
Mediterranean Apartments	Whittier, CA	16.4	257	1970	92.0	1,900	725
Gloria Homes Apartments	Los Angeles, CA	9.0	423	1951	98.0	2,118	650
1724 Workman Street	Los Angeles, CA	3.1	63	1966	100.0	1,932	550
Monterey Gardens	Monterey Park, CA	5.6	152	1948	100.0	1,031	700
1310 South Wilton Place	Los Angeles, CA	6.9	48	1927	n/a	1,550	500
Total/WA Comp. Set	**Various**	**Various**	**1,151**	**Various**	**92.9**	**1,797**	**642**
Wyvernwood	**Los Angeles, CA**	**n/a**	**1,175**	**1939**	**96.3**	**1,340**	**613**

Source: Appraisal.
Avg. Rental Rate Per Unit and Avg. Unit Size based on 1 Bedroom/1 Bath units.

Sponsorship

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

Morningstar DBRS Analysis

Site Inspection Summary

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

Wyvernwood is a massive multifamily compound located just a few minutes south by car from Downtown Los Angeles, the Arts District, and Skid Row. The 1,175-unit apartment complex includes 151 buildings all connected by weaving sidewalks, roads, and dirt/gravel paths. The overall quality of the grounds was poor at the time of the inspection. Concrete sidewalks and parking lots are severely cracked and in need of repair. Many paths throughout the property are simply carved dirt or sand patches where the grass used to grow, some of these are due to soil remediation project done in the summer of 2022 by the city which has been closed. On the lawns and in the spaces between the buildings, tenants have placed countless personal items including grills, couches, chairs, tents, and many other items, some of which appear to be discarded or broken. A few vacant units were also observed to have what appeared to be temporary plywood covering windows. *Since Morningstar DBRS inspected the property, a number of these issues have been addressed or will be addressed within the coming months, particularly the concrete and asphalt repairs. Within the $139,780 upfront immediate repairs reserve, approximately $50,000 has been allocated to address concrete and asphalt repairs.*

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

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

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

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

Morningstar DBRS NCF Summary

NCF Analysis					
	September 2023 T-12	Appraisal	Issuer NCF	Morningstar DBRS NCF	NCF Variance (%)
GPR ($)	19,053,544	24,327,354	24,535,473	20,477,945	-16.5
Other Income ($)	1,619,902	2,270,587	2,171,120	1,708,275	-21.3
Vacancy & Concessions ($)	-1,717,225	-1,216,368	-1,226,773	-1,228,677	0.2
EGI ($)	**18,956,221**	**25,381,573**	**25,479,820**	**20,957,542**	**-17.7**
Expenses ($)	7,200,175	11,239,524	9,384,126	9,572,666	2.0
NOI ($)	**11,756,046**	**14,142,049**	**16,095,694**	**11,384,876**	**-29.3**
Capex ($)	0	293,750	411,250	293,750	-28.6
NCF ($)	**11,756,046**	**13,848,299**	**15,684,444**	**11,091,126**	**-29.3**

The Morningstar DBRS Stabilized NCF is based on the *Morningstar DBRS North American Commercial Real Estate Property Analysis Criteria*. The resulting Morningstar DBRS Stabilized NCF was $11,091,126, representing a variance of -29.3% from the Issuer's stabilized NCF.

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

Morningstar DBRS Viewpoint

The property is located near Downtown Los Angeles, part of the Los Angeles-Long Beach-Santa Ana Metro Statistical Area (MSA). The MSA is considered to be generally affluent, but many of the areas located closer to downtown have lower rental rates and more low-income housing. As noted in the Asset Summary Report (ASR), the 2022 median household income in a one-mile radius of the property is approximately $52,000. The East LA/Alhambra/Montebello/Pico Rivera submarket, as noted by Reis, has seen some softening in the last year. Rental rates have still increased, but not at the same rate as prior years. The submarket vacancy is up to 2.8% in Q3 2023 as opposed to 2.2% in Q1 2022. The average rental rate in the submarket for Q3 2023 was $2,047, which is slightly above the property's current performance.

As noted by the appraiser's competitive set, the subject achieves a superior rental rate and occupancy compared with similar vintage properties in the area. The comparables set average rental rate of $1,797 (based on one-bedroom units) and average occupancy of 92.9% are well below the subject's average rental rate and occupancy of $2,221 and 98.1%, respectively. It is important to note that the properties in the appraiser's competitive set range in size from 48 units to 423 units, compared with the subject, which boasts 1,175 units.

The quality of the property is a primary concern. While the subject has an impressive track record of high occupancy and rental rates, the site inspection revealed the external condition of the property was in need of repair and better management. The sidewalks and parking lots are damaged, the fixtures are also in need of repair, and the accumulation of trash and tenants' belongings throughout the property should be addressed. While there are no major capital plans in the near future to address these issues, as of loan closing in July 2023, the sponsor reserved $141,000 for immediate repairs noted in the property condition report. The sponsor has also owned the property for more than 20 years, and has recently brought in new management to address these concerns.

The loan benefits from consistent sponsorship and a solid track record of performance. The property has averaged 98.0% occupancy since 2018, and this transaction marks the fourth five-year CMBS loan on this property. All prior loans have been paid in full and had no noted delinquencies throughout the loan terms.

There is no significant business plan incorporated with this transaction. There is a $3.0 million upfront interest reserve and an additional $1.7 million of future funding remaining. The future funding will be used to cover the $141,000 of deferred maintenance, and the remainder will be a deferred maintenance reserve periodically over the life of the loan. For this reason, Morningstar DBRS has modeled with a low business plan score of 1.53.

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

Bella Encanta

Loan Snapshot

Seller	MF1
Ownership Interest	Fee
Trust Balance ($ million)	59.4
Loan PSF/Unit ($)	311,321
Percentage of the Pool	6.1
Fully Extended Loan Maturity/ARD	January 2029
Amortization	Interest-Only, Amortizing Balloon
Morningstar DBRS As-Is DSCR (x)	0.43
Morningstar DBRS Stabilized DSCR (x)	0.83
Morningstar DBRS As-Is Issuance LTV (%)	66.8
Morningstar DBRS Stabilized Balloon LTV (%)	65.0
Morningstar DBRS Property Type	Multifamily
Morningstar DBRS Property Quality	Average+

Debt Stack ($ millions)

Trust Balance	59.4
Pari Passu	0.0
Remaining Future Funding	6.6
Mortgage Loan Including Future Funding	66.0
Loan Purpose	Refinance
Equity Contribution/(Distribution) ($ million)	(5.5)

Collateral Summary			
Morningstar DBRS Property Type	Multifamily	**Year Built/Renovated**	2023
City, State	Mesa, AZ	**Physical Occupancy (%)**	63.2
Units/SF	212	**Physical Occupancy Date**	November 2023

This loan is secured by the borrower's fee-simple interest in Bella Encanta, a Class A, 212-unit multifamily property in Mesa, Arizona. Initial loan proceeds of $59.4 million ($280,189 per unit) along with $6.6 million ($31,132 per unit) of future funding will refinance $48.9 million ($230,895 per unit) of existing debt, fund two interest shortfall reserves totaling $3.2 million, cover the estimated closing costs of $2.5 million, fund the remaining cost to complete construction, cover the cost to make down units rentable, and return $5.5 million of cash equity to the sponsor. The total debt service shortfall reserve is projected to cover approximately 18 months of debt service shortfalls, providing ample time for the property to reach stabilized operations. The loan is also structured with two $2.5 million earnouts ($5.0 million in total earnout funds) that the sponsor may achieve at various performance hurdles, including (1) 75.0% physical occupancy for three consecutive months at the sponsor's pro forma rents, concessions, and expenses and (2) 90.0% physical occupancy at the sponsor's pro forma rents and concessions as well as a 7.0% debt yield for three consecutive months. Based on its Stabilized NCF analysis, which assumes a 92.8% physical occupancy and results in a debt yield of 7.5%, Morningstar DBRS expects the sponsor to achieve both earnouts. The two-year floating-rate loan is structured with three 12-month extension options that are exercisable upon the collateral's satisfaction of, among other criteria, certain debt yield and DSCR hurdles set forth in the initial loan agreement. Additionally, the sponsor is required to pay an extension fee equal to 0.25% of the loan amount for each of the second and third extension terms, as well as to purchase a replacement interest rate cap for the applicable extension term. The loan is IO throughout the initial term and the first extension term and then amortizes on a 30-year schedule for the remaining two extension terms. As a result of the refinancing, the sponsor will retain nearly $21 million of cash equity in the transaction after the return of equity and achievement of the projected earnouts.

