Presale Report
BDS 2021-FL7 Ltd.

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

Capital Structure

Description	Rating Action	Balance	Subordination	DBRS Morningstar Rating	Trend
Class A	New Rating - Provisional	335,250,000	44.125%	AAA (sf)	Stable
Class B	New Rating - Provisional	34,500,000	38.375%	AA (low) (sf)	Stable
Class C	New Rating - Provisional	42,750,000	31.250%	A (low) (sf)	Stable
Class D	New Rating - Provisional	49,500,000	23.000%	BBB (sf)	Stable
Class E	New Rating - Provisional	13,500,000	20.750%	BBB (low) (sf)	Stable
Class F	New Rating - Provisional	41,250,000	13.875%	BB (low) (sf)	Stable
Class G	New Rating - Provisional	24,000,000	9.875%	B (low) (sf)	Stable
Preferred Shares	NR	59,250,000	0.000%	NR	n/a

Notes:
1 NR = not rated.
2 The Class F Notes, the Class G Notes, and the Preferred Shares will be privately placed.
3 The Class F Notes, the Class G notes, and the Preferred Shares will be issued by the Issuer only and will not be co-issued by the Co-Issuer.
4 The Sponsor intends to satisfy U.S. Risk Retention Rules through purchase and retention by BDS 2020-FL7 Retention Holder LLC, a Delaware limited liability company and wholly owned subsidiary of the Seller, of 100% of the Preferred Shares, Class F Notes, and Class G Notes (collectively an eligible horizontal residual interest).

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Transaction Summary

Pool Characteristics			
Trust Amount ($)	536,496,387	**Target Pool Balance ($)**	600,000,000
Number of Loans	22	**Average Loan Size ($)**	24,386,199
Number of Properties	22	**Top Ten Loan Concentration (%)**	66.4
Managed / Static	Managed	**Unfunded Companion Participation Amount ($)**	59,348,416
Preidentified Ramp Loans	N	**Replenishment Allowed**	Y
Par Value Ratio Test (%)	124.18	**Reinvestment Period[5]**	24 months
IC Ratio: Trigger (X)	120	**Ramp Loan Amount ($)**	63,503,613
WA Current Funded As-Is Appraised Issuance LTV (%)	70.1	**WA DBRS Morningstar As-Is Issuance LTV (%)**	84.8
WA Fully Funded Stabilized Appraised LTV (%)	64.8	**WA DBRS Morningstar Stabilized Balloon LTV (%)**	70.7
WA Interest Rate Margin (%)	3.485	**DBRS Morningstar WA Interest Rate[4] (%)**	5.23
WA Remaining Term[1]	40	**WA Remaining Term - Fully Extended**	57
WA DBRS Morningstar As-Is DSCR[2]	0.90	**WA Issuer As-Is DSCR (x)[4]**	1.47
WA DBRS Morningstar Stabilized DSCR[3]	1.22	**WA Issuer Stabilized DSCR (x)[4]**	2.04
Avg. DBRS Morningstar As-Is NCF Variance[2] (%)	-2.0	**Avg. DBRS Morningstar Stabilized NCF Variance[3] (%)**	-17.3

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

1 Assumes that the initial term to maturity of each loan is not extended.

2 Based on DBRS Morningstar As-Is NCF.

3 Based on DBRS Morningstar Stabilized NCF.

4 Interest rate assumes 0.120% one-month LIBOR stress based on the LIBOR strike rate of the interest rate cap, which is lower than the stressed rate from the DBRS Morningstar Interest Rate Stresses for U.S. Structured Finance Transactions methodology. All DBRS Morningstar DSCR figures are based on this stressed rate.

5 Reinvestment Period begins on the date of the deposit of Permitted Principal Proceeds and ending on the 6th-payment date thereafter.

Eligibility Criteria Concentration Parameters			
Issuer Property Type	**Issuance (%)**	**Limit (%)**	**Minimum (%)**
Multifamily	95.4	n/a	80.0
Office	0.0	20.0	0.0
Industrial	1.1	20.0	0.0
Mixed-Use	0.0	10.0	0.0
Retail	0.0	0.0	0.0
Hospitality	0.0	0.0	0.0
Self-Storage	0.0	0.0	0.0
Student Housing	0.0	5.0	0.0
Manufactured Housing	3.5	0.0	0.0
State Concentration	**Issuance (%)**	**Limit (%)**	
California	0.0	40.0	
New York	2.8	40.0	
Texas	36.3	40.0	
All Other States	60.9	25.0	

Participants	
Issuer	BDS 2021-FL7 Ltd.
Co-Issuer	BDS 2021-FL7 LLC
Mortgage Loan Seller	BDS IV Loan Seller LLC
Servicer	Wells Fargo Bank, National Association
Special Servicer	Wells Fargo Bank, National Association
Note Administrator	Wells Fargo Bank, National Association
Trustee	Wilmington Trust, National Association
Placement Agent	J.P. Morgan Securities LLC Goldman Sachs & Co. LLC Wells Fargo Securities, LLC Amherst Pierpont Securities LLC
Structuring Agent	J.P. Morgan Securities LLC
Advancing Agent	Bridge REIT

Coronavirus Overview

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

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

Transaction Overview

The initial collateral consists of 22 floating-rate mortgages secured by 22 mostly transitional properties with a cut-off balance of $536.5 million, excluding approximately $59.3 million of future funding commitments. In addition, the transaction has a Ramp-Up Acquisition Period from the sixth payment date during which the Issuer may use $63.5 million of funds deposited into the unused proceeds account to acquire additional eligible multifamily loans, subject to the Eligibility Criteria, resulting in a target pool balance of $600.0 million. As of May 11, 2021, of the 22 loans, there are two unclosed or delayed-close loans, representing 14.4% of the trust balance: Retreat at Waterside (Prospectus ID#2), representing 7.9% of the trust balance; and Nottingham Village (Prospectus #6), representing 6.4% of the trust balance. If a delayed-close loan is not expected to close or fund prior to the purchase termination date, the expected purchase price will be credited to the unused proceeds amount to be used by the issuer to acquire Ramp-Up mortgage assets during the Ramp-Up Acquisition Period. The Eligibility Criteria indicates that all loans acquired within the Ramp-Up Acquisition Period must be secured by multifamily properties. Most loan are in a period of transition, with plans to stabilize and improve the asset value. During the Reinvestment Period, the Issuer may acquire future funding commitments and additional eligible loans subject to the Eligibility Criteria. The transaction stipulates a $1.0 million threshold on companion participation interest acquisitions before a rating agency confirmation (RAC) is required if there is already a participation or note of the underlying loan in the trust.

The loans are mostly secured by currently cash flowing assets, many of which are in a period of transition with plans to stabilize and improve the asset value. In total, 19 loans, representing 86.6% of the pool, have remaining future funding participation totaling $59.3 million, which the Issuer may acquire in the future. Please see the chart below for participations that the Issuer will be allowed to acquire.

Future Funding

Loan Name	Cut-Off Date Whole Loan Amount ($)	Future Funding Amount[1] ($)	Whole Loan Amount[2] ($)	Future Funding Uses
Circa and Ecco Apartments	60,900,000	5,295,000	66,195,000	Capital Improvements
Retreat at Waterside	42,500,000	1,067,820	43,567,820	Capital Improvements
Spring Lake Apartment Homes	42,140,000	3,991,000	46,131,000	Capital Improvements
Heights West End	38,000,000	0	38,000,000	n/a
Evans Ranch Apartments	36,000,000	3,567,000	39,567,000	Capital Improvements
Nottingham Village	34,500,000	4,350,000	38,850,000	Capital Improvements
NorthPointe Apartments	30,800,000	5,420,580	36,220,580	Capital Improvements
Seventh Apartments	26,746,503	6,158,897	32,905,400	Capital Improvements
910 Apartments	22,900,000	1,000,000	23,900,000	Capital Improvements
Spanish Oaks Apartments	21,813,805	2,452,445	24,266,250	Capital Improvements
Haven on Peoria	21,525,000	1,595,000	23,120,000	Capital Improvements
The Life at Beverly Palms	18,832,500	3,767,500	22,600,000	Capital Improvements
Harbor Belle	18,750,000	0	18,750,000	n/a
Biscayne Apartments	18,600,000	3,400,000	22,000,000	Capital Improvements
Cypress Lake Apartments	18,020,000	1,390,000	19,410,000	Capital Improvements
Wing Park Apartments	17,775,000	1,301,753	19,076,753	Capital Improvements
304 West 92nd Street	15,000,000	0	15,000,000	n/a
The Life at Westland Estates	14,319,203	1,080,797	15,400,000	Capital Improvements
The Reserve at Eagle Landing	12,200,000	1,185,000	13,385,000	Capital Improvements
The Life at Fairway Gardens	10,639,376	3,060,624	13,700,000	Capital Improvements
The Life at Highland Village	8,835,000	2,665,000	11,500,000	Capital Improvements
Mailwell Drive	5,700,000	6,600,000	12,300,000	Capital Improvements; Leasing Costs

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

Future Funding Commitment

Loan Name	Total Future Funding ($)	Maximum Future Funding Allowed ($)	Total Future Funding Commitments Allowed (%)	Loan Closed (Y/N)
Circa and Ecco Apartments	5,295,000	1,000,000	0.19	Y
Retreat at Waterside	1,067,820	1,000,000	0.94	N
Spring Lake Apartment Homes	3,991,000	1,000,000	0.25	Y
Heights West End	0	0	0.00	Y
Evans Ranch Apartments	3,567,000	1,000,000	0.28	Y
Nottingham Village	4,350,000	1,000,000	0.23	N
NorthPointe Apartments	5,420,580	1,000,000	0.18	Y
Seventh Apartments	6,158,897	1,000,000	0.16	Y
910 Apartments	1,000,000	1,000,000	1.00	Y
Spanish Oaks Apartments	2,452,445	1,000,000	0.41	Y
Haven on Peoria	1,595,000	1,000,000	0.63	Y
The Life at Beverly Palms	3,767,500	1,000,000	0.27	Y
Harbor Belle	0	0	0.00	Y
Biscayne Apartments	3,400,000	1,000,000	0.29	Y
Cypress Lake Apartments	1,390,000	1,000,000	0.72	Y
Wing Park Apartments	1,301,753	1,000,000	0.77	Y
304 West 92nd Street	0	0	0.00	Y
The Life at Westland Estates	1,080,797	1,000,000	0.93	Y
The Reserve at Eagle Landing	1,185,000	1,000,000	0.84	Y
The Life at Fairway Gardens	3,060,624	1,000,000	0.33	Y
The Life at Highland Village	2,665,000	1,000,000	0.38	Y
Mailwell Drive	6,600,000	1,000,000	0.15	Y

For the floating-rate loans, DBRS Morningstar used the one-month Libor index, which is based on the lower of a DBRS Morningstar stressed rate that corresponded to the remaining fully extended term of the loans or the strike price of the interest rate cap with the respective contractual loan spread added to determine a stressed interest rate over the loan term. When the cut-off balances were measured against the DBRS Morningstar As-Is NCF, 15 loans, comprising 63.1% of the initial pool, had a DBRS Morningstar As-Is DSCR below 1.00x, a threshold indicative of default risk. However, the DBRS Morningstar Stabilized DSCRs for only three loans, representing 9.6% of the initial pool balance, are below 1.00x. The properties are often transitioning with potential upside in cash flow; however, DBRS Morningstar does not give full credit to the stabilization if there are no holdbacks or if other loan structural features in place are insufficient to support such treatment. Furthermore, even with the structure provided, DBRS Morningstar generally does not assume the assets to stabilize above market levels.

The transaction will have a sequential-pay structure.

Rating Considerations

Strengths

- The transaction is sponsored by BDS IV REIT, Inc. (Bridge REIT or the Sponsor), a wholly owned subsidiary of Bridge Debt Strategies Fund IV GP LLC and an affiliate of Bridge Investment Group LLC (Bridge Investment Group). The Issuers, BDS 2021-FL7 Ltd. and BDS 2021-FL7 LLC, are each newly formed special purchase vehicles (collectively, the Co-Issuers) and indirect wholly owned subsidiaries of the Sponsor. The Sponsor has strong origination practices and substantial experience in originating loans and managing commercial real estate properties. Bridge Investment Group is a leading privately held real estate investment and property management firm that manages in excess of $20 billion in assets.
- An affiliate of Bridge Investment Group, an indirect wholly owned subsidiary of the Sponsor (as retention holder) will acquire the Class F notes, the Class G notes, and the Preferred Shares (Retained Securities), representing the most subordinate 20.75% of the transaction by principal balance.
- Seventeen of the 22 loans, representing 72.9% of the mortgage asset cut-off date balance, are for acquisition financing, where the borrowers contributed material cash equity in conjunction with the mortgage loan. In addition, one loan, representing 5.0% of the pool, represents a recapitalization where the borrower also contributed cash equity in conjunction with the loan. Cash equity infusions from a sponsor typically result in the lender and borrower having a greater alignment of interests, especially compared with a refinancing scenario where the sponsor may be withdrawing equity from the transaction. Sponsors for three of the four refinance loans, representing 67.9% of the refinance loan concentration, infused equity into the property at the closing of the loan. Furthermore, these five loans are all cash flowing and are generally closer to stabilization than the acquisition loans, as indicated by the WA growth between as-is and stabilized appraised value estimates at 6.9% compared with the overall WA appraised value growth of 24.1% for the acquisition and recapitalization loans, partially mitigating the higher risk associated with a sponsor's lower cost basis in refinance financings.
- The pool consists almost entirely of multifamily assets (95.4% of the mortgage asset cut-off date balance are apartments and 3.5% is one manufactured housing community property). Historically, multifamily properties have defaulted at much lower rates than the overall CMBS universe. The one industrial asset in the pool represents 1.1% of the mortgage asset cut-off date balance.
- As no loans in the pool were originated prior to the onset of the coronavirus pandemic, the WA remaining fully extended term is 57 months, which gives the Sponsor enough time to execute its business plans without risk of imminent maturity.

Challenges & Considerations

- Based on the initial pool balances, the overall WA DBRS Morningstar As-Is DSCR of 0.90x and WA As-Is LTV of 84.8% generally reflect high-leverage financing.
    - 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. DBRS Morningstar 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.

  - The DBRS Morningstar As-Is DSCR at issuance does not consider the sponsor's business plan, as the DBRS Morningstar 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 DBRS Morningstar As-Is NCF is not accounting for.
  - When measured against the DBRS Morningstar Stabilized NCF, the WA DBRS Morningstar DSCR is estimated to improve to 1.22x, suggesting that the properties are likely to have improved NCFs once the sponsor's business plan has been implemented.
- The transaction is managed and includes a ramp-up component and reinvestment period, which could result in negative credit migration and/or an increased concentration profile over the life of the transaction.
  - The risk of negative migration is partially offset by eligibility criteria (detailed in transaction documents) that outline DSCR, LTV, Herfindahl score minimum, minimum multifamily property type requirement for 80% of the pool, and loan size limitations for ramp and reinvestment assets. Furthermore, multifamily assets are the only property type allowed to be acquired during the ramp-up period.
  - DBRS Morningstar has RAC for ramp loans, new reinvestment loans, and companion interest participations over $1.0 million. DBRS Morningstar will analyze these loans for potential impacts on ratings. Deal reporting includes standard monthly CREFC reporting and quarterly updates. This transaction will be monitored by DBRS Morningstar on a regular basis.
  - DBRS Morningstar accounted for the uncertainty introduced by the 6 month ramp-up period by running a ramp scenario that simulates the potential negative credit migration in the transaction, based on the eligibility criteria. As a result, the ramp component has a higher expected loss than the WA pre-ramp pool expected loss. Furthermore, the ramp loans may only be collateralized by multifamily properties, which is a more favorable property type.
  - Deal reporting includes standard monthly CREFC reporting and quarterly updates. This transaction will be monitored by DBRS Morningstar and reviewed on a periodic basis.
- DBRS Morningstar 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 its business plans and that the higher stabilized cash flow will not materialize during the loan term, particularly with the ongoing coronavirus pandemic and its impact on the overall economy. A sponsor's failure to execute the business plan could result in a term default or the inability to refinance the fully funded loan balance.
  - DBRS Morningstar sampled a large portion of the loans, representing 81.1% of the pool cut-off date balance.
  - DBRS Morningstar made relatively conservative stabilization assumptions and, in each instance, considered the business plan to be rational and the loan structure to be sufficient to execute such plans. In addition, DBRS Morningstar analyzes LGD based on the as-is credit metrics, assuming the loan is fully funded with no NCF or value upside.
  - Future Funding companion participations will be held by affiliates of Bridge REIT and have the obligation to make future advances. Bridge REIT agrees to indemnify the Issuer against losses arising out of the failure to make future advances when required under the related participated loan. Furthermore, Bridge REIT will be required to meet certain liquidity requirements on a quarterly basis.