The collateral was delivered in early 2023 and comprises 212 market-rate rental units spread across 30.5 acres, resulting in a relatively low density of nearly seven units per acre. The build-to-rent property consists of 106 individual buildings that are configured as duplexes, offering five different unit configurations that range from two-bedroom units to five-bedroom units. Unit sizes range from 1,200 sf to 2,300 sf with an average of approximately 1,850 sf. All of the residential units, as well as the clubhouse, have received certificates of occupancy, excluding the two down units.

Unit Mix and Rents

Unit Type	Units	Avg Unit Size (sf)	Rent/Month ($)
Two Bedroom	70	1,234	2,328
Three Bedroom	60	1,933	2,684
Four Bedroom	62	2,302	3,082
Five Bedroom	20	2,337	3,172
Total/WA	**212**	**1,848**	**2,749**

Source: November 2023 rent roll.

As of the rent roll dated November 28, 2023, the collateral was 63.2% physically occupied. The average occupied rent across all five unit types was $2,749 per unit. All units include a video doorbell, 9- or 10-foot ceilings with lighted ceiling fans, wood-style vinyl flooring, gourmet island kitchen with pull-down faucets and granite countertops, modern cabinetry with hardware, stainless-steel appliances with gas range, recessed and pendant lighting fixtures, walk-in closets, full-size washer and dryer units, garage bays, and private patio areas with a fenced yard. Common amenities include a gated entry, clubhouse, fitness center, conference room, resort-style pool and spa, cabanas with fireplace and TVs, pickleball courts, sand volleyball courts, basketball court, barbecue areas, playground, two pet parks with grooming station, EV charging stations, and attached two-car garages. The appraisal report identified eight competitive properties within the market that are considered directly competing with the subject property. Please see the table below for more information.

Competitive Set

Property	Location	Distance from Subject (Miles)	Units	Year Built/ Renovated	Occupancy (%)	Avg. Rental Rate Per Unit ($)	Avg. Unit Size (SF)
Tavalo at Cadence	Mesa, AZ	6.7	197	2022	89.0	1,904	898
Hampton Meridian	Apache Junction, AZ	2.7	195	2022	93.0	1,930	1,009
Hampton East	Mesa, AZ	0.1	143	2018	97.0	1,815	968
San Stefano Townhomes	Chandler, AZ	18.7	42	2022	98.0	2,414	1,523
BB Living at Val Vista	Gilbert, AZ	15.3	217	2019	98.0	2,657	1,816
The Reserve at Eastmark	Mesa, AZ	6.8	132	2020	94.0	2,532	1,806
St. Moritz Residences	Chandler, AZ	20.2	31	2023	94.0	2,747	1,907
Higley Park	Gilbert, AZ	11.2	150	2013	93.0	2,233	1,774
Total/WA Comp. Set	**Various, State**	**Various**	**1,107**	**Various**	**94.1**	**2,207**	**1,385**
Bella Encanta	**Mesa, AZ**	**n/a**	**212**	**2023**	**63.2**	**2,749**	**1,848**

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

Sponsorship

The sponsor for this transaction, Bela Flor Holdings, LLC (Bela Flor), is an Arizona-based real estate development company with more than 15 years of experience in developing single-family and multifamily residential communities throughout the Phoenix MSA. The company has three business verticals: built-to-rent, built-for-sale, and land development. Over the last five years, Bela Flor has developed 1.2 million sf and 975 units across 10 communities, all of which are either complete or in vertical construction. The sponsor is heavily invested in the Mesa market, specifically the area just north of Route 60 where the company acquired 195 acres of land from various institutional investors between 2014 and 2018. The sponsor disclosed an ongoing litigation in connection with a minority investment in an early-stage company that defaulted on its debt. This investment was not related to the sponsor's real estate business and the guarantor is not personally liable for any judgment that may arise from the case. Additionally, the sponsor was required to post a litigation bond in the amount of $444,402, which would cover total damages and attorney fees that could be awarded under the trial court's ruling. Considering the sponsor's real estate experience and financial wherewithal, Morningstar DBRS modeled the sponsorship strength as Average.

The property manager for the subject collateral is MEB Management Services (MEB), a third-party property management firm with more than 25,000 units under management in Arizona, New Mexico, Texas, and Tennessee. Founded in 1998, MEB currently manages more than 60 assets in the Phoenix MSA, including the sponsor's other built-to-rent asset, Bela Victoria. The property manager charges a contractual fee of 3.0%.

Morningstar DBRS Analysis

Site Inspection Summary

Morningstar DBRS toured the interior and exterior of the property on January 16, 2024, at 11:00 a.m. Based on the site inspection and management meeting, Morningstar DBRS found the property quality to be Average+.

The property is on Hampton Avenue in Mesa, approximately 30 miles east of Phoenix. Hampton Avenue is accessed via Crismon Road, a prominent north/south thoroughfare that offers a plethora of commercial and retail services, including a local medical center, several national big box retailers, fast-food restaurants, and other multifamily communities. There are two new multifamily developments adjacent to the subject property. One development across the street and just north of the property is very similar in construction style and set-up, but management noted that the subject property's units are larger than those of most of the competitors. Crismon Road also connects the property to Highway 60, which runs parallel to the collateral and is accessible less than a mile away. Highway 60 is the main artery to reach downtown Phoenix and Phoenix Sky Harbor International Airport.

The collateral sits on 30.5 acres and consists of 106 residential buildings and one leasing office/clubhouse. The property is constructed in a townhouse-style with two-, three-, four-, and five-bedroom units averaging in size from 1,234 sf to 2,337 sf. The exterior construction consists of wood framing with painted stucco, all in cool-toned, light, neutral colors. All units offer access to an attached two-car garage and private patio areas. Consistent with newly built, Class A complexes, the property is highly amenitized with a conference room/business center, fitness center and spa, pickleball courts, sand volleyball courts, basketball court, swimming pool with cabanas, grills, and two dog parks. At the time of Morningstar DBRS' tour, two units in one building were under construction after having sustained significant damage from an on-site fire, which resulted in the units being unrentable. These two units are expected to receive their temporary certificate of occupancy at the end of January 2024. Aside from the down units, the remaining units were in prime condition and ready to be leased.

Morningstar DBRS toured the model unit, a two-bedroom unit, and a five-bedroom unit. The two-bedroom units are the only floor plan available in single-story buildings, while the other unit types span two floors as they are configured as duplexes. The units have vinyl faux wood flooring throughout and cream-colored walls. The kitchens are furnished with white, shaker-style cabinets; granite countertops; and stainless-steel appliances. All units have full-size washers/dryers and larger units include a walk-in closet/laundry room. The bedrooms are spacious enough for a queen-sized bed and the closet sizes vary depending on the bedroom and floor plan. The bathrooms are relatively uniform in their finishes with white countertops and dark wood vanities. Overall, the improvements appeared in good condition, given the new finishes of the interiors, comprehensive amenity package, attractive curb appeal, and lack of visible deferred maintenance. Additionally, the unit sizes were generous and are well-suited for both families and retirees alike.

Morningstar DBRS NCF Summary

NCF Analysis					
	October 2023 T-6	Appraisal	Issuer NCF	Morningstar DBRS NCF	NCF Variance (%)
GPR ($)	6,984,800	7,165,200	8,046,636	6,953,355	-13.6
Other Income ($)	161,855	451,000	503,656	450,053	-10.6
Vacancy & Concessions ($)	-5,527,236	-394,086	-643,731	-604,332	-6.1
EGI ($)	**1,619,419**	**7,222,114**	**7,906,561**	**6,799,076**	**-14.0**
Expenses ($)	922,801	1,592,935	1,814,933	1,649,839	-9.1
NOI ($)	**696,618**	**5,629,179**	**6,091,628**	**5,149,237**	**-15.5**
Capex ($)	0	42,400	53,000	106,000	100.0
NCF ($)	**696,618**	**5,586,779**	**6,038,629**	**5,043,237**	**-16.5**

The Morningstar DBRS Stabilized NCF is based on the *Morningstar DBRS North American Commercial Real Estate Property Analysis Criteria*. The resulting Morningstar DBRS Stabilized NCF was $5,043,237, representing a -16.5% variance from the Issuer's Stabilized NCF of $6,038,629. The primary drivers were gross potential rent, replacement reserves, and economic vacancy. Morningstar DBRS assumed a gross potential rent based on the November 28, 2023, rent roll provided. The concluded gross potential rent was nearly $7.0 million for both the As-Is and Stabilized scenarios, equating to an average rental rate of $2,733 per unit. Replacement reserves were set at $500 per unit because of the built-to-rent nature of the product, which is often more capital intensive than conventional multifamily properties. Morningstar DBRS concluded to an economic vacancy of 8.7%, which consists of a 6.0% physical vacancy, 0.5% for bad debt, and 2.2% in concessions. The 6.0% physical vacancy rate is based on the appraisal competitive set, which shows an average occupancy rate of 94.5%; properties with an average unit size more than 1,700 sf had a vacancy rate of 4.5%. Bad debt is based on the appraiser's stabilized figure of 0.5% of GPR, while concessions are based on the Reis submarket, which amounts to about a half-month of free rent with Morningstar DBRS assuming a 50.0% renewal probability.

Morningstar DBRS Viewpoint

The collateral is located within the Reis-identified submarket of East Mesa. The submarket saw a peak of inventory growth between 2021 and 2023 and is now expected to see an increase of 1.5% in 2024 compared with the Phoenix market inventory growth of 2.1% during the same period. As of Q3 2023, the submarket reported an average vacancy rate of 7.2% and an average rental rate of $1,608 per unit. The Phoenix market showed a lower vacancy rate of 6.3%, but also exhibited a lower average asking rent of $1,578 per unit in the same period. Although the submarket has seen negative absorption trends recently, it is expected that net absorption will trend positively in the coming 12 to 18 months, even as new supply is delivered. According to Reis, the East Mesa submarket reported 1,542 unit completions in 2023, a 10.7% growth rate from the existing inventory of 14,377 units. Reis projects the submarket will receive 586 new units over 2024–25 (240 in 2024 and 346 in 2025), with unit deliveries expected to decline significantly in 2026 and 2027, which may help increase overall occupancy and rental rates in the submarket. In addition to the new supply being added, properties built after 2019 make up 21.0% of the total submarket inventory, which indicates that the local market has experienced significant growth over the last five years. The vacancy rate is expected to decline to 5.3% by 2028 with asking rents around $1,931 per unit. The collateral is located in a Morningstar DBRS MSA of 1 and has a Market Rank of 3.

As of the rent roll dated November 28, 2023, the property is 63.2% occupied with an average rent of $2,749 per unit. This rent is substantially above the submarket effective rent of $1,531 per unit; however, the subject features significantly larger floor plans. Reportedly, within a three-mile radius of the collateral, 585 units are currently under construction; however, these will all be conventional multifamily units and likely not directly compete with the subject property. Although competition in the submarket is high and barriers to entry for new development are relatively low, the property benefits from its built-to-rent offering and superior amenities consistent with Class A development, which should allow it to compete with newer properties under construction and those already delivered within the submarket. The sponsor has made progress with its business plan to achieve a stable occupancy, and has seen accelerated leasing from February 2023 with an average absorption rate of 17 move-ins per month since May 2023.

The loan has somewhat average leverage at issuance as seen by the Morningstar DBRS As-Is LTV of 66.8%, derived from the appraiser's As-Is value of $98.8 million ($466,038 per unit), which is lower than the pool average. The sponsor's business plan, to continue to increase leasing velocity and achieve stabilized operations, is deemed reasonable given the progress achieved so far, leading to a lower business plan score than the average score of the pool. However, the Morningstar DBRS Market Rank of 3 and MSA Group of 1 are unfavorable for the credit profile of the loan, resulting in an expected loss that is considerably higher than the deal average.

Metro at Edgewater

Loan Snapshot

Seller	MF1
Ownership Interest	Fee
Trust Balance ($ million)	57.5
Loan PSF/Unit ($)	412,186
Percentage of the Pool	5.9
Fully Extended Loan Maturity/ARD	December 2028
Amortization	Interest-only, Amortizing Balloon
Morningstar DBRS As-Is DSCR (x)	0.00
Morningstar DBRS Stabilized DSCR (x)	0.70
Morningstar DBRS As-Is Issuance LTV (%)	73.8
Morningstar DBRS Stabilized Balloon LTV (%)	68.7
Morningstar DBRS Property Type	Multifamily
Morningstar DBRS Property Quality	Above Average

Debt Stack ($ millions)

Trust Balance	57.5
Pari Passu	50.0
Remaining Future Funding	7.5
Mortgage Loan Including Future Funding	115.0
Loan Purpose	Refinance
Equity Contribution/(Distribution) ($ million)	(40.2)

Collateral Summary

Morningstar DBRS Property Type	Multifamily	**Year Built/Renovated**	2023
City, State	Miami, FL	**Physical Occupancy (%)**	6.1
Units/SF	279	**Physical Occupancy Date**	January 2024

This loan is secured by the borrower's fee-simple interest in Metro at Edgewater, a Class A, 279-unit high-rise multifamily building in Miami, approximately 4.2 miles north of the Miami CBD in the Edgewater neighborhood. The loan collateral is a sponsor-developed, new-build, luxury high-rise that was expected to receive its temporary certificate of occupancy (TCO) by the end of December 2023. Initial loan proceeds of $107.5 million ($385,304 per unit) were used to refinance construction debt encumbering the property in the amount of $51.4 million ($184,268 per unit), return $40.2 million of cash equity to the transaction sponsor, fund $5.5 million in an initial interest and carry reserve, and cover $10.0 million in closing costs. The loan features $5.5 million in future funding proceeds to be used to fund an additional interest and carry reserve, resulting in total interest shortfall reserves of $13.0 million. The total debt service shortfall reserve amounts to approximately 14 months of debt service coverage assuming no income from the property. The two-year, floating-rate loan is structured with three 12-month extension options that are exercisable upon the collateral's satisfaction of, among other criteria, certain debt yield, LTV, and DSCR hurdles set forth in the initial loan agreement. The loan is IO throughout the fully extended loan term and features a Morningstar DBRS Issuance LTV of 73.8%.