  - Eight loans, representing 32.0% of the pool balance, are structured with a debt service reserve to cover any interest shortfalls.
- One of the sampled loans, comprising 6.3% of the pool balance, was analyzed with Weak sponsorship strengths. The loan, Nottingham Village, is among the pool's 10 largest loans. See the loan specific write-up for additional information.
  - DBRS Morningstar applied a POD penalty to the loan analyzed with Weak sponsorship strength.
- All 22 loans have floating interest rates, are IO during the original term and through all extension options, and have original terms of 36 months to 60 months, creating interest rate risk.
  - All loans are short-term loans and, even with extension options, they have a fully extended maximum loan term of five years.
  - For the floating-rate loans, DBRS Morningstar used the one-month Libor index, which is based on the lower of a DBRS Morningstar stressed rate that corresponded to the remaining fully extended term of the loans or the strike price of the interest rate cap with the respective contractual loan spread added to determine a stressed interest rate over the loan term.
  - The borrowers of all 22 floating-rate loans have purchased LIBOR rate caps with strike prices that range from 0.25% to 3.50% to protect against rising interest rates through the duration of the loan term. In addition to the fulfillment of certain minimum performance requirements, exercise of any extension options would also require the repurchase of interest rate cap protection through the duration of the respectively exercised option.
- DBRS Morningstar conducted two exterior tours for two loans representing 6.0% because of health and safety constraints associated with the ongoing coronavirus pandemic. As a result, DBRS Morningstar relied more heavily on third-party reports, online data sources, and information provided by the Issuer to determine the overall DBRS Morningstar property quality assigned to each loan.
  - Recent third-party reports were provided for all loans and contained property quality commentary and photos.

Legal and Structural Considerations

- **Libor Replacement:** The underlying mortgages for the transaction will pay the floating rate, which presents potential benchmark transition risks as the deadline approaches for the elimination of Libor. The transaction documents provide for the transition to an alternative benchmark rate, which is primarily contemplated to be either Term Secured Overnight Financing Rate (SOFR) plus the applicable Alternative Rate Spread Adjustment or Compounded SOFR plus the Alternative Rate Spread Adjustment. The collateral manager has sole discretion without the consent of any noteholder to select an alternate rate to replace the then-current benchmark, giving due consideration to any industry-accepted rate of interest as a replacement based upon then-current U.S. dollar denominated securitizations at such time.
- **Modifications:** In this transaction, Administrative Modifications and Criteria Based Modifications may be directed by the sponsor-affiliated Collateral Manager subject to the Collateral Manager Standard. The Eligible Criteria Modification Adjustments include a provision stating that if any such modification does not involve an increase in the principal balance of the related mortgage loan, it does not require No Downgrade Confirmation from DBRS Morningstar. The special servicer may be removed with or without

case or a successor special servicer may be appointed, in each case at any time and at the direction of the Collateral Manager.

DBRS Morningstar Credit Characteristics

DBRS Morningstar Credit Characteristics	
	DBRS Morningstar As-Is DSCR (x)
DSCR	% of the Pool (Senior Note Balance[1])
0.00x-0.50x	9.5
0.50x-0.75x	25.1
0.75x-1.00x	28.5
1.00x-1.25x	30.1
1.25x-1.50x	4.1
1.50x-1.75x	2.8
>1.75x	0.0
WA (x)	0.90

	DBRS Morningstar Stabilized DSCR (x)
DSCR	% of the Pool (Senior Note Balance[1])
0.00x-0.50x	0.0
0.50x-0.75x	0.0
0.75x-1.00x	9.6
1.00x-1.25x	60.9
1.25x-1.50x	20.3
1.50x-1.75x	6.3
>1.75x	2.8
WA (x)	1.22

	DBRS Morningstar As-Is Issuance LTV
LTV	% of the Pool (Senior Note Balance[1])
0.0%-50.0%	2.8
50.0%-60.0%	0.0
60.0%-70.0%	0.0
70.0%-80.0%	22.3
80.0%-90.0%	41.1
90.0%-100.0%	31.1
100.0%-110.0%	1.6
110.0%-125.0%	0.0
>125.0%	1.1
WA (%)	84.8

	DBRS Morningstar Stabilized Balloon LTV
LTV	% of the Pool (Senior Note Balance[1,2])
0.0%-50.0%	2.8
50.0%-60.0%	0.0
60.0%-70.0%	42.3
70.0%-80.0%	44.4
80.0%-90.0%	10.6
90.0%-100.0%	0.0
100.0%-110.0%	0.0
110.0%-125.0%	0.0
>125.0%	0.0
WA (%)	70.7

1 Includes pari passu debt, but excludes subordinate debt.

2 The senior note balloon balance assumes the DBRS Morningstar Stressed Interest Rate and the fully extended loan term.

Largest Loan Summary

Loan Detail

Loan Name	Trust Balance ($)	% of Pool	DBRS Morningstar Shadow Rating	DBRS Morningstar As-Is DSCR (x)	DBRS Morningstar Stabilized DSCR (x)	DBRS Morningstar As-Is LTV (%)	DBRS Morningstar Stabilized Morningstar LTV (%)
Circa and Ecco Apartments	60,900,000	11.4	n/a	1.15	1.22	90.7	78.7
Retreat at Waterside	42,500,000	7.9	n/a	0.63	1.06	81.2	74.2
Spring Lake Apartment Homes	42,140,000	7.9	n/a	1.07	1.15	76.6	67.2
Heights West End	38,000,000	7.1	n/a	0.95	1.13	87.2	86.3
Evans Ranch Apartments	36,000,000	6.7	n/a	0.97	1.07	77.9	68.2
Nottingham Village	34,500,000	6.4	n/a	1.00	1.19	83.3	70.3
NorthPointe Apartments	30,800,000	5.7	n/a	0.44	1.28	98.6	64.1
Seventh Apartments	26,746,503	5.0	n/a	0.86	0.94	95.4	74.9
910 Apartments	22,900,000	4.3	n/a	0.74	1.43	78.1	67.5
Spanish Oaks Apartments	21,813,805	4.1	n/a	1.47	1.69	85.1	66.7

Property Detail

Loan Name	DBRS Morningstar Property Type	City	State	Year Built	SF/Units[1]	Fully Funded Mortgage Loan per SF/Units ($)	Fully Funded Mortgage Maturity Balance per SF/Units ($)
Circa and Ecco Apartments	Multifamily	Sandy Springs	GA	1979; 1980	608	108,873	108,873
Retreat at Waterside	Multifamily	Greenville	SC	2005	378	115,259	115,259
Spring Lake Apartment Homes	Multifamily	Norcross	GA	1987	380	121,397	121,397
Heights West End	Multifamily	Houston	TX	2015	283	134,276	134,276
Evans Ranch Apartments	Multifamily	San Antonio	TX	2011	329	120,264	120,264
Nottingham Village	Multifamily	Houston	TX	1971	317	122,555	122,555
NorthPointe Apartments	Multifamily	Tucson	AZ	1999	912	39,716	39,716
Seventh Apartments	Multifamily	Phoenix	AZ	1970	286	115,054	115,054
910 Apartments	Multifamily	Houston	TX	1979	464	51,509	51,509
Spanish Oaks Apartments	Multifamily	Las Vegas	NV	1976	216	112,344	112,344

1 NorthPointe Apartments is being converted from a 912-bed student housing property to a 300-unit traditional multifamily property.

DBRS Morningstar Sample

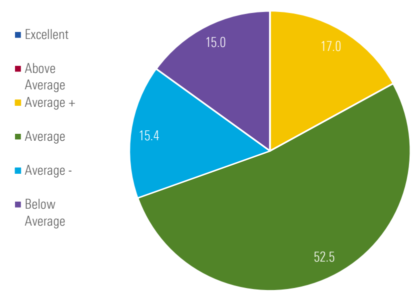
DBRS Morningstar Sample Results

Prospectus ID	Loan Name	% of Pool	DBRS Morningstar Stabilized NCF ($)	DBRS Morningstar Stabilized NCF Variance (%)	DBRS Morningstar Major Variance Drivers	DBRS Morningstar Property Quality
1	Circa and Ecco Apartments	11.4	4,029,133	-10.7	GPR; Vacancy; Operating Expenses	Average
2	Retreat at Waterside	7.9	2,646,703	-19.3	GPR; Vacancy; Operating Expenses	Below Average
3	Spring Lake Apartment Homes	7.9	2,639,568	-13.9	GPR; Vacancy; Operating Expenses	Average
4	Heights West End	7.1	2,114,342	-0.2	Minimal Variance	Average +
5	Evans Ranch Apartments	6.7	2,423,938	-14.1	GPR; Vacancy; Operating Expenses	Average +
6	Nottingham Village	6.4	2,528,510	-15.1	GPR; Vacancy; Operating Expenses	Average
7	NorthPointe Apartments	5.7	2,663,740	-14.0	GPR; Operating Expenses	Average
8	Seventh Apartments	5.0	1,767,558	-22.5	GPR; Vacancy; Operating Expenses	Average -
9	910 Apartments	4.3	1,516,815	-15.7	GPR; Vacancy; Operating Expenses	Below Average
10	Spanish Oaks Apartments	4.1	1,541,596	-14.3	GPR; Vacancy; Operating Expenses	Average
11	Haven on Peoria	4.0	1,303,291	-17.9	GPR; Vacancy; Operating Expenses	Average -
12	The Life at Beverly Palms	3.5	1,414,192	-30.7	GPR; Vacancy; Operating Expenses	Average -
16	Wing Park Apartments	3.3	1,185,858	-21.2	GPR; Vacancy; Operating Expenses	Average
17	304 West 92nd Street	2.8	1,465,786	-30.1	GPR; Vacancy; Operating Expenses	Average
22	Mailwell Drive	1.1	908,037	-19.9	GPR; Vacancy; Operating Expenses	Average

DBRS Morningstar Site Inspections

The DBRS Morningstar sample included 15 loans, and site inspections were performed at two of the 22 properties in the pool, representing 6.1% of the pool by allocated cut-off balance. The photos and content in the site inspection summaries refer to the property and market conditions at the time of the inspection. The resulting DBRS Morningstar property quality scores are highlighted in the following chart.

DBRS Morningstar Sampled Property Quality



Source: DBRS Morningstar.

DBRS Morningstar Cash Flow Analysis

DBRS Morningstar completed a cash flow review and cash flow stability and structural review on 15 of the 22 loans, representing 81.1% of the pool by loan balance. Overall, the Issuer's cash flows were generally recent, from early 2021 and reflective of recent conditions. For the loans not subject to NCF review, DBRS Morningstar applied NCF variances of -7.5% and -17.3% to the Issuer's As-Is and Stabilized NCFs, respectively, which are based on average sampled NCF variances (excluding certain outliers).

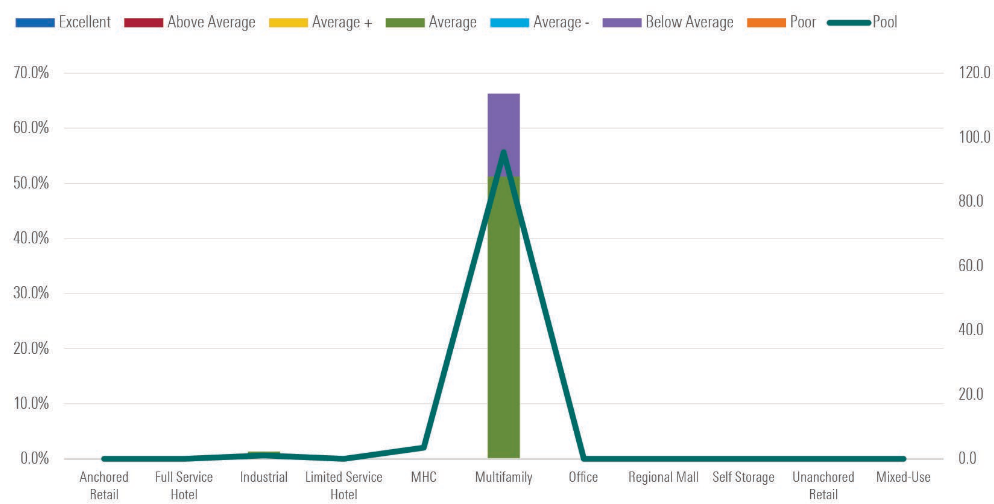
As-Is NCF

The DBRS Morningstar As-IS NCF was based on the current performance of the property, without giving any credit to future upside that may be realized by the Sponsor upon execution of its business plan. The DBRS Morningstar sample had an average in-place NCF variance of -2.0% (excluding outliers) from the Issuer's NCF and ranged from -100.0% to +20.3%.

Stabilized NCF

The DBRS Morningstar Stabilized NCF was derived by generally stabilizing the properties at market rent and/or recently executed leases and market expenses that DBRS Morningstar believed were reasonably achievable based on the individual loan sponsors' business plans and structural features of the respective loan. This often involved assuming higher than in-place rental rates for multifamily properties based on the significant ongoing renovations, with rents already achieved on renovated units providing the best guidance on market rent upon renovation completion. For all assumptions, DBRS Morningstar took a somewhat conservative view compared with the market to account for execution risk around the business plan. The DBRS Morningstar sample had an average DBRS Morningstar Stabilized NCF variance of -17.3% from the Issuer's stabilized NCF and ranged from -30.7% to +0.4%.

DBRS Morningstar Sampled Property Type



Source: DBRS Morningstar.

Model Adjustments

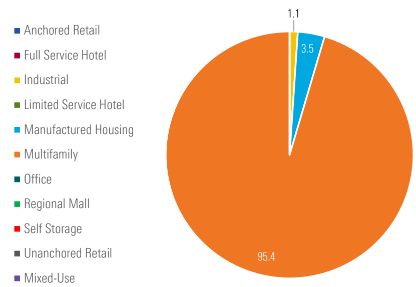
Value Adjustments: DBRS Morningstar applied a downward stabilized value adjustment to seven loans—Circa and Ecco Apartments, Retreat at Waterside, Heights West End, NorthPointe Apartments, Seventh Apartments, Harbor Belle, and Mailwell Drive—comprising 41.6% of the cut-off date pool balance. DBRS Morningstar adjusted values to reflect its view of the respective markets and their implied cap rates.