Unit Mix and Rents			
Unit Type	Units	Avg Unit Size (sf)	Rent/Month ($)
One Bedroom	90	472	3,231
Two Bedrooms	178	643	4,494
Three Bedrooms	26	1,241	4,192
Total/WA	**478**	**652**	**4,047**

Soure: January 2024 rent roll.

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

Competitive Set						
Property	Distance from Subject (Miles)	Units	Year Built	Avg. Unit Size (sf)	Avg. Rental Rate ($/unit)	Occupancy (%)
Gio Midtown	0.8	447	2020	890	3,920	93.8
AMLI Midtown Miami	0.4	719	2020	1,032	3,897	90.8
Watermarc At Biscayne Bay	0.9	296	2021	1,042	3,663	96.5
The Dorsey	1.0	306	2022	757	3,338	51.3
Total/WA Comp. Set	**Various**	**1,768**	**Various**	**950**	**3,767**	**85.7**
Metro at Edgewater	**n/a**	**279**	**2023**	**279**	**4,047**	**6.1**

Source: Asset summary report.

Sponsorship

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

The property manager for the subject collateral is the institutional property management firm Greystar, the largest property manager in the United States, managing more than 726,000 units. Greystar’s current Miami portfolio is 14 properties, inclusive of the subject property. The property manager accepts a contract management fee of 2.15% of EGI for operations at the collateral.

Morningstar DBRS Analysis

Site Inspection Summary


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

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

Morningstar DBRS inspected one unit of each floorplan available to lease throughout the property, all of which were in various stages of construction but were largely complete, with only punch-list items remaining in each unit. All units presented well and featured an abundance of natural light throughout. Unit interior finishes were the same among all floorplans, including stainless-steel kitchen appliances, hardwood flooring, in-unit washers/dryers, and private balconies. Additionally, all observed units featured floor-to-ceiling windows with impressive views of the surrounding neighborhood and Miami Bay, a distinctive feature of the property as it is one of the few high-rises in the area. Morningstar DBRS toured several of the property's amenities, including a robust common area gym that looks out onto a large resort-style pool featuring ample space for patio deck furniture and a small corner where grills were to be installed. All things considered; the subject offers the comprehensive amenity package that tenants would expect of a luxury Class A apartment building. The tour concluded with a brief tour of the collateral's parking garage; Morningstar DBRS confirmed more than 300 parking spaces at the property, more than the 279 units available for lease. Overall, despite the ongoing construction, the property presented extremely well, leading to the Morningstar DBRS property quality score of Above Average.

Morningstar DBRS NCF Summary

NCF Analysis				
	Appraisal	Issuer NCF	Morningstar DBRS NCF	NCF Variance (%)
GPR ($)	13,898,374	15,450,647	13,495,500	-12.7
Other Income ($)	1,292,793	1,299,419	1,291,020	-0.6
Vacancy & Concessions ($)	-830,080	-927,039	-1,267,438	36.7
EGI ($)	**14,361,087**	**15,823,027**	**13,519,082**	**-14.6**
Expenses ($)	5,932,265	6,020,973	6,078,279	1.0
NOI ($)	**8,428,822**	**9,802,054**	**7,440,802**	**-24.1**
Capex ($)	57,051	69,750	69,750	0.0
NCF ($)	**8,371,771**	**9,732,304**	**7,371,052**	**-24.3**

The Morningstar DBRS Stabilized NCF is based on the *Morningstar DBRS North American Commercial Real Estate Property Analysis Criteria*. The resulting Morningstar DBRS Stabilized NCF was $7,371,052, representing a variance of –24.3% from the Issuer's Stabilized NCF of $9,372,304. The primary drivers for the variance include GPR, economic vacancy, real estate taxes, and insurance. Morningstar DBRS assumed GPR in line with the appraiser's untrended market rents for the property's respective unit types, concluding to an average unit GPR per month of $4,031. The GPR per month conclusion is directly in line with the primary properties within the subject's competitive set. Morningstar DBRS concluded to an economic vacancy of 9.4%, which consists of a 6.4% physical vacancy, 2.5% concessions ratio, and 0.50% bad debt assumption. The physical vacancy conclusion is directly in line with the 2025 estimate for the Reis-defined South Beach/Miami Bayshore submarket while the 2.5% concessions ratio amounts to an approximate two-week rent discount on a 12.5-month lease to account for the projected increase in new supply within the property's immediate area. The Morningstar DBRS concessions estimate assumes a 50.0% lease renewal probability. Morningstar DBRS's real estate taxes and insurance are directly in line with the appraiser's hypothetical stabilized figures, accounting for 20.7% and 7.9% of the Morningstar DBRS EGI, respectively.

Morningstar DBRS Viewpoint

The collateral is within Downtown Miami's Edgewater neighborhood, more specifically the Reis-defined South Beach/Miami Bayshore submarket. Downtown Miami remains a target investor and developer market with more than 50% of the units under construction in the Miami MSA taking place within Downtown Miami. The submarket's proximity to Miami Beach, the state-of-the-art commerce area in the Miami Design District, and Miami International Airport place the property in a high-demand-driver area that should see prolonged prospective renter interest throughout the loan's term. Furthermore, the property is near the Biscayne Boulevard thoroughfare, which runs north/south and provides direct access to the Miami CBD and Brickell neighborhoods, which are key employment centers for the entire MSA. According to Reis, approximately 850 units are projected to become available within the subject collateral's submarket by the end of 2024. Morningstar DBRS spoke with the property developer over the course of the tour and observed two properties in various stages of construction within the immediate area of the collateral. The developer noted that these properties were approximately 15 to 18 months away from delivery, which would provide the subject collateral ample time to complete its initial lease-up and begin burning off concessions prior to the other properties opening. The property is in an area with a Morningstar DBRS Market Rank of 6, which represents an urban market with a below-average expected loss profile when compared with properties in more suburban or rural areas.

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

The loan exhibits high leverage at issuance as evidenced by a Morningstar DBRS As-Is LTV of 73.8% derived from the appraiser's as-is valuation. The loan's closing was contingent on the collateral receiving its TCO by the end of December 2023 and achieving at least 5.0% occupancy from preleasing. Short-term operational cash flow shortfalls are mitigated by the loan's $5.5 million upfront interest and carry reserve, with an additional $7.5 million in future funding available to further supplement said reserve in the event that the initial lease-up tracts longer than the sponsor's anticipated 22-unit-per-month leasing velocity once TCO is granted. As mentioned above, the property is currently in the marketing and preleasing phase and has signed six leases consistent with the sponsor's pro forma stabilized asking rents as of September 12, 2023. Despite the high Morningstar DBRS Issuance LTV, Morningstar DBRS views the property's proposed business plan as realistic and achievable in terms of feasibility, resulting in a below-average business plan score. The property's quality, combined with its favorable location within the Miami Downtown market, has resulted in an expected loss lower than the deal average.

Casa Serena

Loan Snapshot

Seller	MF1
Ownership Interest	Fee
Trust Balance ($ million)	48.9
Loan PSF/Unit ($)	308,882
Percentage of the Pool	5.1
Fully Extended Loan Maturity/ARD	December 2028
Amortization	Interest-Only, Amortizing Balloon
Morningstar DBRS As-Is DSCR (x)	0.70
Morningstar DBRS Stabilized DSCR (x)	0.81
Morningstar DBRS As-Is Issuance LTV (%)	78.9
Morningstar DBRS Stabilized Balloon LTV (%)	69.3
Morningstar DBRS Property Type	Multifamily
Morningstar DBRS Property Quality	Average

Debt Stack ($ millions)

Trust Balance	48.9
Pari Passu	0.0
Remaining Future Funding	3.6
Mortgage Loan Including Future Funding	52.5
Loan Purpose	Refinance
Equity Contribution/(Distribution) ($ million)	0.4

Source: Appraisal.


Source: Appraisal.

Collateral Summary			
Morningstar DBRS Property Type	Multifamily	**Year Built/Renovated**	1970/2019-2021
City, State	Fremont, CA	**Physical Occupancy (%)**	91.8
Units/SF	170	**Physical Occupancy Date**	November 2023

This loan is secured by the borrower's fee-simple interest in Casa Serena, a 170-unit multifamily property in Fremont, CA. Situated on a 5.7-acre site, the property consists of 16 garden-style apartment buildings and one common area building, 73 surface parking and 171 covered parking spaces, and outdoor spaces. As of the November 29, 2023 reporting, the property was 91.8% occupied. The initial loan proceeds of $48.5 million along with $374,999 million of equity from the sponsor refinanced $45.0 million of existing debt, funded an interest reserve of $1.4 million, and will cover closing costs. The loan is structured with up to $4.0 million of future funding, which will facilitate the borrower's capital improvement plan of $4.0 million. The two-year floating-rate loan has three one-year extension options. The loan is IO throughout the initial term and the first extension period and amortizes on a 30-year schedule in the remaining extension options.

Casa Serena was delivered in 1970, and the sponsor acquired the property in 2019 for $60 million and partially renovated it from 2019 to 2021. Currently, there are a total of 30 renovated units, 72 partially renovated units, and 68 unrenovated units. Of the units renovated in 2019, 12 were renovated by the sponsor and 18 by the previous owner pre-acquisition. The sponsor's business plan for the subject is to renovate the 140 units where renovations are outstanding, install washer/dryers in 68 units currently without them, and touch up exteriors and common areas over 36 months. Units will be uniform after these renovations are complete, equipped with stainless steel appliances, new cabinetry, wood plank flooring, granite countertops, backsplashes, and new paint. The sponsor expects average premiums of $377 against the average rents as of the November 29, 2023 rent roll. Common area amenities include a fitness center, four laundry facilities, two pools, grills, and a playground. All units feature either a patio or balcony. Based on the appraiser's as-is and stabilized values of $66.5 million and $75.8 million, respectively, the whole-loan Morningstar DBRS As-Is and Morningstar DBRS Stabilized LTVs are 78.9% and 69.3%, respectively. Additional information on the unit mix and unit rental rates can be found in the table below.

Unit Mix and Rents

Unit Type	Units	Avg Unit Size (sf)	Rent/Month ($)
Studio	4	470	2,078
One Bedroom	110	610	2,242
Two Bedroom	56	835	2,653
Total/WA	**170**	**681**	**2,373**

Source: November 2023 rent roll.

The appraiser identified six competitive properties within 2.1 miles of the subject, which directly compete with the subject for prospective tenants. The comparable properties have an average year built of 1976, slightly newer than the subject's 1970 vintage. As of November 2023, the subject was 91.8% occupied and comparable properties have, on average, higher occupancy ranging from 90.0% to 98.0% and averaging 96.7%. The property's average rental rate of $2,373 per unit, according to the November 2023 rent roll, is below the appraiser's competitive set average rental rate of $2,700 per unit. The property's average unit size of 681 sf per unit is smaller than the majority of the six properties in the competitive set, which have a WA unit size of 828 sf. However, the collateral is capturing more rent on a psf basis, with a rental rate of $3.58 psf compared with the appraiser's comp set, which has a WA rental rate of $3.29 psf.

Competitive Set

Property	Location	Distance from Subject (Miles)	Units	Year Built/ Renovated	Occupancy (%)	Avg. Rental Rate Per Unit ($)	Avg. Unit Size (SF)
Amber Court	Fremont, CA	1.4	168	1985	97.0	2,545	809
The Rexford	Fremont, CA	2.3	203	1971	96.8	2,958	1,043
Carriage House Apartments	Fremont, CA	2.1	123	1972	95.0	2,542	963
Metro Fremont	Fremont, CA	1.0	108	1972	96.3	2,205	719
Ardenwood Forest	Fremont, CA	1.9	862	1989	98.0	2,806	813
Pinebrook Apartments	Fremont, CA	0.1	150	1970	90.0	2,399	617
Total/WA Comp. Set	**Various**	**Various**	**1,614**	**Various**	**96.7**	**2,700**	**828**
Casa Serena	**Fremont, CA**	**n/a**	**170**	**1970/2019**	**91.8**	**2,373**	**681**

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

Sponsorship

The sponsor for this transaction is New Standard Equities, LLC, a vertically integrated real estate investment management firm. The group was founded in 2010 and is headquartered in Encino, CA. Since inception, the firm has bought 24 assets, executing over $740 million of multifamily transactions across roughly 3,200 units. The sponsor owns eight properties in CA including the subject, totaling 1,200 units. New Standard Equities is a repeat MF1 sponsor, having previously executed five deals with MF1. The borrower disclosed that they are subject to a litigation filed in 2021, which alleges Kairos Investment Management Company, an entity that is part of the ownership structure of New Standard Equities, made fraudulent misstatements that invoked an erroneous investment in the amount of $500,000 in

Missfresh, a Chinese company. Morningstar DBRS modeled the sponsor as Weak given low ratios of net worth and liquidity relative to the loan balance.

The property will be managed by New Standard Equities, Inc., a sponsor-affiliate for a contractual fee of 3.50%. New Standards Equities (NSE) provides full-service property management, construction management, and accounting services for properties owned by NSE, as well as two smaller non-NSE properties on behalf of unrelated third-party clients. NSE currently manages 1,838 units and has 17 years of management experience.

Morningstar DBRS Analysis

Site Inspection Summary

Source: Appraisal.

Source: Appraisal.

Morningstar DBRS did not perform a physical site inspection of the property. Based on third-party reports and photos, Morningstar DBRS determined the overall property quality to be Average.

Casa Serena is located in Fremont, CA, 40 miles outside of San Francisco and on the edge of Silicon Valley. Fremont is East Bay's largest multifamily submarket. The subject's neighborhood comprises a blend of residential and commercial uses. Quarry Lakes Regional Park, a local park in the East Bay Regional Parks system, is walkable just 1.5 miles from the subject. The subject is accessible via I-69 and I-680, and is located near a growing BART station area, providing public transit access to Silicon Valley, Palo Alto, and San Jose. The collateral is located just seven miles from the Tesla Fremont Factory, which employs more than 10,000 people in Fremont. The subject area is an affordable option for technology and manufacturing employees and students seeking outdoor recreation opportunities. Fremont captures tenants who have been priced out of neighborhoods such as Mountain View, Cupertino, Santa Clara, and Palo Alto. Fremont acts as an outdoor-accessible, affordable option in the Bay area.