Cap Rate Adjustments

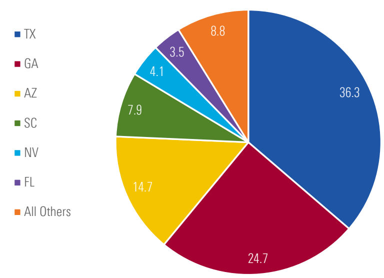
Loan Number	Loan Name	Implied Cap	Adjusted Cap	Appraised As-Is LTV	Appraised Stabilized LTV	DBRSM As-Is LTV	DBRS M* Stabilized LTV	DBRS M* Stabilized Balloon LTV	DBRS M* As-Is Balloon LTV
1	Circa and Ecco Apartments	4.40%	5.40%	68.9%	65.0%	90.7%	78.7%	78.7%	90.7%
2	Retreat at Waterside	4.90%	5.60%	69.6%	65.1%	81.2%	74.2%	74.2%	81.2%
4	Heights West End	3.90%	4.80%	70.2%	69.5%	87.2%	86.3%	86.3%	87.2%
7	Northpointe Apartments	4.56%	5.50%	69.7%	53.3%	98.6%	64.1%	64.1%	98.6%
8	Seventh Apartments	4.60%	5.20%	69.1%	66.7%	95.4%	74.9%	74.9%	95.4%
13	Harbor Belle	3.30%	5.90%	54.8%	45.7%	98.3%	81.9%	81.9%	98.3%
22	Mailwell Drive	5.00%	6.10%	47.1%	53.7%	125.7%	66.4%	66.4%	125.7%

Transaction Concentrations

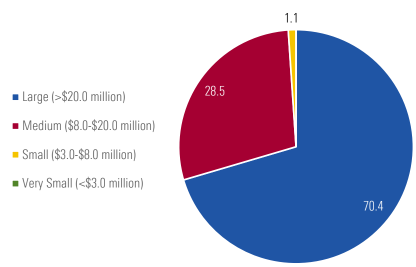
DBRS Morningstar Property Type



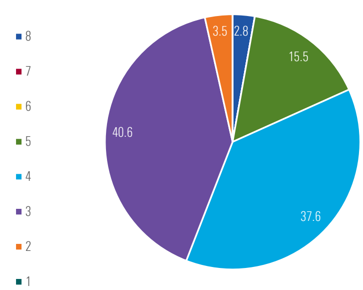
Geography



Loan Size

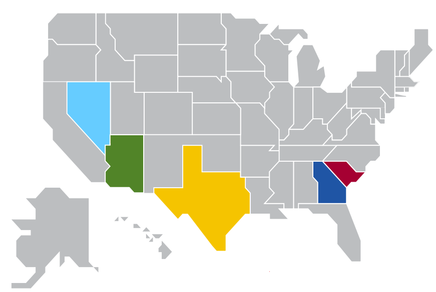


DBRS Morningstar Market Types



Largest Property Location

Property Name	City	State
Circa and Ecco Apartments	Sandy Springs	GA
Retreat at Waterside	Greenville	SC
Spring Lake Apartment Homes	Norcross	GA
Heights West End	Houston	TX
Evans Ranch Apartments	San Antonio	TX
Nottingham Village	Houston	TX
NorthPointe Apartments	Tucson	AZ
Seventh Apartments	Phoenix	AZ
910 Apartments	Houston	TX
Spanish Oaks Apartments	Las Vegas	NV



Source: DBRS Morningstar.

Loan Structural Features

Loan Terms: All 22 loans in the pool are IO during the fully extended loan term. Original loan terms for all loans range from 36 months to 60 months. Seventeen of the loans have one to three 12-month extension options while five loans have no extension options.

Interest Rate: The interest rate is the greater of the floating rate referencing the one-month USD Libor as the index plus the margin or the interest rate floor for all of the loans.

Interest Rate Protection: All 22 loans have purchased interest rate caps over the term of the loan and all have entered into interest rate cap agreements with SMBC Capital Markets, Inc. If the DBRS Morningstar stressed interest rate is less than the interest rate cap purchased by the borrower, DBRS Morningstar would default to the lower rate.

Future Funding: Nineteen loans, representing 86.6% of the initial pool balance, have a future funding component. The aggregate amount of future funding remaining is $59.3 million, with future funding amounts per loan ranging from $1.0 million to $6.6 million. The proceeds necessary to fulfill the future funding obligations will primarily be drawn from working cash or capital calls, if required, and will be initially held outside the trust but will be pari-passu with the trust participations. The future funding is generally to be used for property renovations and leasing costs. Each property has a business plan to execute that is expected to increase NCF. It is DBRS Morningstar's opinion that the business plans are generally achievable, given market conditions, recent property performance, and adequate available future funding (or upfront reserves) for planned renovation and leasing costs.

Delayed Close Mortgage Loans: As of the date of the DBRS Morningstar Analysis, two loans—Retreat at Waterside, representing 7.9% of the trust balance, and Nottingham Village, representing 6.4% of the trust balance,—are not yet funded but are anticipated to be funded within 60 days of the closing date of the transaction.

Leasehold: There are no leasehold loans in the pool.'

Reserve Requirement

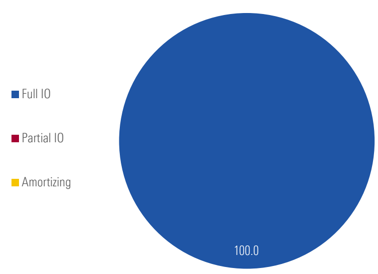
Type	# of Loans	% of Pool
Tax Ongoing	19	78.6
Insurance Ongoing	9	37.2
Capex Ongoing	10	46.6
Leasing Costs Ongoing[1]	0	0.0

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

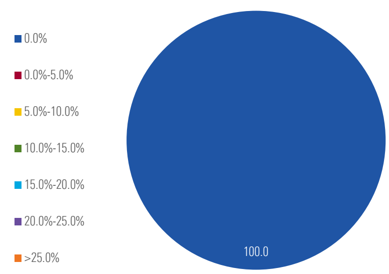
Borrower Structure

Type	# of Loans	% of Pool
SPE with Independent Director and Non-Consolidation Opinion	12	73.9
SPE with Independent Director Only	0	0.0
SPE with Non-Consolidation Opinion Only	0	0.0
SPE Only	10	26.1

Interest Only

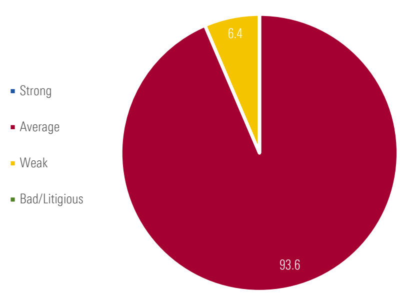


DBRS Morningstar Expected Amortization



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

DBRS Morningstar Sponsor Strength



Source: DBRS Morningstar.

Property Release: One loan, representing 1.1% of the initial pool balance, allows for the release of one or more portions of the mortgaged property, subject to release prices exceeding the allocated loan amounts of respective properties and/or certain leverage test prescribed in the individual loan agreement.

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

Terrorism Insurance: All loans have terrorism insurance in place.

Circa and Ecco Apartments

Loan Snapshot

Seller
BDS IV Loan Seller LLC
Ownership Interest
Fee Simple
Trust Balance ($ million)
60.9
Loan PSF/Unit ($)
108,873
Percentage of the Pool (%)
11.4
Fully Extended Loan Maturity/ARD
June 2026
Amortization
n/a
DBRS Morningstar As-Is DSCR (x)
1.15
DBRS Morningstar Stabilized DSCR (x)
1.22
DBRS Morningstar As-Is Issuance LTV (%)
90.7
DBRS Morningstar Stabilized Balloon LTV (%)
78.7
DBRS Morningstar Property Type
Multifamily
DBRS Morningstar Property Quality
Average

Debt Stack ($ millions)

Trust Balance
60.9
Pari Passu
0.0
Remaining Future Funding
5.3
Mortgage Loan Including Future Funding
66.2
Loan Purpose
Acquisition
Equity Contribution/(Distribution) ($ million)
34.8


Source: Appraisal


Source: Appraisal

Collateral Summary			
DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	1979/2017
City, State	Atlanta, GA	**Physical Occupancy (%)**	95.2
Units/SF	608	**Physical Occupancy Date**	April 2021

This loan is secured by the borrower's fee-simple interest in Circa and Ecco Apartments, a Class B, garden-style, 608-unit multifamily property approximately 18.0 miles north of the downtown CBD in Atlanta. The collateral was originally built and operated as two separate properties (constructed in 1979 and 1980) but was later combined into one property, which was acquired by the sponsor as part of this transaction. Initial loan proceeds of $60.9 million in addition to an initial borrower equity contribution of $34.8 million financed the borrower's $87.0 million acquisition of the property, fund $4.2 million of reserves and covered closing costs associated with the transaction.The loan permits for up to $5.3 million in future funding, which is scheduled to provide financing for the borrower's capital improvement plan. The five-year, floating-rate loan is full-term IO and is structured to comply with Sharia law.

Competitive Set

Property	Location	Distance from Subject (Miles)	Units	Year Built	Occupancy (%)
Azalea Park	Sandy Springs, GA	1.1	448	1986	97.0
Parc at Dunwoody	Atlanta, GA	1.1	312	1980	93.0
Pointe at Canyon Ridge	Atlanta, GA	0.5	494	1987	97.0
Radius Sandy Springs	Sandy Springs, GA	1.4	532	1981	94.0
The Edgewater at Sandy Springs	Atlanta, GA	2.6	760	1986	91.0
Total/WA Comp. Set	**Various**	**1.5**	**2,546**	**1984**	**94.1**
Circa and Ecco Apartments	**Atlanta, GA**	**n/a**	**608**	**1979**	**95.2**

Source: Appraisal, except the subject figures are based on the rent roll dated April 9, 2021.

The collateral comprises 75, two-story buildings on 43.0 acres of land. The subject's unit mix includes 280 one-bedroom/one-bathroom units, 88 two-bedroom/one-bathroom units, 184 two-bedroom/two-bathroom units, 36 small three-bedroom/two-bathroom units, and 20 large three-bedroom/two-bathroom units averaging 750 sf, 940 sf, 1,050 sf, 1,400 sf, and 1,600 sf, respectively. Per the April 2021 rent roll, the property's one-bedroom/one-bathroom, two-bedroom/one-bathroom, two-bedroom/two-bathroom, small three-bedroom/two-bathroom, and large three-bedroom/two-bathroom units achieved average monthly rental rates of $933, $1,040, $1,132, $1,403, and $1,496, respectively. Propertywide amenities include a fitness center, a business center, a movie theater, laundry facilities, two pools, outdoor grilling areas, a firepit, two soccer fields, a dog park, two playgrounds, and controlled access. The property additionally features 1,158 parking spaces, representing an aggregate parking ratio of 1.9 spaces per unit. Original unit finishes include laminate countertops, wood cabinetry, and white or black kitchen appliances. Many units benefited from light renovations under the prior ownership, and the sponsor's proposed capital improvement plan includes new faux-granite countertops, stainless-steel appliances, new vinyl flooring throughout with carpet in the bedrooms, new lighting fixtures, and washers and dryers in all units with connections (301 units excluding 27 units that had previously received in-unit washer and dryers).

Sponsorship

The sponsor is a global investment manager with approximately $35 billion of assets under management that specializes in alternative investments across private equity, real estate, credit, absolute return strategies, GP stakes, and infrastructure. Its real estate arm has invested approximately $20 billion in over 850 properties across the U.S., Europe, and India since 1996. The loan will be Sharia-compliant with the property being master-leased to a related entity, which then pays rent to the landlord/borrower to cover the loan's debt service. The master tenant is owned by various sponsor-affiliated private investors, none of which own 10% or more interest. The loan is guaranteed by a U.S. sponsor affiliate. Upon acquisition, the borrower will bring on its own management team, which is a 5% owner in the master tenant, and an affiliated company.

DBRS Morningstar Analysis

Site Inspection Summary


Source: Appraisal


Source: Appraisal


Source: Appraisal


Source: Appraisal

DBRS Morningstar did not conduct interior or exterior tours of the property because of health and safety constraints associated with the ongoing coronavirus pandemic. Based on photos and assessments from third-party reports, DBRS Morningstar determined the property quality to be Average.

DBRS Morningstar NCF Summary

NCF Analysis						
	2019	2020	T-12 February 2021	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF	NCF Variance (%)
GPR ($)	7,364,203	7,601,284	7,619,024	9,048,960	8,752,037	-3.3
Other Income ($)	716,878	809,303	842,597	857,280	888,105	3.6
Vacancy & Concessions ($)	-956,480	-999,409	-1,008,723	-858,454	-898,436	4.7
EGI ($)	**7,124,601**	**7,411,178**	**7,452,898**	**9,047,786**	**8,741,705**	**-3.4**
Expenses ($)	3,415,824	3,564,515	3,565,927	4,385,433	4,560,572	4.0
NOI ($)	**3,708,777**	**3,846,663**	**3,886,971**	**4,662,353**	**4,181,133**	**-10.3**
Capex ($)	446,968	576,354	547,844	152,000	152,000	0.0
NCF ($)	**3,261,809**	**3,270,309**	**3,339,128**	**4,510,353**	**4,029,133**	**-10.7**

The DBRS Morningstar Stabilized NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar Stabilized NCF was $4,029,133, representing a -10.7% variance from the Issuer's stabilized NCF of $4,510,353. The primary drivers of the variance included GPR, discounts/concessions, and operating expenses.

DBRS Morningstar generally estimated GPR by adding a $125 monthly rental premium to the average of the property's in-place rents (by unit type) per the April 2021 rent roll. DBRS Morningstar added an additional $40 rental premium to 301 units to account for units receiving washers and dryers per the sponsor's proposed capital improvement plan. The $125 monthly renovation premium and $40 monthly washer/dryer premiums generally reflect the borrower's projected amounts and support appraisal-estimated monthly renovation premiums of $160 per unit (including in-unit washer and dryer additions). The DBRS Morningstar NCF analysis estimates monthly GPR to improve to an average of $1,200 per unit from $1,055 per unit through stabilization, which is consistent with Reis' submarket data. DBRS Morningstar applied concessions generally in line with the T-12 period ended February 2021 as a proportion of GPR, while the Issuer removed concessions in assessing a stabilized NRI. Per Reis, submarket concessions averaged approximately 0.7 months of free rent as of Q4 2020. Lastly, DBRS Morningstar inflated operating expenses 10.0% over the T-12 period ended February 2021, resulting in an aggregate operating expense ratio of 35.0%. By contrast, the Issuer generally estimated operating expenses based on a blend of the appraiser's stabilized estimate and the borrower's stabilized budget, resulting in an aggregate expense ratio of 31.9%.

DBRS Morningstar Viewpoint

The collateral is in what is generally considered to be a suburban area on the north side of Atlanta. The collateral's generally suburban location is denoted in the appraisal and further evidenced by the collateral being in an area with a DBRS Morningstar MSA Group of 1 and a DBRS Morningstar Market Rank of 3. Loans secured by properties in such areas have historically demonstrated elevated losses compared with loans secured by assets in more densely populated and more financially liquid markets. The property is just off the entrance to U.S. Route 19 (commonly referred to as the Turner McDonald Parkway), which provides direct access to the Downtown Atlanta CBD and provides somewhat favorable accessibility to the collateral. Per Reis, the collateral's submarket has benefited from relatively stable occupancy rates in recent years, averaging just 4.8% vacancy annually over the five-year period ended December 2020. Reis forecasts submarket occupancy rates to remain relatively stable as well, projecting an average annual vacancy rate of 5.7% through December 2025.

Initially constructed in 1979, the collateral is the most dated asset among its appraisal-identified competitive set. Per Reis, only 14.0% of submarket inventory was constructed before 1980 with the majority of submarket inventory (54.0% as of Q4 2020) constructed between 1980 and 1999. Fortunately, the collateral benefited from $5.8 million in capital investment between 2016 and 2017 and stands to benefit from an additional $5.3 million in investment from the sponsor's proposed capital improvement plan. Following the 2017 renovations, the collateral achieved historical occupancy rates of 92.4%, 90.0%, 88.2%, and 90.9% in 2017, 2018, 2019, and 2020, respectively. The sponsor's proposed capital improvements should facilitate leasing momentum at the property and further enhance the collateral's competitive position, driving rents to market through stabilization. While Reis reported average submarket rental rates by vintage of $1,264 per unit as of Q4 2020, the DBRS Morningstar Stabilized

NCF assumes a stabilized GPR of $1,200 per unit, providing considerable buffer if the property's rents remain below-market following the execution of the sponsor's capital investment plan.