Morningstar DBRS NCF Summary

NCF Analysis					
	October 2023 T-12	Appraisal	Issuer Stabilized NCF	Morningstar DBRS NCF	NCF Variance (%)
GPR ($)	4,758,792	5,960,594	6,661,659	5,293,594	-20.5
Other Income ($)	280,982	303,081	315,142	284,652	-9.7
Vacancy & Concessions ($)	-359,311	-298,030	-366,391	-291,148	-20.5
EGI ($)	**4,680,463**	**5,965,645**	**6,610,410**	**5,287,098**	**-20.0**
Expenses ($)	1,796,060	1,947,738	1,904,959	1,981,449	4.0
NOI ($)	**2,884,403**	**4,017,907**	**4,705,451**	**3,305,649**	**-29.8**
Capex ($)	0	38,250	42,500	42,500	0.0
NCF ($)	**2,884,403**	**3,979,657**	**4,662,951**	**3,263,149**	**-30.0**

The Morningstar DBRS Stabilized NCF is based on the *Morningstar DBRS North American Commercial Real Estate Property Analysis Criteria*. The resulting Morningstar DBRS Stabilized NCF was $3,263,149, representing a -30.0% variance from the Issuer's stabilized NCF of $4,662,951. The primary drivers of the variance were GPR and operating expenses. Morningstar DBRS based the stabilized GPR on the in-place rents for the 30 renovated units from the November 2023 rent roll, while the Issuer factored in projected rent growth over the next few years in their Stabilized GPR figure. Morningstar DBRS operating expenses are generally based on the October 2023 T-12 inflated by 10.0%, while the Issuer concluded to the appraiser's stabilized expenses.

Morningstar DBRS Viewpoint

The loan is secured by a multifamily property featuring 170 units in Fremont, CA, which was delivered in 1970. The collateral is located within the Reis-identified submarket of Fremont/Newark/Union City, and more specifically, Fremont. Per Reis, the Fremont/Newark/Union City submarket is the second largest of the eight geographic Oakland-East Vat submarkets identified by Reis. The subject submarket has seen an annualized inventory growth rate of 0.8% since Q4 2013, compared with metro growth rate of 1.4% over the same period. As of Q3 2023, the submarket reported a 5.2% vacancy rate and an average rental rate of $2,410 per unit. The Fremont/Newark/Union city submarket is expected to see some new deliveries throughout 2024 and 2025 with 289 units anticipated, which amounts to 8.8% of the new construction in the Oakland-East bay area. Reis anticipates a vacancy increase to 5.8% by the end of 2024 in the Fremont/Newark/Union City submarket. Although the subject lies in a Morningstar DBRS Market Rank of 3, which generally indicates suburban locations that historically have seen higher than average default rates and have a negative impact on expected loss, it is also situated within an MSA Group 3, which is the best performing group in terms of historical CMBS default rates among the top 25 MSAs. MSA Group 3 has a historical default rate of 17.2%, which is considerably lower than the overall CMBS historical default rate of 28.0%.

As of the rent roll dated November 29, 2023, the subject was 91.8% occupied with 26 of the 30 already renovated units and 130 of the 140 unrenovated units occupied. As of the October 2023 T-12, concessions were not offered. Morningstar DBRS concluded to a stabilized economic loss of 5.5% based on the strong submarket conditions.

The loan has a relatively high Morningstar DBRS As-Is and Stabilized LTVs at 78.9% and 69.3% respectively, compared with the other loans in the pool and benefits from its location within a Morningstar DBRS MSA Group 3. The Morningstar DBRS Business Plan Score is relatively low at 1.53 given some units are already renovated and have realized upside. As a result of these strengths and mitigants, the loan has an expected loss just above the deal average.

Avilla Oakridge

Loan Snapshot

Seller
MF1
Ownership Interest
Fee
Trust Balance ($ million)
42.0
Loan PSF/Unit ($)
200,957
Percentage of the Pool
4.3
Fully Extended Loan Maturity/ARD
November 2027
Amortization
Interest-Only, Amortizing Balloon
Morningstar DBRS As-Is DSCR (x)
0.77
Morningstar DBRS Stabilized DSCR (x)
0.87
Morningstar DBRS As-Is Issuance LTV (%)
67.3
Morningstar DBRS Stabilized Balloon LTV (%)
65.1
Morningstar DBRS Property Type
Multifamily
Morningstar DBRS Property Quality
Average+

Debt Stack ($ millions)

Trust Balance
42.0
Pari Passu
0.0
Remaining Future Funding
0.0
Mortgage Loan Including Future Funding
42.0
Loan Purpose
Refinance
Equity Contribution/(Distribution) ($ million)
(2.6)

Source: Appraisal.

Source: Appraisal.

Collateral Summary			
Morningstar DBRS Property Type	Multifamily	**Year Built/Renovated**	2022
City, State	Forney, TX	**Physical Occupancy (%)**	90.9
Units/SF	209	**Physical Occupancy Date**	November 2023

The loan is secured by the borrower's fee-simple interest in Avilla Oakridge, a Class A, 209-unit, build-to-rent, multifamily community in Forney, Texas, approximately 24 miles east of the Dallas CBD. The collateral was completed in phases with final phase constructed in September 2022, and began move-ins in December 2021. The initial loan proceeds of $42 million ($200,957 per unit) will refinance $35.4 million of existing debt, cover closing costs of $2.8 million, cover rate cap costs of $168,000, return of equity to the sponsor of $2.6 million, and fund various reserves including a $1.0 million interest shortfall reserve. The four-year, floating-rate loan is interest-only for the initial two-year term, as well as the first 12-month extension option. The loan then amortizes during the second 12-month extension option based on a 30-year schedule. The sponsor will have $5.6 million of equity remaining at the closing of the loan.

The collateral consists of 180 buildings built on approximately 17.5 acres, consisting of 209 multifamily units, 76 detached garages, and 264 carports/covered parking spaces. The subject's unit mix consists of 60 duplex style one-bedroom units, 82 separate two-bedroom units, and 67 three-bedroom units, with an average unit size of 956 sf. Unit interiors feature a private outdoor backyard, stainless steel appliances, granite countertops, vinyl plank flooring, a smart home technology package, and an in-unit washer/dryer. Propertywide amenities include a resort-style swimming pool and hot tub, an outdoor lounge featuring a firepit, a dog park, and a clubhouse. According to the November 2023 rent roll, the property was 90.9% occupied, and was achieving WA monthly rents of $1,902 per unit, Additional information on the residential unit mix and rental rates can be found in the table below.

Unit Mix and Rents - Avilla Oakridge

Unit Type	Units	Avg Unit Size (sf)	Rent/Month ($)
1 Bedroom/1 Bath	60	637	1,564
2 Bedroom/2 Bath	82	960	1,950
3 Bedroom/2 Bath	67	1,236	2,179
Total/WA	**209**	**956**	**1,902**

Source: November 2023 rent roll.

Competitive Set

Property	Location	Distance from Subject (Miles)	Units	Year Built/ Renovated	Occupancy (%)	Avg. Rental Rate Per Unit ($)	Avg. Unit Size
Brooklyn Village	Forney, TX	1.9	178	2017	96.0	2,116	1,740
Emerson at Forney Marketplace	Forney, TX	1.3	320	2019	94.0	1,467	894
Lakeview	Forney, TX	11.5	140	2019	97.0	1,644	903
Royalton at Discovery	Rockwall, TX	10.9	295	2023	72.0	1,736	1,016
Gateway Pines	Forney, TX	0.3	337	2018	97.0	1,402	810
Parc at Windmill Farms	Forney, TX	1.9	272	2019	96.0	1,576	1,028
Total/WA Comp. Set	**Various**	**Various**	**1,542**	**Various**	**91.3**	**1,614**	**1,021**
Avilla Oakridge	**Forney, TX**	**n/a**	**209**	**2022**	**90.9**	**1,902**	**956**

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

Sponsorship

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

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

Morningstar DBRS Analysis

Site Inspection Summary

Morningstar DBRS toured the subject property on Monday, January 22, 2024. Based on the site visit and management guided tour, Morningstar DBRS found the overall property quality to be Average+.

The collateral is located just off US-80 E, within the suburban community of Forney. The property benefits from its proximity to US-80 E, one of major east-west interstate highways that provides convenient access to downtown Dallas. The property is approximately 30 minutes from the Dallas CBD. The surrounding area was predominantly undeveloped, with two new multifamily apartment communities being actively developed and a large area zoned for commercial use. At the time of inspection, the project had been approved by the city, however no construction had started. The space will feature a grocery store and other retail spaces.