Initial loan proceeds of $60.9 million represent a moderate loan-to-purchase price ratio of 70.0%. The appraiser estimates the value of the collateral to improve to $101.9 million through stabilization, representing an improved LTV ratio of 65.0% based on the fully funded loan balance of approximately $66.2 million. The DBRS Morningstar Stabilized NCF represents a DSCR of 1.22x based on the DBRS Morningstar stressed debt service of $3.2 million, providing a minimal cash flow buffer to support ongoing debt service maintenance in the event of a market downturn. Fortunately, the DBRS Morningstar Stabilized NCF represents a breakeven vacancy rate of 10.9% compared with the Reis annual submarket average of 5.7% forecast over the five-year period ended December 2025. Additionally, the transaction represents cash-in acquisition financing and the property manager will be a locally experienced, borrower-affiliated management company with reported management interests in 7,483 units nationally, including 1,880 units in the Atlanta area.

Retreat at Waterside

Loan Snapshot

Seller
BDS IV Loan Seller LLC
Ownership Interest
Fee Simple
Trust Balance ($ million)
42.5
Loan PSF/Unit ($)
115,259
Percentage of the Pool (%)
7.9
Fully Extended Loan Maturity/ARD
June 2026
Amortization
n/a
DBRS Morningstar As-Is DSCR (x)
0.63
DBRS Morningstar Stabilized DSCR (x)
1.06
DBRS Morningstar As-Is Issuance LTV (%)
81.2
DBRS Morningstar Stabilized Balloon LTV (%)
74.2
DBRS Morningstar Property Type
Multifamily
DBRS Morningstar Property Quality
Below Average

Debt Stack ($ millions)

Trust Balance
42.5
Pari Passu
0.0
Remaining Future Funding
1.1
Mortgage Loan Including Future Funding
43.6
Loan Purpose
Refinance
Equity Contribution/(Distribution) ($ million)
0.2

Source: Appraisal

Source: Appraisal

Collateral Summary			
DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	2005/2015
City, State	Greenville, SC	**Physical Occupancy (%)**	76.7
Units/SF	378	**Physical Occupancy Date**	April 2021

This loan is secured by the borrower' fee-simple interest in a 378-unit multifamily complex in Greenville, SC. Loan proceeds of $42.5 million along with $222,962 of borrower cash equity were used to refinance existing debt encumbering the property of $41.3 million, cover closing costs of $750,000 and fund reserves of $722,962 of reserves including a debt service reserve of $600,000. The loan is structured to permit up to $1.1 million in future funding to be used to fund a $1.1 million capital expenditure plan at the property. The loan initially has a three-year term and is structured with two one-year extension options. The loan is IO throughout its fully extended loan term. The DBRS Morningstar Issuance LTV of 81.2% is based on the appraiser's April 2021 as-is valuation of $61.3 million subject to a cap rate adjustment. The DBRS Morningstar Balloon LTV is projected to be 74.2%, which was also based on the appraiser's stabilized value of $67.2 million in 2022 subject to a cap rate adjustment.

The collateral is a 378-unit garden style multifamily complex in Greenville, South Carolina, approximately 102.3 miles west of Charlotte, North Carolina. Built in two phases between 2005 and 2015, the property was 76.7% occupied as of the April 2021 rent roll. Common area amenities include an outdoor pool with grilling area, two tennis courts, an outdoor fire pit, a common laundry facility, and a car care facility. Unit amenities include in unit washer/dryer, patio/balcony, black appliances in classic units, and stainless steel appliances in renovated units.

Competitive Set

Property	Location	Distance from Subject (Miles)	Units	Year Built/Renovated	Occupancy (%)	Avg. Unit Size (SF)
Tapestry at Hollingsworth Park	Greenville, SC	0.4	242	2013	97.0	1,105
Hawthorne at the Carlyle	Greenville, SC	0.7	280	1999/2017	96.0	1,026
Bell Roper Mountain	Greenville, SC	0.9	268	2001	97.0	1,088
Preserve at Woods Lake	Greenville, SC	1.4	232	1996	93.0	977
The Aventine of Greenville	Greenville, SC	1.7	346	2013	95.0	961
Innovation Apartments	Greenville, SC	2.3	336	2015	97.0	NA
Total/WA Comp. Set	**Greenville, SC**	**Various**	**1,704**	**Various**	**95.9**	**1,027**
Retreat at Waterside	**Greenville, SC**	**n/a**	**378**	**2005/2015**	**76.7**	**997**

Source: Appraisal, except the Subject figures are based on the rent roll dated month April 2021.

The sponsor disclosed a shooting that occurred at the property in August 2020. An acquaintance of a resident was shot by a suspect, neither of whom was a tenant of the property. The resident of the unit has since been evicted following the incident. The sponsor hired three property patrol officers and established a neighborhood watch program in response to the shooting.

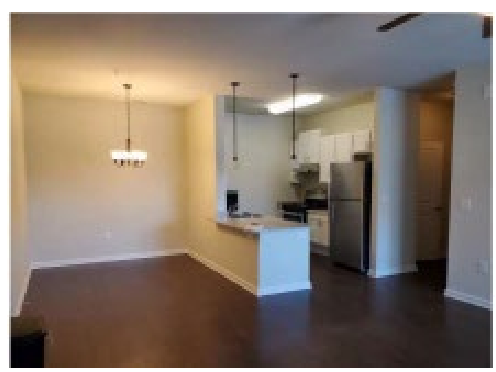
Sponsorship

The sponsor is a private real estate company founded in 2010 and is an owner and operator focused on redeveloping and repositioning multifamily assets in the Southeast U.S. and Gulf Coast regions. The company has a current portfolio of 21 properties totaling 5,685 units located throughout GA, LA, NC and SC.

DBRS Morningstar Analysis

Site Inspection Summary

Source: Appraisal



Source: Appraisal

DBRS Morningstar did not conduct interior or exterior tours of the property because of health and safety constraints associated with the ongoing coronavirus pandemic. Based on photos and assessments from third-party reports, DBRS Morningstar determined the property quality to be Below Average.

DBRS Morningstar NCF Summary

NCF Analysis						
	T-12 July 2020	2020	T-12 February 2021	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF	NCF Variance (%)
GPR ($)	4,714,915	4,703,251	4,694,788	5,980,456	5,575,212	-6.8
Other Income ($)	318,317	327,621	339,995	482,773	455,230	-5.7
Vacancy & Concessions ($)	-1,646,144	-1,807,041	-1,822,964	-362,148	-585,169	61.6
EGI ($)	**3,387,088**	**3,223,831**	**3,211,819**	**6,101,081**	**5,445,273**	**-10.7**
Expenses ($)	2,220,795	2,112,541	2,097,081	2,726,978	2,704,070	-0.8
NOI ($)	**1,166,293**	**1,111,289**	**1,114,738**	**3,374,103**	**2,741,203**	**-18.8**
Capex ($)	0	0	0	94,500	94,500	0.0
NCF ($)	**1,166,293**	**1,111,289**	**1,114,738**	**3,279,603**	**2,646,703**	**-19.3**

The DBRS Morningstar Stabilized NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar NCF was $2,646,703, representing a variance of -19.3% from the Issuer's stabilized NCF of $3,279,603. The primary drivers for the variance were DBRS Morningstar GPR and vacancy assumptions. DBRS Morningstar assumed GPR for the renovated units at the property to be in line with the appraiser's stabilized rents and applied a $50/unit premium over the in-place rents per the April 2021 rent roll for the units that would not be receiving renovations per the business plan. DBRS Morningstar assumed at economic vacancy of -9.4% in line with the Reis submarket physical vacancy of 7.4% and concessions of 2.0% of GPR.

DBRS Morningstar Viewpoint

The collateral is in the suburban South Greenville County submarket. Primary access to the property is provided by SC-385, which runs east/west directly into the Greenville CBD 5.1 miles west of the subject as well as the Greenville-Spartanburg Airport 8.9 miles east of the subject. The immediate area consists primarily of commercial uses. The major retail development in the area is the Haywood Mall, anchored by Belk, Dillard's, and Macy's. The subject is also near Fluor Enterprise, a global engineering and construction company, whose headquarters is in Greenville. The property is currently 76.7% occupied per the April 2021 rent roll as the borrower is in the midst of a renovation plan that will result in 82.0% of the units at the property (310 units) renovated. Once the renovations are complete, DBRS Morningstar is assuming a stabilized physical occupancy of 91.6%, in line with the Reis submarket for the subject collateral.

The subject collateral is in the Reis defined South Greenville County submarket, one of five distinct submarkets in the Greenville MSA, containing approximately 12,596 market-rate rental apartments (amounting to 27.1% of the total metro inventory). Reis predicts that 288 units of market-rate rental apartments will be introduced into the submarket by YE2021. Furthermore, Reis projects an additional 741 units of market-rate rental apartments into the submarket during 2022 and 2023. As such, Reis anticipates that the submarket vacancy will finish 2022 at 5.1% before declining slightly to 5.0% in 2023. Lastly, Reis projects that on an annualized basis through 2022 and 2023, asking and effective rents are projected to increase by 4.3% and 4.4%, respectively, to finish 2023 at $1,187 and $1,132.

The borrower purchased the property in June 2019 for $47.0 million and began implementing a $4.7 million renovation plan of which approximately $3.6 million has been completed. However, the business plan was halted when the original lender went out of business as a result of the coronavirus pandemic. The property was affected by the coronavirus pandemic when BMW, a corporate account at the property with several leases, canceled its contract. The borrower has since refinanced with this transaction and plans on finishing the $1.1 million in renovations planned for the property. Of the $1.1 million, approximately $520,000 will be used to complete upgrades on 28 additional units, which will bring the final renovated count to 310 (82.0%) of the 378 total units. The remaining future funding proceeds will be used for exterior work including enhanced lighting, additional security cameras, enhanced gate entrance, and to finalize construction of a clubhouse with a fitness center. At the conclusion of the full renovation project, the appraiser estimates the renovated units will lease for an average premium of $107/unit.

In light of the crime that occurred at the property, DBRS Morningstar has adjusted the property quality to be Below Average, indicative of a higher chance of default over the course of the loan term. This short-term adjustment reflects the challenge the borrower now faces on rebranding the property and enhancing security measures to ensure tenant safety is guaranteed while on the premises. The enhanced security measures being taken, including more security, formation of a neighborhood watch, and several accessibility improvements combined with overall renovation plan should serve the borrower well as they seek to finalize planned capex improvements at the property and achieve stabilization.

Spring Lake Apartment Homes

Loan Snapshot

Seller	
Seller	BDS IV Loan Seller LLC
Ownership Interest	Fee Simple
Trust Balance ($ million)	42.1
Loan PSF/Unit ($)	121,397
Percentage of the Pool (%)	7.9
Fully Extended Loan Maturity/ARD	June 2026
Amortization	n/a
DBRS Morningstar As-Is DSCR (x)	1.07
DBRS Morningstar Stabilized DSCR (x)	1.15
DBRS Morningstar As-Is Issuance LTV (%)	76.6
DBRS Morningstar Stabilized Balloon LTV (%)	67.2
DBRS Morningstar Property Type	Multifamily
DBRS Morningstar Property Quality	Average

Debt Stack ($ millions)

Trust Balance	42.1
Pari Passu	0.0
Remaining Future Funding	4.0
Mortgage Loan Including Future Funding	46.1
Loan Purpose	Acquisition
Equity Contribution/(Distribution) ($ million)	23.8

Source: Appraisal

Source: Appraisal

Collateral Summary			
DBRS Property Type	Multifamily	**Year Built/Renovated**	1987
City, State	Norcross, Georgia	**Physical Occupancy (%)**	97.6
Units	380	**Physical Occupancy Date**	April 2021

The loan is secured by the borrower's fee simple interest in Spring Lake Apartment Homes, a 380-unit multifamily property in Norcross. The borrower is acquiring the property for a purchase price of $60.2 million. Initial loan proceeds of $42.1 million along with $23.8 million of borrower equity will finance the acquisition of the property, cover closing costs, and fund upfront reserves. There is a $4.0 million future funding component that will be used for the sponsor's capital improvements plan. The loan is IO throughout for five years, with no extension options.

Competitive Set

Property	Location	Distance from Subject (Miles)	Units	Year Built	Occupancy (%)
Canopy Glen	Norcross, GA	1.4	684	1987	98.0
Domain	Norcross, GA	3.2	260	1973	95.0
Parkway Vista	Atlanta, GA	3.2	224	2004	96.0
Stanford Village	Norcross, GA	2.8	135	1985	99.0
Woodland Ridge	Norcross, GA	2.6	186	1986	97.0
Total/WA	**Various**	**Various**	**1,489**	**Various**	**97.1**
Spring Lake Apartment Homes	**Norcross, GA**	**N/A**	**380**	**1987**	**97.6**

*Per appraisal with the exception of data for Spring Lake Apartment Homes, which is based on the Asset Summary Report.

Sponsorship

The sponsor is a global investment manager with approximately $35 billion of assets under management that specializes in alternative investments across private equity, real estate, credit, absolute return strategies, GP stakes, and infrastructure. Its real estate arm has invested approximately $20 billion in over 850 properties across the U.S., Europe, and India since 1996. The loan will be Sharia-compliant with the property being master-leased to a related entity, which then pays rent to the landlord/borrower to cover the loan's debt service. The master tenant is owned by various sponsor-affiliated private investors, none of which own 10% or more interest. The loan is guaranteed by a U.S. sponsor affiliate. Upon acquisition, the borrower will bring on its own management team, which is a 5% owner in the master tenant, and an affiliated company.

DBRS Morningstar Analysis

Site Inspection Summary

Source: Appraisal

Source: Appraisal

DBRS Morningstar did not conduct interior or exterior tours of the property due to health and safety constraints associated with the ongoing coronavirus pandemic. Based on photos and assessments from third party reports, DBRS Morningstar determined the property quality to be Average.

DBRS Morningstar NCF Summary

NCF Analysis

	2019	2020	T-12 February 2021	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF	NCF Variance (%)
GPR ($)	4,519,818	4,702,835	4,717,070	5,614,200	5,448,354	-3.0
Other Income ($)	766,340	777,691	795,455	644,100	795,455	23.5
Vacancy & Concessions ($)	-424,335	-343,286	-322,289	-325,398	-556,688	71.1
EGI ($)	**4,861,823**	**5,137,240**	**5,190,236**	**5,932,902**	**5,687,122**	**-4.1**
Expenses ($)	2,215,107	2,344,973	2,353,103	2,771,633	2,952,554	6.5
NOI ($)	**2,646,716**	**2,792,267**	**2,837,133**	**3,161,269**	**2,734,568**	**-13.5**
Capex ($)	83,458	107,264	104,316	95,000	95,000	0.0
NCF ($)	**2,563,258**	**2,685,003**	**2,732,816**	**3,066,269**	**2,639,568**	**-13.9**

The DBRS Morningstar NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar Stabilized NCF was $2,639,568, representing a -13.9% variance from the Issuer's stabilized NCF of $3,066,269. The main drivers of the variance were operating expenses, GPR, and vacancy. DBRS Morningstar concluded to operating expenses generally based off the borrower's stabilized budget, while the Issuer based expenses off the appraiser's estimates. DBRS Morningstar concluded to a GPR based on the April 9, 2021, rent roll with $155 per unit premiums for the sponsor's renovations. The Issuer based stabilized rents off the appraiser's conclusions, with a $160-per-unit premium. DBRS Morningstar concluded to a stabilized vacancy of 7.2% based on the Reis submarket, while the Issuer determined a 5.0% vacancy based off the appraiser's assumptions.

DBRS Morningstar Viewpoint

Originally constructed in 1987, the sponsor acquired the asset for $60.2 million and has $4.0 million in renovations planned.

The property was previously securitized in two transactions, CSFB 2007-C1 and FREMF 2014-K37. Per DBRS Viewpoint, the property has been between 91% and 98% occupied since 2015, with the April 9, 2021, rent roll reflecting 97.6% occupancy. The property has experienced strong value appreciation since FREMF 2014-K37 when it was valued at $16.85 million.

The subject is located in the Reis identified Atlanta submarket of North Gwinnett, which represents 6.3% of the metro's inventory. The submarket demonstrates similar occupancy, averaging 5.2% over the past five years, and ending Q4 2020 at 7.2%. Reis projects that vacancy will drift upwards over the next five years, averaging 7.2% and peaking at 8.6% in 2021. As such, DBRS Morningstar believes the property will stabilize around 92.8% occupancy, in line with the property's historical performance and submarket.