The property is protected by a gated entrance and an entire fence encircling the subject community. Additionally, there are security cameras monitoring the leasing to further create a safe community for all tenants. The property's exterior appearance was generally in line with the residential properties in the local area. Community amenities include a gated outdoor pool and a small hot tub with lounge seating, a dog park, two barbeque grills and picnic area with cornhole, and an outdoor fireplace. The amenities appeared to be well-maintained. The property also offers garage parking spaces charged at $150 per month, while offering uncovered parking spaces on a first-come, first-serve basis free of charge.

Morningstar DBRS toured the interiors of two units: a two-bedroom model unit, and a three-bedroom vacant unit. Both the unit interiors had brand-new finishes, with vinyl plank flooring, stainless steel appliances, smart thermostats, kitchen islands with granite countertops, and in-unit washers/dryers. All units have touchpad locks, which could be unlocked by either a passcode or by an app managed by the tenant. The two-bedroom unit had some backyard space with grass and allowed for the placement of outside furniture. Management stated that occupancy was 90.0% at the time of the visit, and expects the property to reach the target stabilized occupancy rate of 92.0% by summer 2024, citing winter leasing is slow in the Dallas market because of the cold weather. The main challenge to the property comes from two other BTR communities in the area, which are only about three miles away from the subject property. In order to maintain strong occupancy, the property offers competitive rental rates, with only 0%-3% rent increase at lease renewal. Management noted that the subject's lease retention rate was at about 55.0%. Management indicated that the foremost reason for tenants not renewing leases was tenants moving into their newly purchased residences. Overall, the property appeared to be in good condition, given the new finishes to the interiors, the amenity package, and a lack of visible deferred maintenance.

Morningstar DBRS NCF Summary

NCF Analysis					
	October 2023 T-12	Appraisal	Issuer NCF	Morningstar DBRS NCF	NCF Variance (%)
GPR ($)	4,920,265	5,321,597	5,442,704	4,796,636	-11.9
Other Income ($)	861,181	884,500	1,000,677	959,576	-4.1
Vacancy & Concessions ($)	-956,396	-297,145	-303,908	-340,600	12.1
EGI ($)	**4,825,050**	**5,908,952**	**6,139,473**	**5,415,612**	**-11.8**
Expenses ($)	2,327,342	2,455,306	2,711,539	2,614,562	-3.6
NOI ($)	**2,497,708**	**3,453,646**	**3,427,934**	**2,801,049**	**-18.3**
Capex ($)	136,316	41,800	52,250	104,500	100.0
NCF ($)	**2,361,392**	**3,411,846**	**3,375,684**	**2,696,549**	**-20.1**

The Morningstar DBRS Stabilized NCF is based on the *Morningstar DBRS North American Commercial Real Estate Property Analysis Criteria*. The resulting Morningstar DBRS Stabilized NCF is $2,696,549, representing a variance of -20.1% from the Issuer's stabilized NCF. The primary drivers of the variance were GPR and replacement reserves. Morningstar DBRS based the stabilized GPR on the average in-place rents from the November 2023 rent roll. Meanwhile, the Issuer based the stabilized GPR on recent leasing activity and factored in projected rent growth over the next few years.

Morningstar DBRS Viewpoint

The collateral is a new 209-unit, build-to-rent multifamily community located in Forney, a suburban community just east of Dallas and Fort Worth. The immediate surrounding area of the property is mainly residential and commercial with an abundance of vacant land. The collateral is well located, just north of US-80, providing residents direct access to downtown Dallas. The collateral is approximately 44 miles southeast of the Dallas/Fort Worth International Airport.

As the collateral completed construction in September 2022, the sponsor's business plan is to lease up the property and achieve stabilized occupancy. The property experienced difficulties during the initial lease-up process because of underperforming on-site staff members. The sponsor subsequently hired a new Asset Manager and a Community Manager for the collateral. As of the November 2023 rent roll, the property was 90.9% occupied, illustrating strong leasing momentum for the collateral. The sponsor intends to achieve a stabilized occupancy just below 95%. Morningstar DBRS contends that the sponsor and management company will be able to successfully lease-up the property to a stabilized occupancy because of the recent delivery of the collateral, as well as the sponsor's experience with similar projects in the Dallas-Fort Worth MSA.

Of concern, there has been a significant number of multifamily units coming online in recent years within the subject's submarket where vacancy has risen to elevated levels. During initial lease-up, the property offered 4-6 weeks of free rent, but it ended those concessions in August 2023. Instead of the concessions, the property started offering gift cards to potential two-bedroom tenants as of September 2023. According to the appraisal, there are only 975 units expected to come online within a five mile radius of the property through Q3 2025. Management noted that the incoming supply will not compete with the collateral as the new units are conventional multifamily units.

The loan exhibits an expected loss higher than the pool average. While the property benefits from an Average+ quality score because of its new construction, the higher EL is primarily driven by the property's location in a Morningstar DBRS Rank 3 and MSA Group 1, which indicates a suburban, tertiary market. The loan is also negatively affected by its low stabilized Morningstar DBRS DSCR of 0.87x. Furthermore, the loan represents a slightly lower issuance LTV than the pool average with as-is LTV at 67.3% and stabilized LTV slightly lower at 65.1%. The total loan leverage of $200,957 per unit is below the median home sale price of $337,317 in the subject's zip code as of November 30, 2023, according to Zillow. The sponsor's prior experience with Fannie Mae should help with refinance options at either the initial or fully extended maturity dates.

Transaction Structural Features

Credit Risk Retention

Under U.S. credit risk retention rules, MF1 REIT III LLC will be responsible for compliance with the U.S. credit risk retention requirements, and it intends to satisfy such requirements through the purchase and retention, by a majority-owned affiliate, of an eligible horizontal residual interest. In addition, for purposes of EU Securitization Laws and UK Securitization Laws, it will retain a material net economic interest of not less than 5.0% in the securitization indirectly through its 100% membership interest in the Retention Holder, which will in turn acquire, on the Closing Date and directly retain on an ongoing basis, a material net economic interest in the form of the Income Notes of the Issuer. As of the closing date, MF1 REIT III Investor XII LLC (the Retention Holder), a majority-owned affiliate of MF1 REIT III LLC, will acquire 100.0% of the Income Notes, collectively representing 5.9%of the transaction by the initial pool balance.

Delayed Collateral Interests

Two loans, Solomar Apartments (#11) and Sawbuck (#16), representing [xx%] of the total trust balance, are categorized as Delayed Collateral Interests, which are identified in the data tape and included in the Morningstar DBRS analysis. The Issuer has 45 days postclosing to acquire the Delayed Collateral Interests into the pool (Delayed Purchase Termination Date). If a delayed-close collateral interest is not expected to close or fund prior to the Delayed Purchase Termination Date, the Issuer may acquire any Delayed Collateral Interests during the reinvestment period, subject to the Eligibility Criteria and Acquisition Criteria.

Reinvestment Period

During the Reinvestment Period, the Collateral Manager may, but is not required to, direct the reinvestment of Principal Proceeds to the Issuer in Reinvestment Collateral Interests meeting the Eligibility Criteria, the Acquisition Criteria, and the Acquisition and Disposition Requirements. The Reinvestment Period is 24 months, which includes the Ramp-Up Acquisition Period and, assuming no EOD has occurred, terminates at the end of the Due Period related to the Payment Date in February 2026.