The subject is located approximately 16 miles northeast of Atlanta in a suburban market. The area is largely built-out, with much of the recent activity involving redevelopment of existing uses due to the lack of available vacant land in the area. The property benefits from easy access to I-85, Jimmy Carter Boulevard, and I-285, all of which provide convenient travel throughout the metropolitan area. According to CBRE, the I-85 industrial corridor is one of the fastest growing parts of Atlanta, with 150 million sf of industrial space. Worldwide contract furniture manufacturer OFS is headquartered one mile from the subject property. The Waffle House corporate headquarters is also located less than one mile away. Median household income within the same three-mile radius is $46,079, which is lower than the household income for local county, MSA, and the state of Georgia. According to Reis, Atlanta's recovery from the recent downturn has outpaced most metros, a notable exception being the airline industry. Delta Airlines is the Atlanta MSA's largest employer and is expected to take longer to recover.

Common-area amenities at the property include a clubhouse, pool, fitness center, dog park, and cafe. The unit mix consists of 216 one-bedroom units, 114 two-bedroom units, and 50 three-bedroom units, with an average unit size of 974 sf. The planned renovations will address upgrades to the common area amenities, but will be focused on in-unit upgrades of all 380 units.

The sponsor has $4.0 million in renovations planned over the next three years. Approximately $1.0 million of the renovations will address deferred maintenance: repairing asphalt and parking spaces and roof and exterior siding repairs, among other projects. The sponsor has $2,136,500 million ($5,622/unit) budgeted for in-unit renovations, including new countertops, cabinet fronts, stainless-steel appliances, and new flooring throughout, and 229 units will have in-unit washer/dryers units installed. The remaining funds will be used to touch up existing amenities and improve security on the property. Through the renovations, the sponsor plans to achieve an average rental rate of $1,243 per unit, compared with the current average rate of $1,042 per unit. DBRS Morningstar concluded to stabilized rents of $1,195 per unit, in line with the sponsor's projections that the units 229 units receiving both the in-unit renovations and in-unit washer/dryers units should achieve $165 per unit premiums, while the

151 units receiving standard upgrades should attain $125 per unit premiums. Additionally, the appraiser's identified competitive set exhibits average rents of $1,037, $1,271, and $1,442 for one-, two-, and three-bedroom units, respectively.

The fully funded loan represents a DBRS Morningstar LTV of 67.2% based on the appraiser's stabilized value of $68.6 million. Additionally, the DBRS Morningstar As-Is NCF represents a 1.07x DSCR and the DBRS Morningstar Stabilized NCF reflects a 1.15x DSCR based on the DBRS Morningstar stressed debt service of $2.3 million. The low DSCRs present some term default risk and may pose challenges when trying to refinance if the sponsor is unable to increase rents to its estimates over the loan term.

DBRS Morningstar views the property's surrounding area negatively, as the average crime rate is 4.71x the national average. The seller noted there have been no significant crime issues at the subject property, but planned improvements include enhancing the security gates at the property and installing security cameras.

Heights West End

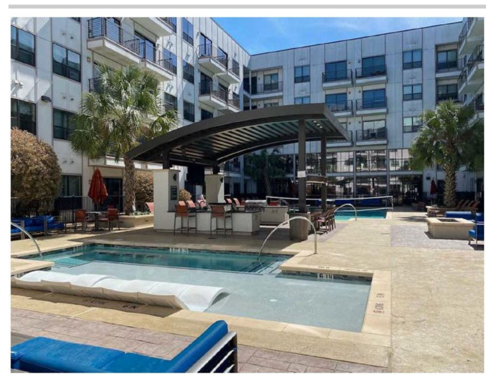
Loan Snapshot

Seller
BDS IV Loan Seller LLC
Ownership Interest
Fee Simple
Trust Balance ($ million)
38.0
Loan PSF/Unit ($)
134,276
Percentage of the Pool (%)
7.1
Fully Extended Loan Maturity/ARD
June 2026
Amortization
n/a
DBRS Morningstar As-Is DSCR (x)
0.95
DBRS Morningstar Stabilized DSCR (x)
1.13
DBRS Morningstar As-Is Issuance LTV (%)
87.2
DBRS Morningstar Stabilized Balloon LTV (%)
86.3
DBRS Morningstar Property Type
Multifamily
DBRS Morningstar Property Quality
Average (+)

Debt Stack ($ millions)

Trust Balance
38.0
Pari Passu
0.0
Remaining Future Funding
0.0
Mortgage Loan Including Future Funding
38.0
Loan Purpose
Refinance
Equity Contribution/(Distribution) ($ million)
(4.4)


Source: Appraisal


Source: Appraisal

Collateral Summary			
DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	2015
City, State	Houston, TX	**Physical Occupancy (%)**	91.5
Units/SF	283	**Physical Occupancy Date**	March 2021

This loan is secured by the borrower's fee-simple interest in Heights West End, a 283-unit, Class A, mid-rise apartment property two miles west of the Houston CBD. The collateral was developed in 2015 and purchased by the sponsor in 2017 for a purchase price of $52.7 million. The $38.0 million loan amount will pay off $31.7 million of existing debt, return $4.4 million of equity to the sponsor, and cover closing costs and other expenses. The loan does not have any future funding. The loan's initial three-year term is IO throughout including the two one-year extension options. Based on the DBRS Morningstar value of $44.1 million, the loan has a high stabilized LTV of 86.3%.

Common area amenities include a pool, an outdoor grill area, landscaped courtyard areas, a fitness center, a dog park, garage parking, a game room, a leasing office, and a clubhouse. Units offer modern finishes, quartz countertops, gas range stove tops and ovens with vent hoods, dishwashers, microwaves, and in-unit laundry. Bathrooms feature Italian tile, walk-in showers, and oversized tubs. All units have a private patio or balcony area. The subject was 91.5% occupied as of March 3, 2021, compared with the Reis defined Montrose/River Oaks submarket occupancy of 92.3% in February 2021.

Competitive Set							
Property	Location	Distance from Subject (Miles)	Units	Year Built/Renovated	Occupancy (%)	Avg. Rental Rate Per Unit ($)	Avg. Unit Size (SF)
Windsor Shepherd	Houston, TX	0.7	245	2018	96.0	1,530	838
Pearl Washington	Houston, TX	1.0	322	2016	93.0	1,624	862
Yale at 6th	Houston, TX	0.6	352	2015	96.0	1,566	854
Assembly Heights	Houston, TX	0.5	378	2016	95.0	1,769	856
Hiline Heights	Houston, TX	0.8	256	2013	95.0	1,469	849
Azure	Houston, TX	0.6	189	2018	96.0	1,653	801
Total/WA Comp. Set	**Houston, TX**	**Various**	**1,742**	**Various**	**95.1**	**1,611**	**847**
Heights West End	**Houston, TX**	**n/a**	**283**	**2015**	**91.5**	**1,510**	**814**

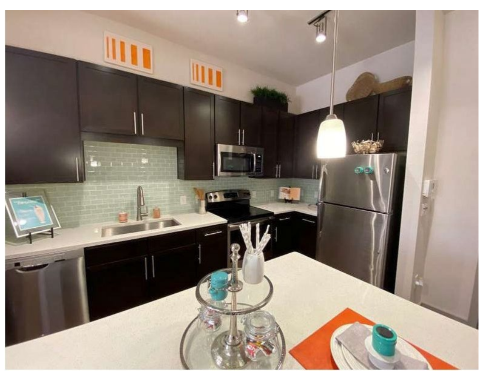
Source: Appraisal, except the Subject figures are based on the rent roll dated month March 2021.

Sponsorship

The sponsor is a private real estate company founded in 2007 to acquire, manage and reposition distressed apartment communities. Its business plan focuses on value-add acquisition opportunities that include a comprehensive renovation program focused on unit interiors and common areas. The company currently oversees a $2 billion portfolio with over 25,000 units and has sold nearly 10,000 units. It owns/operates 25 assets in the Houston MSA totaling 8,762 units and over 20,000 units in Texas.

DBRS Morningstar Analysis

Site Inspection Summary



Source: Appraisal

Source: Appraisal

DBRS Morningstar did not conduct interior or exterior tours of the property because of the health and safety constraints associated with the ongoing coronavirus pandemic. Based on photos and assessments from third-party reports, DBRS Morningstar determined the property quality to be Average (+).

DBRS Morningstar NCF Summary

NCF Analysis						
	2018	2019	T-12 January 2021	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	4,138,950	5,190,875	5,245,665	5,173,692	5,168,932	-0.1
Other Income ($)	681,410	336,371	399,220	369,740	399,220	8.0
Vacancy & Concessions ($)	-284,897	-546,362	-702,669	-648,372	-661,654	2.0
EGI ($)	**4,535,463**	**4,980,884**	**4,942,215**	**4,895,060**	**4,906,497**	**0.2**
Expenses ($)	2,224,864	2,491,962	2,485,226	2,704,897	2,721,405	0.6
NOI ($)	**2,310,599**	**2,488,922**	**2,456,989**	**2,190,163**	**2,185,092**	**-0.2**
Capex ($)	0	0	0	70,750	70,750	0.0
NCF ($)	**2,310,599**	**2,488,922**	**2,456,989**	**2,119,413**	**2,114,342**	**-0.2**

The DBRS Morningstar Stabilized NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar NCF was $2,114,342, representing a variance of -0.2% from the Issuer's stabilized NCF of $2,119,413. The primary drivers for the variance were the DBRS Morningstar GPR and operating expenses. DBRS Morningstar concluded to a GPR based on the March 2021, rent roll with vacant space grossed up to the lesser of in-place rents or the appraiser's concluded market rents per unit type. By contrast, the Issuer grossed up vacant space solely to the appraiser's rents. DBRS Morningstar concluded operating expenses to the T-12 statement ended January 31, 2021, inflated by a factor of 3%. The Issuer concluded operating expenses to a combination of the borrower's stabilized budget and the appraisal.

DBRS Morningstar Viewpoint

The subject benefits from a favorable location just two blocks south of exit 766 on the Katy Freeway roughly four miles west of the Houston CBD. The subject is three blocks north of Washington Avenue. The Washington Avenue Entertainment Corridor offers a variety of popular bars, restaurants, and night life/entertainment. More than 50 restaurants and bars are on Washington Avenue along the three-mile stretch from Wescott Street to Houston Avenue. The subject also benefits from being adjacent to a Walmart Supercenter, a Sprouts Farmers Market, and an LA Fitness. Greenway Plaza, one of Houston's primary business districts, is five miles southwest of the subject. Greenway Plaza offers 4.9 million sf of mixed-use space including Class A office buildings, hotels, a movie theater, and award-winning restaurants and night life.

At acquisition in 2017, the collateral was 94.7% occupied compared with the current 91.5% occupancy. Over the past year, more than 3,000 new units have come on line in the submarket, with an additional 1,300 currently under construction in the submarket. The influx of new supply has been slow to lease-up. To keep occupancy high, the sponsor began to increase concessions significantly over the T-6 ended March 31, 2021, with two months of free rent currently offered. The sponsor plans to continue efforts to improve occupancy up to a stabilized level of 95% while having concessions burn off over the next two to three years as new supply leases up. The sponsor has experience in the Houston MSA, owning 25 assets with more than 8,700 units under management. Given the influx in supply, Reis has projected the

Montrose/River Oaks submarket occupancy to decrease to 91.4% throughout 2021 and remain at a similar level for around two years. However, occupancy is projected to recover to 94% by 2026, which is in line with the borrower's projections. Overall, DBRS Morningstar believes the business plan is reasonable and thus reflected lower concessions in its stabilized NCF analysis.

The borrower's business plan will also benefit from the subject's superior location relative to the comparable properties in the area. The six comparable properties cited in the appraisal generally have a similar style to Heights West End. All the comparable properties are mid-rise apartment buildings with a pool in the center, a grilling area, a game room, and a fitness center. Unit amenities are comparable with modern finishes, quartz or granite counters, in-unit washers/dryers, and stainless-steel appliances. Given the relatively homogenous competition, the subject separates itself with its convenient location across the street from a Walmart Supercenter, Sprouts Farmers Market, and LA Fitness. It is also within one mile of Washington Avenue Entertainment corridor and has easy access to the Katy Freeway.

Loan proceeds of $38.0 million refinanced $32.4 million of existing debt, cashed out $4.4 million in borrower equity, and covered closing costs of $750,000. Based on the borrower's reported cost basis of $54.3 million, the sponsor will retain approximately $15.4 million of cash equity at closing. The loan is structured as full IO over the fully extended five-year loan term, and therefore does not benefit from any amortization. Furthermore, DBRS Morningstar assessed the stabilized value at $44.1 million, which equates to a very high 86.3% stabilized LTV. The IO structure and high LTV increase refinance risk. However, DBRS Morningstar notes that 20 CMBS commercial real estate/collateralized loan obligation multifamily loans have originated within 10 miles of the Houston CBD since 2018. The average issuance LTV of the group is 73.22% and all loans are currently performing, except one that is in special servicing, or have been paid in full.

Evans Ranch Apartments

Loan Snapshot

Seller
BDS IV Loan Seller LLC
Ownership Interest
Fee Simple
Trust Balance ($ million)
36.0
Loan PSF/Unit ($)
120,264
Percentage of the Pool (%)
6.7
Fully Extended Loan Maturity/ARD
February 2026
Amortization
n/a
DBRS Morningstar As-Is DSCR (x)
0.97
DBRS Morningstar Stabilized DSCR (x)
1.07
DBRS Morningstar As-Is Issuance LTV (%)
77.9
DBRS Morningstar Stabilized Balloon LTV (%)
68.2
DBRS Morningstar Property Type
Multifamily
DBRS Morningstar Property Quality
Average (+)

Debt Stack ($ millions)

Trust Balance
36.0
Pari Passu
0.0
Remaining Future Funding
3.6
Mortgage Loan Including Future Funding
39.6
Loan Purpose
Acquisition
Equity Contribution/(Distribution) ($ million)
17.7

Source: Appraisal

Source: Appraisal

Collateral Summary			
DBRS Morningstar Property Type	Multifamily	**Year Built**	2011
City, State	San Antonio, TX	**Physical Occupancy (%)**	91.5
Units/SF	329	**Physical Occupancy Date**	November 2020

This loan is secured by the borrower's fee-simple interest in Evans Ranch Apartments, a 329-unit, Class A, garden-style multifamily property approximately 16.5 miles north of the Downtown CBD in San Antonio. The property was originally developed in 2011 and acquired by the sponsor as part of this transaction. Initial loan proceeds of $36.0 million in addition to an initial borrower equity contribution of $17.7 million financed the borrower's $50.6 million acquisition of the property, covered more than $3.0 million of closing costs associated with the transaction, and funded $121,184 of upfront reserves. The loan permits for up to $3.6 million in future funding, which, along with a future borrower equity commitment of $933,700, is scheduled to provide financing for the borrower's $4.5 million planned capital improvement plan. The three-year, floating-rate loan is full-term IO and has two 12-month extension options that are exercisable subject to, among other criteria, the collateral's achievement of certain DSCR and debt yield hurdles set forth in the loan agreement.

The collateral comprises 32 three-story buildings on 26.9 acres of land. The collateral's unit mix includes 229 one-bedroom units, 85 two-bedroom units, and 15 three-bedroom units averaging 780 sf, 1,084 sf, and 1,318 sf, respectively. Per the November 2020 rent roll, the collateral's one-, two-, and three-bedroom units achieved average monthly rents of $1,039, $1,354, and $1,752, respectively. Propertywide amenities include a swimming pool, hot tub, pool table, laundry facility, dog park, fitness center, business center, clubhouse, car wash, and remote-access gated entry. The property additionally features 401 parking spaces (including a selection of attached and detached garage spaces), representing an aggregate parking ratio of 1.4 spaces per unit. Unit amenities generally include ceiling fans, dishwashers, garbage disposals, washer and dryer connections, granite countertops in select units, and private patio or balcony areas with exterior storage. The borrower's proposed capital improvement plan includes more than $3.3 million ($10,048 per unit) for planned interior renovation work and nearly $1.2 million of planned exterior renovation work. The borrower plans on making full upgrades to 149 units at a cost of $1,460,200 ($9,800 per unit), partial upgrades to 152 units at a cost of $1,216,000 ($8,000 per unit), and technology package and washer/dryer upgrades to all 329 units at a cost of $493,000 ($1,498 per unit). The borrower also plans to add pet yards to 19 units at an estimated cost of $76,000 and add covered parking to 40 units at an estimated cost of $60,000.

Competitive Set

Property	Location	Distance from Subject (Miles)	Units	Year Built	Occupancy (%)
Estates at Canyon Ridge	San Antonio, TX	1.5	270	2008	93.0
Mission Hills Apartments	San Antonio, TX	0.1	304	2009	93.0
Overlook at Stone Oak Park	San Antonio, TX	1.7	360	2012	94.0
Sonterra Blue	San Antonio, TX	2.4	342	2013	92.0
Wiregrass at Stone Oak	San Antonio, TX	1.4	308	2015	92.0
Total/WA Comp. Set	**San Antonio, TX**	**1.5**	**1,584**	**2011**	**92.8**
Evans Ranch Apartments	**San Antonio, TX**	**n/a**	**329**	**2011**	**91.5**

Source: Appraisal, except the subject figures are based on the rent roll dated November 30, 2020.

DBRS Morningstar Analysis

Site Inspection Summary

Source: Appraisal

Source: Appraisal

DBRS Morningstar did not conduct interior or exterior tours of the property because of health and safety constraints associated with the ongoing coronavirus pandemic. Based on photos and assessments from third-party reports, DBRS Morningstar found the property quality to be Average (+).

DBRS Morningstar NCF Summary

NCF Analysis

	2018	2019	T-12 November 2020	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	4,402,108	4,515,528	4,582,550	5,498,220	5,182,104	-5.7
Other Income ($)	522,787	479,293	552,764	602,113	575,636	-4.4
Vacancy & Concessions ($)	-348,488	-308,956	-304,723	-596,688	-399,023	-33.1
EGI ($)	**4,576,407**	**4,685,865**	**4,830,592**	**5,503,645**	**5,358,717**	**-2.6**
Expenses ($)	2,205,418	2,534,456	2,405,747	2,599,482	2,852,529	9.7
NOI ($)	**2,370,989**	**2,151,409**	**2,424,845**	**2,904,163**	**2,506,188**	**-13.7**
Capex ($)	0	0	0	82,250	82,250	0.0
NCF ($)	**2,370,989**	**2,151,409**	**2,424,845**	**2,821,913**	**2,423,938**	**-14.1**

The DBRS Morningstar Stabilized NCF is based on The *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar Stabilized NCF was $2,423,938, representing a -14.1% variance from the Issuer's stabilized NCF of $2,821,913. The primary drivers of the variance included operating expenses and GPR.

DBRS Morningstar generally inflated operating expenses 10% over the T-12 period ended November 30, 2020, resulting in an aggregate operating expense ratio of 28.0%. By contrast, the Issuer generally estimated operating expenses based on the borrower's stabilized budget, resulting in an Issuer-estimated operating expense ratio of 21.0%. The collateral achieved an average operating expense ratio of 27.8% between 2017 and the T-12 period ended November 30, 2020. DBRS Morningstar estimated GPR based on leases in place per the November 2020 rent roll plus the borrower's estimated rental premiums based on the level of renovations. The borrower's projected monthly renovation premiums included $120 for full unit renovations, $70 for partial unit renovations, $65 for washers and dryers, $75 for pet yard additions, and $30 for covered parking spaces. The resulting DBRS Morningstar GPR reflected monthly rent estimates of $1,313 per unit. The Issuer generally estimated stabilized GPR based on the appraisal, reflecting stabilized monthly rent estimates of $1,393 per unit.

DBRS Morningstar Viewpoint

The collateral is in what is generally considered to be a suburban area on the north side of San Antonio. The collateral's generally suburban location is denoted in the appraisal and further evidenced by the collateral being in an area with a DBRS Morningstar MSA Group of 0 and a DBRS Morningstar Market Rank of 3. Loans secured by properties in such areas have historically demonstrated elevated losses compared with loans secured by assets in more densely populated and more financially liquid markets. The property benefits from somewhat favorable accessibility via the nearby U.S. Route 281, which provides direct access to the nearby Downtown San Antonio CBD. Per the appraisal, the surrounding area is predominantly composed of single-family and multifamily residential housing, though the property additionally benefits from being near an abundance of commercial and retail uses along nearby primary roadways such as the aforementioned U.S. Route 281 and the nearby East Charles William

Anderson Loop. San Antonio International Airport is 10 miles south along U.S. Route 281, and the University of Texas at San Antonio is 10 miles west.

Per Reis, as of Q1 2021, properties constructed between 2010 and 2019 represented the largest subset of submarket inventory (24.0%), with the remaining proportion evenly distributed by vintage between 1970 and 2009. As such, the collateral's vintage is relatively new compared with the surrounding market. Per Reis, the collateral's submarket exhibited a relatively stable average annual vacancy rate of 5.8% over the five-year period ended December 2020. However, Reis estimates a continued influx of new supply to drive submarket vacancy rates to an average of 7.1% over the five-year period ending December 2025. Fortunately, the property's superior amenities and favorable curb appeal should allow it to benefit from a competitive market position that will likely be further enhanced by the sponsor's planned $4.5 million capital improvement plan, evidenced by an Average (+) DBRS Morningstar property quality score. Additionally, the DBRS Morningstar Stabilized NCF accounts for the Reis forecast deterioration in submarket occupancy rates, assuming a stabilized residential vacancy rate of 7.2%.

Initial loan proceeds of $36.0 million represent a relatively high loan-to-purchase price ratio of 71.1%. The appraiser estimates the value of the collateral will improve to $58.0 million through stabilization, representing a slightly improved loan-to-stabilized-value ratio of 68.2% based on the fully funded loan balance of approximately $39.6 million. The DBRS Morningstar Stabilized NCF represents a concerningly low DSCR of just 1.07x based on the DBRS Morningstar stressed annual debt service payment of approximately $2.3 million, providing minimal cash flow buffer to support ongoing debt service maintenance in the event of a market downturn. The DBRS Morningstar Stabilized NCF represents a breakeven occupancy rate of approximately 89.0% provides minimal buffer relative to the Reis-reported average submarket vacancy rate of 10.6% for properties of similar vintage to the collateral. Fortunately, the appraisal-identified competitive set exhibited a tighter average vacancy rate of 7.2%, and the collateral exhibited an average annual vacancy rate of 6.8% between 2017 and the T-12 period ended November 30, 2020. Additionally, the transaction represents the sponsor's fifth loan with the Issuer and the underlying collateral benefits from experienced third-party property management in Asset Plus Companies, which is based in Houston and reported management interests in 652 properties totaling 100,466 units nationally including 336 properties totaling 50,181 units in the state of Texas.

Nottingham Village Apartments

Loan Snapshot

Seller
BDS IV Loan Seller LLC
Ownership Interest
Fee Simple
Trust Balance ($ million)
34.5
Loan PSF/Unit ($)
122,555
Percentage of the Pool (%)
6.4
Fully Extended Loan Maturity/ARD
June 2026
Amortization
n/a
DBRS Morningstar As-Is DSCR (x)
1.00
DBRS Morningstar Stabilized DSCR (x)
1.19
DBRS Morningstar As-Is Issuance LTV (%)
83.3
DBRS Morningstar Stabilized Balloon LTV (%)
70.3
DBRS Morningstar Property Type
Multifamily
DBRS Morningstar Property Quality
Average

Debt Stack ($ millions)

Trust Balance
34.5
Pari Passu
0.0
Remaining Future Funding
4.4
Mortgage Loan Including Future Funding
38.9
Loan Purpose
Acquisition
Equity Contribution/(Distribution) ($ million)
13.2

Source: Appraisal


Source: Appraisal

Collateral Summary			
DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	1971
City, State	Houston, TX	**Physical Occupancy (%)**	94.6
Units/SF	317	**Physical Occupancy Date**	April 2021

The loan is secured by the borrower's fee-simple interest in Nottingham Village Apartments, a 317-unit Class B multifamily property in Houston, Texas. Initial loan proceeds of $34.5 million, along with borrower equity of $13.2 million, will fund the $46.0 million purchase price, $1.5 million of closing costs, and $154,352 of deferred maintenance reserves. The loan is also structured with a $4.4 million future funding component, which, along with $107,565 of future equity contributions, will fund $4.5 million in future capital improvements. The loan is IO throughout with an initial three-year term and two one-year extension options.

Competitive Set

Property	Location	Distance from Subject (Miles)	Units	Year Built/Renovated	Occupancy (%)	Avg. Rental Rate Per Unit ($)	Avg. Unit Size (SF)
Arden Terrace	Houston, TX	0.5	122	1975/2019	86.0	1,173	1,204
Memorial Fountain	Houston, TX	1.2	149	1968/2016	91.0	1,294	981
Gracie Square	Houston, TX	3.5	223	1978/2018	87.0	1,289	1,200
Upland Park Townhomes	Houston, TX	2.6	302	1972/2018	95.0	1,205	1,215
Parkland at West Oaks	Houston, TX	5.7	322	2003	94.0	1,206	1,215
Abbey at Barker Cypress	Houston, TX	7.7	300	2004	94.0	1,561	1,251
Total/WA Comp. Set	**Houston, TX**	**Various**	**1,418**	**Various**	**92.1**	**1,300**	**1,195**
Nottingham Village Apartments	**Houston, TX**	**n/a**	**317**	**1971/2007**	**94.6**	**1,323**	**1,318**

Source: Appraisal, except the Subject figures are based on the rent roll dated month April 2021.

DBRS Morningstar Analysis

Site Inspection Summary

Source: Appraisal

Source: Appraisal

DBRS Morningstar did not conduct interior or exterior tours of the property because of health and safety constraints associated with the ongoing coronavirus pandemic. Based on photos and assessments from third-party reports, DBRS Morningstar determined the property quality to be Average.

DBRS Morningstar NCF Summary

NCF Analysis						
	2019	2020	T-12 March 2021	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	4,674,153	4,856,261	4,915,331	6,099,314	5,674,740	-7.0
Other Income ($)	551,003	479,238	483,910	514,547	523,155	1.7
Vacancy & Concessions ($)	-552,314	-739,016	-798,732	-654,325	-698,660	6.8
EGI ($)	**4,672,842**	**4,596,483**	**4,600,509**	**5,959,536**	**5,499,235**	**-7.7**
Expenses ($)	2,193,726	2,355,883	2,410,889	2,903,551	2,891,475	-0.4
NOI ($)	**2,479,116**	**2,240,600**	**2,189,620**	**3,055,985**	**2,607,760**	**-14.7**
Capex ($)	0	0	0	79,250	79,250	0.0
NCF ($)	**2,479,116**	**2,240,600**	**2,189,620**	**2,976,736**	**2,528,510**	**-15.1**

The DBRS Morningstar Stabilized NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar NCF was $2,528,510, representing a variance of -15.1% from the Issuer's NCF of $2,976,736. The primary driver of variance was GPR. DBRS Morningstar assumed a monthly rent premium of $225 per unit for the 168 units that will undergo a full renovation, $50 per unit for the 145 units that will undergo a partial renovation, and $25 per unit for all units as a result of the value-add common amenity renovations that are planned. The resulting DBRS Morningstar Stabilized GPR is $1,492 per unit, representing an upside of $180 per unit over the in-place average rent of $1,312 per unit as of the April 26, 2021, rent roll.

DBRS Morningstar Viewpoint

Constructed in 1971, the collateral consist of a 317-unit garden-style apartment complex in Houston. As of the rent roll dated April 26, 2021, the property was 94.6% occupied with an average rent of $1,312 per unit. The previous owner upgraded 145 of the units, which are reportedly achieving premiums of $200 per month over the nonrenovated units. The borrower is planning to execute a $4.5 million ($14,062 per unit) renovation including 168 full unit renovations at a cost of $2.1 million ($12,500 per unit), 145 light unit renovations at a cost of $290,000 ($2,000 per unit), exterior and amenity updates at a cost of $1.6 million ($4,968 per unit), and renovations to two nonrevenue units and restorations to two down units at a cost of $40,000 ($10,000 per unit). The interior updates will most notably include laminate plank flooring in the common living spaces, new light fixtures, installation of ceiling fans, stainless-steel appliances, granite countertops, and new cabinet doors. In addition to general building and site updates, the propertywide renovations that will add value include full updates to the community and fitness centers as well as the addition of a playground, a dog park, grilling stations, and Amazon package lockers. Overall, DBRS Morningstar believes the renovation plan should elevate the property's status in the local market and allow for an increase in rental rates.

The property is approximately nine miles west of the Houston CBD in a workforce housing pocket between the Energy Corridor, Memorial City, and Westchase District. The subject benefits from having numerous large employers in these areas and strong accessibility to the greater Houston area as it is less than a mile from the intersection of I-10 and Hwy. 6. According to Reis, the subject is in the Briar Forest/Ashford submarket. The subject's construction vintage of 1971 is generally in line with the rest of the submarket as 23.0% of the inventory was constructed in the 1970s. Despite this, the property's average rent of $1,312 per unit is substantially higher than the overall submarket average rent of $1,121 per unit and by vintage average of $973 per unit. However, the higher rents are supported by an average rent of $1,345 per unit among 29 comparable properties within a two-mile radius according to Reis. The property has also maintained an average vacancy of 5.3% from 2018 to 2020 that is in line with the comparable properties' average of 6.2% as of Q1 2021. Lastly, the property benefits from a modest amount of new supply in the pipeline with 1,470 units forecast to be delivered over the next five years, representing only 3.0% of the submarket's current inventory. While the property's performance relative to the submarket is encouraging, it is worth noting that the Houston MSA has a DBRS Morningstar MSA Market Rank of 1. Loans secured by properties in such areas have historically demonstrated elevated PODs compared with loans secured by assets in more densely populated and more financially liquid markets.

Initial loan proceeds of $34.5 million represent a relatively high loan-to-purchase price ratio of 75.0%. The appraiser estimates the value of the collateral will improve to $55.3 million through stabilization, representing a slightly improved loan-to-stabilized-value ratio of 70.3% based on the fully funded loan balance of approximately $38.9 million. The DBRS Morningstar Stabilized NCF represents a DSCR of 1.19x based on the annual debt service payment cap of $2.1 million, providing a moderate cash flow buffer to support ongoing debt service maintenance in the event of a market downturn. The DBRS Morningstar Stabilized NCF favorably represents a break-even vacancy rate of 15.6% compared with the Reis annual submarket average of 7.1% forecast over the five-year period ending December 2025. Additionally, the transaction represents cash-in acquisition financing and benefits from experienced sponsorship that reported ownership interests in more than 26 properties valued in excess of $530.0 million across the U.S and focused on underperforming and undervalued assets. However, the carveout guarantor's liquidity at 0.04x of the fully funded loan amount is a concern, and DBRS Morningstar modeled the loan with an increased POD to mitigate this risk. Lastly, the property benefits from being managed by a locally experienced management company headquartered in Houston with reported management interests in 103,000 units nationally.