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

Eligibility Criteria

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

1. It is a Mortgage Loan, a Combined Loan, an A Note, or a Participation in a Mortgage Loan, a Combined Loan, or an A Note that is secured by a Multifamily Property or Manufactured Housing Property;
2. The aggregate Principal Balance of the Collateral Interests secured by properties that are of the following types are subject to limitations as follows: (a) Manufactured Housing Properties do not exceed 10.0% of the Aggregate Outstanding Portfolio Balance, (b) Student Housing Properties do not exceed 5.0% of the Aggregate Outstanding Portfolio Balance, (c) Furnished Apartments do not exceed 10.0% of the Aggregate Outstanding Portfolio Balance, and (d) such Collateral Interest is not secured by an Aparthotel Property (it being understood that, for all purposes hereof, no concentration limitation will apply with respect to any other Multifamily Properties);
3. It provides for monthly payments of interest at a floating rate (A) that is a SOFR-based rate, (B) that is materially consistent with the Alternative Reference Rate Committee fallback language, or (C) with respect to which the Rating Agency Condition has been satisfied;
4. It has a maturity date, assuming the exercise of all extension options (if any) that are exercisable at the option of the related borrower under the terms of such Collateral Interest, that is not more than five years from its first full payment date;
5. It is not a ground-up construction loan and, in the case of a recently constructed or renovated Mortgaged Property, a temporary or final certificate of occupancy has been received for at least 51% of the units at such Mortgaged Property;
6. The Collateral Manager has determined that it has an As-Stabilized LTV that is not greater than (A) in the case of Collateral Interests secured by Multifamily Properties other than Student Housing Properties, 80.0% and (B) in the case of Collateral Interests secured by Student Housing Properties, 75.0%;
7. The Collateral Manager has determined that it has an U/W Stabilized NCF DSCR that is not less than (A) in the case of Collateral Interests secured by Multifamily Properties other than Student Housing Properties, 1.15x and (B) in the case of Collateral Interests secured by Student Housing Properties, 1.25x;
8. The Principal Balance of such Collateral Interest (plus any previously acquired participation interests or promissory notes in the same underlying Loan, including any participation interests or promissory notes that were included as part of the Closing Date Collateral Interests) is not greater than 10% of the Aggregate Outstanding Portfolio Balance as of the Closing Date;
9. (A) The Weighted-Average Life of the Collateral Interests, assuming the exercise of all contractual extension options (if any) that are exercisable by the borrower under each Collateral Interest, is less than or equal to the number of years (rounded to the nearest one hundredth thereof) during the period from such date of determination to 5.5 years from the Closing Date;
   (B) The Weighted-Average Spread of the Collateral Interests is not less than 3.50%;
   (C) The aggregate Principal Balance of Collateral Interests secured by Mortgaged Properties located in (i) California, New York, Texas, or Washington, D.C. is (in each case) no more than 40.0% of the Aggregate Outstanding Portfolio Balance, (ii) Arizona, New Jersey, Illinois, Florida, or Georgia is (in each case) no more than 30.0% of the Aggregate Outstanding Portfolio Balance, and (iii) any other state (in each case) is no more than 25.0% of the Aggregate Outstanding Portfolio Balance; and
   (D) The Herfindahl Score is greater than or equal to 16.0;

10. A No Downgrade Confirmation has come from Morningstar DBRS; and
11. The sum of the principal balance of such Collateral Interest and the principal balance of all Collateral Interests that have the same guarantor or affiliated guarantor does not exceed 20.0% of the aggregate outstanding portfolio balance.

Future Funding Participations; Future Advancing

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

Non-Serviced Loans

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

Note Protection Tests

Like most CRE CLO transactions, the subject transaction features senior note protection tests in the form of an interest coverage (IC) test and a par value or overcollateralization (OC) test. If the IC or OC tests are not satisfied on any measurement date, Interest Proceeds that would otherwise be used to pay interest on the Retained Notes and to make certain other payments on the following Payment Date must instead be used to pay the principal of the Offered Notes in accordance with the priority of payments until each of the Note Protection Tests is satisfied. If interest proceeds are not sufficient to rebalance the vehicle and satisfy both the IC and the OC tests or pay down the applicable classes, any principal proceeds will be diverted for the same purpose, and the Issuer will not be permitted to use principal proceeds for Reinvestment Collateral Interests. The Par Value Test will be satisfied if the Par Value Ratio is equal to or greater than 113.1%. The IC test will be satisfied if the IC Ratio is equal to or greater than 120.0%.

Collateral Manager

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

Administrative Modifications and Criteria-Based Modifications

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

Administrative Modification means any modification, waiver, or amendment directed by the Collateral Manager that relates exclusively to (1) a mismatch between the Benchmark Replacement on the Notes and the Benchmark Replacement applicable to such Loans, including alternative rate index and rate spread and Loan Level Benchmark Replacement Conforming Changes, and waiver of an obligor requirement to replace the rate cap agreement; and (2) exit fees; extension fees; default interest; financial covenants (including cash management triggers and extension tests) relating to debt yield, debt service coverage, or LTV; prepayment fees (including in connection with defeasance and lockouts); yield or spread maintenance provisions; reserve account minimum balance amounts and purposes; release conditions and requirements; waivers or reductions of a benchmark floor (which may not be to floor rates below zero) or waivers, reductions, or deferrals of interest rate step-ups; waivers of a borrower being required to renew, extend, or replace an interest rate cap agreement in connection with an extension; the timing of, or conditions to, the funding of any Future Funding Participation; sponsor or guarantor financial covenants relating to net worth, liquidity, or other financial matters; lease approvals or modifications; and conditions precedent to extending the term of the Loan.

Criteria-Based Modification means any modification, waiver, or amendment directed by the Collateral Manager that would result in (1) a change in interest rate; (2) a delay in the required timing of any payment of principal for any amortization, or other principal reduction; (3) an increase in the principal balance of such Loan that will be allocated solely to the related Companion Participation or Companion Note; (4) permitting indirect owners of the related borrower to incur additional indebtedness in the form of a mezzanine loan or preferred equity; or (5) a change of maturity date or extended maturity date under such Loan.

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

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

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

Advancing and Backup Advancing

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

Deferrable Notes

Any interest due on the Class F Notes, the Class G Notes, and the Class H Notes that is not paid as a result of the priority of payments will be deferred, and failure to pay such interest will not be an EOD. The deferred interest will be added to the principal amount of the respective deferrable note and bear interest at the same rate as the reference deferrable note and will be payable on the first payment date on which funds are available in the priority of payments. The ratings Morningstar DBRS assigned contemplate the timely payments of distributable interest and, in the case of the deferred interest, the ultimate recovery of deferred interest (including interest payable thereon at the applicable rate to the extent permitted by law). Thus, Morningstar DBRS will assign its Interest in Arrears designation to the deferred interest classes in months when classes are subject to deferred interest.

Controlling Class Rights

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

No Downgrade Confirmations

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

Methodologies

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

Surveillance

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

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

This report is based on information as of January 29, 2024. Subsequent information may result in material changes to the rating assigned herein and/or the contents of this report.

Glossary

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

Definitions

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

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

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

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

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

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

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

Issuer UW
Issuer underwritten from Annex A or servicer reports.

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

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

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

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

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

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

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

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

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

About Morningstar DBRS

Morningstar DBRS is a full-service global credit ratings business with approximately 700 employees around the world. We're a market leader in Canada, and in multiple asset classes across the U.S. and Europe.

We rate more than 4,000 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.

Morningstar DBRS is empowering investor success as the go-to source for independent credit ratings. And we are bringing transparency, responsiveness, and leading-edge technology to the industry.

That's why Morningstar DBRS is the next generation of credit ratings.

Learn more at dbrs.morningstar.com.