NorthPointe Apartments

Loan Snapshot

Seller
BDS IV Loan Seller LLC
Ownership Interest
Fee Simple
Trust Balance ($ million)
30.8
Loan PSF/Unit ($)
39,716
Percentage of the Pool (%)
5.7
Fully Extended Loan Maturity/ARD
May 2026
Amortization
n/a
DBRS Morningstar As-Is DSCR (x)
0.44
DBRS Morningstar Stabilized DSCR (x)
1.28
DBRS Morningstar As-Is Issuance LTV (%)
98.6
DBRS Morningstar Stabilized Balloon LTV (%)
64.1
DBRS Morningstar Property Type
Multifamily
DBRS Morningstar Property Quality
Average

Debt Stack ($ millions)

Trust Balance
30.8
Pari Passu
0.0
Remaining Future Funding
5.4
Mortgage Loan Including Future Funding
36.2
Loan Purpose
Acquisition
Equity Contribution/(Distribution) ($ million)
16.2

Source: Appraisal

Source: Appraisal

Collateral Summary			
DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	1999
City, State	Tucson, AZ	**Physical Occupancy (%)**	91.1
Units/SF	300	**Physical Occupancy Date**	March 2021

This loan is secured by the borrower's fee-simple interest in a 300-unit multifamily complex in Tucson. Loan proceeds of $30.8 million along with borrower cash equity of $16.2 million were used to acquire the property in 2021 for $44.0 million and cover closing costs of $2.3 million. The loan is structured to permit up to $5.4 million of future funding and additional borrower equity to be used to fund a $5.4 million capital expenditure plan and a debt service reserve of $500,000. The loan is initially for three years and is structured with two one-year extension options. It is interest-only throughout its fully extended loan term. The DBRS Morningstar Issuance LTV of 98.6% and DBRS Morningstar Stabilized LTV of 64.1% are based on the appraiser's March 2021 as-is valuation of $44.2 million and stabilized value of $68.0 million, respectively, both subject to cap rate adjustments. At closing, a $500,000 a debt service reserve will be funded and, provided there is no continuing event of default, the borrower will be allowed to use it to pay debt service, fund any monthly reserves, and cover budgeted operating expenses. The reserve cannot drop below $125,000 without being replenished to $250,000. Any remaining reserve funds will be released once the property has achieved a DSCR of at least 1.35x for three consecutive calendar months and a 5.5% debt yield for three consecutive calendar months.

The collateral is a 300-unit garden style multifamily complex in Tucson, approximately 5.6 miles north of the Tucson CBD. Built in 1988, the property currently operates as student housing for the University of Arizona and is 43.5% to students for the 2021-2022 academic year. The borrower's business plan will see the property converted to traditional multifamily once the 2022 academic year concludes. Common area amenities include a swimming pool with spa/sauna, a business center, a basketball court, a clubhouse with fitness center, a theater room, covered parking, and electronic gate access. Unit amenities include an in-unit washer/dryer, a balcony/patio, and faux-wood flooring. At the conclusion of the borrower's renovation plan, the unit mix will consist of 24 one-bedroom units, 72 two-bedroom units, 144 three-bedroom units, and 60 four-bedroom units.

Competitive Set

Property	Location	Distance from Subject (Miles)	Units	Year Built/ Renovated	Occupancy (%)
Pima Canyon	Tucson, AZ	6.7	240	2018	99.0
Avilla Preserve	Tucson, AZ	6.4	184	2013	97.0
Encantada at Riverside Crossing	Tucson, AZ	3.9	304	2012	97.0
Avilla Marana I & II	Tucson, AZ	8.2	284	2014	98.0
Encantada at Tucson National	Tucson, AZ	9.4	368	2015	94.0
Total/WA	**Tucson, AZ**	**Various**	**1,380**	**Various**	**96.8**
NorthPointe Apartments	**Tucson, AZ**	**n/a**	**300**	**1999**	**91.1**

Source: Appraisal, except the Subject figures are based on the rent roll dated March 2021.

Sponsorship

The sponsors are a joint venture that is 10% owned by two individuals and 90% owned by a private family wealth fund. The recourse carveout guarantors must maintain a minimum $30 million net worth but currently exceed it at more than $110.2 million. The property will be third-party managed by an Arizona-based company.

DBRS Morningstar Analysis

Site Inspection Summary

Source: Appraisal

Source: Appraisal

DBRS Morningstar did not conduct interior or exterior tours of the property because of health and safety constraints associated with the ongoing coronavirus pandemic. Based on photos and assessments from third party reports, DBRS Morningstar determined the property quality to be Average.

DBRS Morningstar NCF Summary

NCF Analysis

	2018	2019	2020	T-12 February 2021	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	5,056,027	5,119,792	5,145,000	5,156,559	5,061,800	4,726,800	-6.6
Other Income ($)	300,918	600,260	634,540	638,394	376,440	376,440	0.0
Vacancy & Concessions ($)	-630,522	-730,217	-601,981	-597,725	-405,152	-381,702	-5.8
EGI ($)	**4,726,424**	**4,989,835**	**5,177,558**	**5,197,228**	**5,033,088**	**4,721,538**	**-6.2**
Expenses ($)	2,725,998	3,168,991	3,141,854	3,100,727	1,849,345	1,971,998	6.6
NOI ($)	**2,000,426**	**1,820,844**	**2,035,704**	**2,096,501**	**3,183,743**	**2,749,540**	**-13.6**
Capex ($)	0	0	0	0	85,800	85,800	0.0
NCF ($)	**2,000,426**	**1,820,844**	**2,035,704**	**2,096,501**	**3,097,943**	**2,663,740**	**-14.0**

The DBRS Morningstar Stabilized NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar Stabilized NCF was $2,663,740, representing a variance of -14.0% from the Issuer's Stabilized NCF of $3,097,943. The primary driver for the variance was the DBRS Morningstar GPR assumption. DBRS Morningstar assumed GPR to be in line with the appraiser's un-trended stabilized rents of $1,313/unit, as opposed to the Issuer's GPR assumption of $1,406/unit.

DBRS Morningstar Viewpoint

The collateral is well-located within the Flowing Wells/ West Tucson submarket with I-10 providing primary access within a mile of the property and running north/south directly into the Tucson CBD, six miles south from the subject, as well as to Tucson International Airport, 15 miles south. The neighborhood includes several retail shopping hubs, and is near the Tucson Mall, the largest retail/dining destination in the region. The property is walkable to various retailers and restaurants including Walmart, H&M, Sephora, Home Depot, and many national food chains. The property is directly across the street from a Sprouts Farmers Market. The subject is 3.5 miles north of the University of Arizona, a public research university that reported Fall 2020 enrollment of 46,932 students.

The subject collateral is located in the Reis defined Flowing Wells/West Tucson submarket, one of seven distinct submarkets within the Tucson MSA, containing approximately 8,990 market-rate rental apartments (amounting to 14.4% of the total metro inventory). Reis predicts that no competitive market-rate rental apartments will be introduced to the submarket through the end of 2023. As such, Reis anticipates that the submarket vacancy will finish 2022 at 4.4% before rising slightly to 5.0% by year-end 2023. Furthermore, Reis anticipates submarket asking rents to reach a level of $803 per unit by year-end 2023.

The property is currently 43.5% pre-leased by students for the 2021-2022 school-year, with all 12-month leases containing parental guarantees. The sponsor's business plan is to transition the property from student housing to a traditional multifamily property by hiring a new third-party manager, reducing student focused expenses, and investing approximately $5.7 million in capital expenditures.

Upon acquisition, the borrower will cease pre-leasing to students and begin the renovation plan at the property, while also leasing up all units not being renovated to market rent. Once the 2021-2022 school year concludes, the borrower will renovate the student-leased four-bedroom units as they vacate into three-bedroom units and lease them at market rates. The borrower anticipates renovating units at a pace of six to 10 per month. Furthermore, the borrower is budgeting for common area improvements including updating the clubhouse, fitness center, exterior paint, and landscaping. The borrower anticipates the common area improvements and exterior capital improvements to conclude by year-end 2021. It will also execute an energy and water saving strategy immediately by replacing shower heads, faucets, and toilets along with more energy efficient kitchen appliances. The February 2021 TTM property utility expense was $3,501 per unit and the year three budget estimates the expense to decrease to $1,256 per unit.

Although the borrower is budgeting approximately $12,000 per unit for the conversion of the 72 four-bedrooms to three-bedrooms, the current borrower projection of a $90 per unit decrease in current asking rents is due to the elimination of conventional “per bed” pricing attributed to student housing properties as well as the removal of the cable and WiFi currently included in the rent. The current proposed renovation plan is projected to take 3-years to complete. The borrower will seek to make up this lost rental revenue by targeting an expense reduction in student-housing focused expenses, such as a student shuttle that provides access to campus, and reducing one-time concessions related to school-year lease-up. The anticipated staggered lease expiration will require conventional marketing costs going forward. Lastly, the borrower will transition all tenants to having unit electric bills under their names rather than the property’s. At the conclusion of the renovation plan and cost savings initiative being undertaken by the borrower, property NOI is projected to increase by approximately 50% from $1.8 million to $3.3 million.

To account for the near-term business plan risk of renovating the property and transforming it from traditional student housing to market rate multifamily, DBRS Morningstar applied an elevated vacancy higher than the historical average and submarket levels in light of perceived operational risk associated with the proposed renovations occurring while the property still operates as a student housing property to some extent for the 2021-2022 academic year. At the conclusion of the 2021-2022 academic year the borrower will be able to fully realize the scope of the proposed business plan and begin marketing the property as a traditional multifamily property that offers several common area amenities deemed desirable by prospective tenants in a low vacancy submarket, with no new planned competitive properties coming online for several years to come. The loan has an expected loss below the WA pool average. While it has a high DBRS Morningstar issuance LTV of 98.6%, the loan has a much lower stabilized balloon LTV based on the estimated value upon conversion to conventional multifamily. In the short term, there are elevated lease-up risks at the property during the transition away from student housing. The DBRS Morningstar stabilized NFC assumption puts the loan DSCR at 1.28x because demand for conventional multifamily in the subject’s submarket appears to support the borrower’s business plan.

Seventh Apartments

Loan Snapshot

Seller	BDS IV Loan Seller LLC
Ownership Interest	Fee Simple
Trust Balance ($ million)	26.7
Loan PSF/Unit ($)	115,054
Percentage of the Pool (%)	5.0
Fully Extended Loan Maturity/ARD	May 2026
Amortization	n/a
DBRS Morningstar As-Is DSCR (x)	0.86
DBRS Morningstar Stabilized DSCR (x)	0.94
DBRS Morningstar As-Is Issuance LTV (%)	95.4
DBRS Morningstar Stabilized Balloon LTV (%)	74.9
DBRS Morningstar Property Type	Multifamily
DBRS Morningstar Property Quality	Average (-)

Debt Stack ($ millions)

Trust Balance	26.7
Pari Passu	0.0
Remaining Future Funding	6.2
Mortgage Loan Including Future Funding	32.9
Loan Purpose	Recapitalization
Equity Contribution/(Distribution) ($ million)	0.1

Source: Appraisal

Source: Appraisal

Collateral Summary			
DBRS Property Type	Multifamily	**Year Built/Renovated**	1970/2018
City, State	Phoenix, AZ	**Physical Occupancy (%)**	92.0
Units	286	**Physical Occupancy Date**	March 2021

The loan is secured by the borrower's fee simple interest in Seventh Apartments, a 286-unit multifamily property in Phoenix. The borrower acquired the property in February 2021 for a purchase price of $38.3 million with a $36 million loan from The Davis Companies and $2.6 million of equity from the sponsor. Initial loan proceeds for this transaction of $26.7 million along with borrower equity of $75,000 will recapitalize the $36 million acquisition loan from The Davis Companies less $10.1 million equity (net payoff of $25.5 million), cover closing costs, and fund upfront reserves. There is a $6.2 million future funding component that will be used for the sponsor's capital improvements plan. The sponsor equity contribution from both transactions is approximately $13.0 million. The loan is IO throughout the three-year initial term and has two one-year extension options.

Originally constructed in 1970, the subject is a collection of 10 three-story brick apartment buildings and one leasing office. The property has a dated style with two courtyards surrounding by the apartment buildings with exterior metal and concrete corridors and exterior unit access. Common-area amenities at the property include two pools, a fire pit, an outdoor gaming area, a dog park, laundry facilities, electric car charging stations, and a leasing office/clubhouse. The unit mix consists of 198 studio units, 84 one-bedroom units, three two-bedroom units, and one three-bedroom unit, with an average unit size of 537 sf.

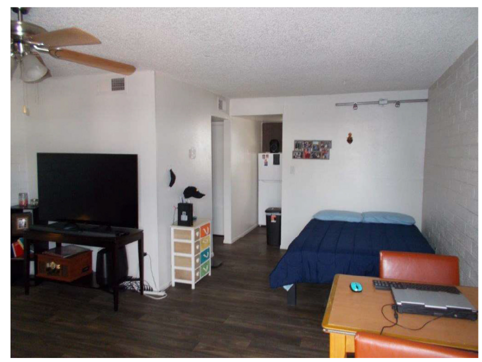
Competitive Set							
Property	Location	Distance from Subject (Miles)	Units	Year Built	Avg. Rent/Unit ($)	Avg. Unit Size (SF)	Occupancy (%)
Camelback Cove	Phoenix, AZ	0.9	270	1981	955	658	96.0
Camelback Flats	Phoenix, AZ	1.0	395	1974	770	510	95.0
Daybreak Place	Phoenix, AZ	1.0	205	1978	1,007	692	93.0
Inhabit on 7th	Phoenix, AZ	0.6	74	1972	1,021	581	92.0
The Venue on Camelback	Phoenix, AZ	1.7	415	1973	809	620	97.0
Vertu	Phoenix, AZ	1.41	150	1971	1,280	864	99.0
Total/WA	**Various**	**Various**	**1,509**	**Various**	**909**	**630**	**95.7**
Seventh Apartments	**Phoenix, AZ**	**N/A**	**286**	**1970**	**829**	**537**	**92.0**

*Per Appraisal with the exception of data for Seventh Apartments which is based off the rent roll dated 03/24/2021.

DBRS Morningstar Analysis

Site Inspection Summary

Source: Appraisal



Source: Appraisal

DBRS Morningstar did not conduct interior or exterior tours of the property due to health and safety constraints associated with the ongoing coronavirus pandemic. Based on photos and assessments from third-party reports, DBRS Morningstar determined the property quality to be Average (-).

DBRS Morningstar NCF Summary

NCF Analysis

	T-6 December 2018 Annualized	2019	2020	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	2,422,656	2,523,881	2,753,666	3,218,832	3,018,738	-6.2
Other Income ($)	124,237	314,235	445,766	637,540	446,543	-30.0
Vacancy & Concessions ($)	-340,917	-347,648	-209,249	-221,822	-263,992	19.0
EGI ($)	**2,205,976**	**2,490,468**	**2,990,183**	**3,634,550**	**3,201,289**	**-11.9**
Expenses ($)	1,309,190	1,253,126	1,211,883	1,281,720	1,362,231	6.3
NOI ($)	**896,786**	**1,237,342**	**1,778,300**	**2,352,830**	**1,839,058**	**-21.8**
Capex ($)	0	0	0	71,500	71,500	0.0
NCF ($)	**896,786**	**1,237,342**	**1,778,300**	**2,281,330**	**1,767,558**	**-22.5**

The DBRS Morningstar NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar Stabilized NCF was $1,767,558 representing a -22.5% variance from the Issuer's stabilized NCF of $2,281,330. The main drivers of the variance were GPR, other income, and operating expenses. DBRS Morningstar generally concluded to a stabilized GPR based on the appraiser's market rent assumptions. However, for the 66 units currently leased to tenants that qualify for rental assistance programs, DBRS Morningstar accepted 25% of the premiums achieved by the other stabilized units. The Issuer stabilized GPR is based on all 286 units being leased at the appraiser's market rents. DBRS Morningstar determined other income to be in line with 2020 historicals, while the Issuer stabilized other income according to the appraiser's assumptions. DBRS Morningstar generally based operating expenses on the appraiser's estimates, while the Issuer concluded to expenses on the borrower's budget.

DBRS Morningstar Viewpoint

The subject is located approximately four miles north of the Phoenix CBD, in the Reis-identified submarket of Northeast Phoenix. The local area is approximately 95% developed with office use making up the largest portion of commercial uses in the area. The site is about 1.5 miles from the Piestewa Freeway, which provides direct access to the Phoenix CBD and greater Phoenix MSA. On either side of the Piestewa Freeway and Camelback Road are several shopping centers anchored by Target, Nordstrom Rack, and Marshalls with numerous ancillary stores and restaurants. Overall, the subject has a good central Phoenix location.

The sponsor, Urban Communities, is an environmentally conscious real estate company with five assets in Phoenix. Most of the sponsor's business plan is focused on implementing cost-saving energy efficiencies throughout the property and the future rebranding of the asset to Urban 286. Seventh Apartments, is currently 92.0% occupied and leases 66 units, representing 23.1% of all units, to low-income tenants. The collateral is subject to a Partial Payment of Claim Use Agreement from 2011. The agreement requires the property to lease at least 20% of the units to tenants who qualify as low income, and the agreement is in place until January 2031.

The sponsor’s business plan has $6.2 million in renovations planned over the next three years. Approximately $1.7 million will be allocated to exterior and common area improvements, which will include rebranding the property to Urban 286 from Seven Apartments to look similar to the sponsor’s sister property, Urban 188 (approximately 1.2 miles east of the subject). The planned renovations focus on implementing energy efficiencies across the property, including full HVAC replacements, electrical upgrades, plumbing repairs, and installing tankless water heaters. Approximately $2.7 million ($9,419/unit) was allocated to interior updated. In-unit renovations also focused on, but were not limited to, energy efficiencies including installing new lighting, appliances, water filters, smart thermostats, double-pane windows, sun screens for windows, kitchen upgrades, and new flooring and baseboards. While the renderings and photos of updated units are superior to the existing units, the subject has interior masonry walls and has a dated courtyard configuration with exterior corridors. The remaining $1.8 million of future funding will cover fees, permits, and a 20% contingency.

As of the March 2021 rent roll, the property was well occupied at 92.0% and achieved average rents of $827 per unit. As of Q4 2020, Reis data points to a submarket vacancy of 6.8% and an average rate of $1,095 per month, which is well above the subject’s rental rate. Through stabilization, DBRS Morningstar generally concluded to the appraiser’s un-trended stabilized rents. For the 66 units currently leased to low-income-qualifying tenants, DBRS Morningstar accepted 25% of the premium to be achieved over in place rents. HUD sets the standard for market rents for low-income-qualifying tenants, not the property, so while DBRS Morningstar felt comfortable with rents growing through the renovations, full credit was not given. . The DBRS Morningstar average stabilized rental rate was $880 per unit, which appears very achievable given the amount of capital being invested at the property. Furthermore, DBRS Morningstar concluded to a stabilized occupancy of 94.0%, which is in line with the Reis submarket by vintage vacancy at 6.0%.

The fully funded loan represents high leverage, based a DBRS Morningstar LTV of 74.9%. Additionally, the DBRS Morningstar As-Is NCF represents a 0.86x DSCR and the DBRS Morningstar Stabilized NCF reflects a 0.94x DSCR based on the DBRS Morningstar stressed debt service of $1.9 million. The low DSCRs are of concern and point to the loan’s overall term default risk. However, the sponsor has conducted a similar project in the MSA, and has $13.0 million of equity invested in the collateral. Their total equity contribution, representing 29.1% of the cost basis, reflects favorably for their commitment to the success of the project.

910 Apartments

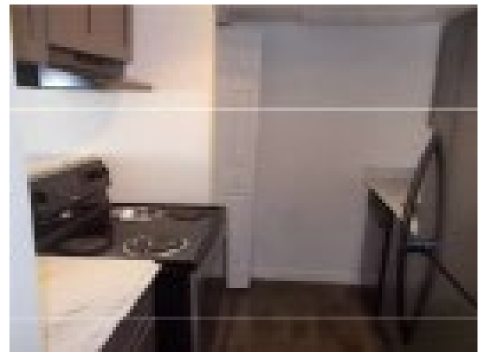
Loan Snapshot

Seller	BDS IV Loan Seller LLC
Ownership Interest	Fee Simple
Trust Balance ($ million)	22.9
Loan PSF/Unit ($)	51,509
Percentage of the Pool (%)	4.3
Fully Extended Loan Maturity/ARD	May 2024
Amortization	n/a
DBRS Morningstar As-Is DSCR (x)	0.74
DBRS Morningstar Stabilized DSCR (x)	1.43
DBRS Morningstar As-Is Issuance LTV (%)	78.1
DBRS Morningstar Stabilized Balloon LTV (%)	67.5
DBRS Morningstar Property Type	Multifamily
DBRS Morningstar Property Quality	Below Average

Debt Stack ($ millions)

Trust Balance	22.9
Pari Passu	0.0
Remaining Future Funding	1.0
Mortgage Loan Including Future Funding	23.9
Loan Purpose	Refinance
Equity Contribution/(Distribution) ($ million)	0.6

Source: Appraisal



Source: Appraisal

Collateral Summary			
DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	1979
City, State	Houston, TX	**Physical Occupancy (%)**	78.9
Units/sf	464	**Physical Occupancy Date**	March 2021

The loan is secured by the borrower's fee-simple interest in The 910 Apartments, a 22-building, 464-unit, garden-style apartment complex 20 miles north of Houston. Fully funded loan proceeds of $23.9 million were used to refinance existing debt of $22.3 million and to fund a $1.2 million capex plan, a $71,750 deferred maintenance reserve, and a $300,000 debt service reserve. The loan is structured with a $1.0 million future funding component to fund the planned renovations and an initial three-year full IO term with no extension options. The DBRS Morningstar Issuance LTV of 78.1%, based on the appraiser's March 2021 as-is appraised value of $30.6 million, will decrease to 67.5% at maturity based on the appraiser's predicted stabilization value of $35.4 million in 2024.

The collateral is a 464-unit garden-style multifamily complex located near Spring, Texas, approximately 20 miles north of the Houston CBD. The property was built in 1979 and has received a total of $4.7 million in capex from the sponsor and the previous owner since 2014. The property is currently 78.9% occupied based on the rent roll dated March 22, 2021. The subject's common area amenities include a swimming pool, fitness center, new clubhouse, picnic area, grilling area, courtyard, laundry room, and business center. Unit amenities include standard appliances, ceiling fans, fireplaces, vaulted ceilings, bookshelves, patios/balconies, storage, and walk-in closets. The unit mix consists of 360 one-bedroom units (693 sf) and 104 two-bedroom units (1,046 sf).

Competitive Set

Property	Location	Distance from Subject (Miles)	Units	Year Built/ Renovated	Occupancy (%)	Avg. Rental Rate Per Unit ($)	Avg. Unit Size (sf)
Parc at 505	Houston, TX	0.7	486	1977/2019	94.0	1,056	953
The Arden Cypress Station	Houston, TX	0.5	440	1981/2001	92.0	818	792
Roundhill Townhomes	Houston, TX	0.3	134	1983/2018	95.0	1,637	1,531
Cypress Parc	Houston, TX	0.4	200	1979/2012	97.0	985	1,188
Cypress Crossing	Houston, TX	3.8	260	1989	98.0	867	865
Total/WA Comp. Set	**Houston, TX**	**Various**	**1,520**	**Various**	**94.6**	**997**	**973**
The 910 Apartments	**Houston, TX**	**n/a**	**464**	**1979**	**78.9**	**709**	**774**

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

DBRS Morningstar Analysis

Site Inspection Summary

Source: Appraisal

Source: Appraisal

DBRS Morningstar did not conduct interior or exterior tours of the property because of health and safety constraints associated with the ongoing coronavirus pandemic. Based on photos and assessments from third-party reports, DBRS Morningstar determined the property quality to be Average (-).

DBRS Morningstar NCF Summary

NCF Analysis

	2018	T-7 January 2020 Annualized	2020	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	3,991,101	4,138,547	4,038,128	4,461,584	4,220,742	-5.4
Other Income ($)	548,387	413,993	334,419	400,156	334,419	-16.4
Vacancy & Concessions ($)	-1,125,104	-1,401,367	-1,916,750	-601,740	-478,983	-20.4
EGI ($)	**3,414,384**	**3,151,173**	**2,455,796**	**4,260,000**	**4,076,178**	**-4.3**
Expenses ($)	2,159,880	1,863,205	2,098,400	2,343,898	2,443,363	4.2
NOI ($)	**1,254,503**	**1,287,968**	**357,396**	**1,916,102**	**1,632,815**	**-14.8**
Capex ($)	0	0	0	116,000	116,000	0.0
NCF ($)	**1,254,503**	**1,287,968**	**357,396**	**1,800,102**	**1,516,815**	**-15.7**

The DBRS Morningstar Stabilized NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar Stabilized NCF is $1,516,815, representing a variance of -15.7% from the Issuer's stabilized NCF of $1,800,102. The primary driver for the variance is the DBRS Morningstar GPR assumption. DBRS Morningstar assumed a premium of $50/unit over the in-place rents per the rent roll dated March 22, 2021, resulting in a GPR of $758/unit as opposed to the Issuer's GPR of $801/unit.

DBRS Morningstar Viewpoint

The sponsor acquired the property in March 2019 and implemented a $1.2 million capital investment plan with the aim of increasing occupancy and rent. At the time of acquisition, the property was plagued with crime, and, in late 2019, a group of tenants burned down the property's clubhouse. With the onset of coronavirus-related shutdowns, leasing suffered further as the property's occupancy dropped to 54.7% in July 2020. The loan allowed the borrower to refinance out of existing debt and fund additional capital improvements of about $1.2 million ($2,586/unit).

Leasing has improved since the summer of 2020, and the borrower had successfully leased the property to 78.9% by March 2021. New measures, including background checks on prospective tenants, security fences, cameras, and an onsite patrol, may help to control some of the property's prior problems and allow lease-up to continue.

The submarket tends to have elevated vacancy rates, generally above 7.0%. Although the YE2020 vacancy rate settled at 7.0%, Reis' forecast calls for an increase to 9.6% by 2022, with a forecast of 8.0% in 2026. Reis has forecast 972 new units to become available in the submarket during the three-year loan term, many of which will be in the Class A range and will likely not compete against the subject. The property is a Class B/Class C asset with an average rent of $709/unit, which is below the Class B/Class C average of $772 according to Reis. Class B/Class C properties tend to fare better than Class A properties from an occupancy standpoint because of their affordability, and the average vacancy rate for this property type was 5.4% at the end of 2020. This affordability factor in an environment of rising rent could help the property continue its lease-up over the term.

The subject is in a working-class neighborhood along I-45. Average household incomes are $60,259 and $81,485 within a one- and three-mile radius of the property, respectively. Local commercial development and local employment centers, fostered by the area's proximity to the Houston Freeway and Union Pacific Railroad, should provide a stable economic backdrop for the area going forward. Cypress Creek Parkway, two miles south of the subject, is a heavily developed east/west arterial lined with a variety of anchored and nonanchored neighborhood shopping centers. George Bush Intercontinental Airport is about nine miles to the southeast and, in addition to employing thousands of people, is surrounded by hundreds of companies, business parks, and other demand drivers. The subject is within 1.5 miles of I-45, which provides access to the Houston CBD 20 miles south. The Union Pacific Westfield Train Yard is four miles to the southwest and operates primarily as an automotive distribution center, servicing various automobile logistics firms and the Gulf States Toyota Vehicle Processing Center. The recently developed Pinto Business Park is six miles south. The park is a 9 million-sf industrial, office, and flex development anchored by a 600,000-sf Sysco Food Services distribution center. Hewlett Packard Enterprise and Exxon Mobil Corporation each have campuses eight miles north of the subject.

Transaction Structural Features

Credit Risk Retention: Under U.S. credit risk retention rules, Bridge REIT, the securitization sponsor, will be responsible for compliance with the U.S. credit risk retention requirements and intends to satisfy such criteria through the purchase and retention by a majority-owned affiliate of Bridge REIT of an eligible horizontal residual interest. As of the closing date, the eligible horizontal residual interest will be held by BDS 2021-FL7 Retention Holder LLC, a wholly owned subsidiary of Bridge REIT. The Sponsor and the Retention Holder also will agree and undertake in the EU/UK Risk Retention Letter Agreement to retain a material net economic interest in the securitization for the purposes of the EU Securitization Laws and the UK Securitization Laws.

Preferred Shares: The preferred shares will be issued by the Issuer as part of its issued share capital and will not be secured. The preferred shares are subordinate to all classes of notes in all respects. The preferred shares are not rated.

Collateral Manager: BDS Fund Manager, 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 Management Standard. The special servicer may be removed with or without case or a successor special servicer may be appointed with respect to any Serviced Mortgage Loan, in each cause at any time and at the direction of the Collateral Manager.

Future Funding Companion Participations: With respect to each Future Funding Companion Participation, the holder thereof will have the sole obligation under the related Future Funding Participation Agreement to make future advances. Once funded, such Future Funding Companion Participation (or a portion thereof) may be transferred in accordance with the terms of the related Future Funding Participation Agreement and the Issuer may, but is not obligated to, acquire such funded Future Funding Companion Participation (or a portion thereof) as a Ramp-Up Collateral Interest or Reinvestment Collateral Interest. Pursuant to each Future Funding Participation Agreement, the holder of the related Future Funding Companion Participation (or a qualified transferee) and Bridge REIT (or such qualified transferee) will be required to indemnify the Issuer, as the holder of the related Collateral Interest, against any losses, claims, damages, costs, expense, and liabilities in connection with, arising out of, or as a result of, the failure of the holder of such Future Funding Companion Participation to make future advances when required under the related Participated Loan.

Ramp-Up Acquisition Period: The transaction includes a ramp-up acquisition period that is the earliest of (1) the 6th payment date from closing, (2) the first date on which all funds in the Unused Proceeds Account have been used to purchase Ramp-Up Collateral Interests, (3) the occurrence of an acceleration of the Notes following an Event of Default, and (4) the date the collateral manager determines that investment in ramp-up collateral interests is no longer practical or desirable. The issuer, may, but is not required to, acquire up to $63,503,613 of ramp-up collateral interests. The ramp-up collateral interests are required to satisfy the Eligibility Criteria, the Acquisition Criteria, and the Acquisition and Disposition Requirements. Any principal proceeds used to acquire, or set aside for the acquisition of, Collateral Interests at the direction of the Collateral Manager in any due period will not be available for payments to the noteholders on the payment date related to such due period in accordance with the principal payment priority of payments. Amounts remaining in the unused proceeds account on the ramp-up completion date up to and including $1,000,000 will be deposited into the reinvestment account established by the Note Administrator in accordance with the Indenture. Any amounts in excess of $1,000,000 will be applied as principal proceeds in accordance with the priority of payments.

Reinvestment Period: During the Reinvestment Period, the Collateral Manager may, but is not required to, direct the reinvestment of Principal Proceeds and any cash contributed by the holder of the Preferred Shares 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 in length, which includes the ramp-up acquisition period and, assuming no EOD has occurred, terminates on the Determination date in May 2023.

The Eligibility Criteria provides that a No Downgrade Confirmation must be received from DBRS Morningstar with respect to the acquisition of Mortgage Assets, except that confirmation will not be required with respect to the acquisition of an A Note or a Participation if (1) the Issuer already owns an A Note or a Participation in the same underlying Partitioned Loan and (2) the principal balance of the A Note or Participation being acquired is less than $1,000,000.

No Downgrade Confirmations: Certain events within the transaction require the Issuer to obtain Rating Agency Confirmation (RAC). DBRS Morningstar will confirm that a proposed action or failure to act or other specified event will not, in and of itself, result in the downgrade or withdrawal of the current rating. The Issuer is not required to obtain RAC for acquisitions of companion participations less than $1.0 million.

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

Administrative Modification means any modification, waiver or amendment directed by the Collateral Manager that relates exclusively to (i) with respect to any Mortgage Loan, in the case of a mismatch between the Benchmark Replacement (including any Benchmark Replacement Adjustment) on the Notes and the benchmark replacement and the benchmark replacement adjustment applicable to such Mortgage Loan, (1) any alternative rate index and alternative rate spread that the Collateral Manager determines are reasonably necessary to reduce or eliminate such mismatch, and (2) any corresponding changes to such Mortgage Loan to match the applicable Benchmark Replacement Conforming Changes and/or to make any Loan-Level Benchmark Replacement Conforming Changes or (ii) with respect to any Mortgage Loan other than a Mortgage Loan related to a Credit Risk Mortgage Asset, Specially Serviced Loan or Defaulted Loan, exit fees, extension fees, default interest, financial covenants (including cash management triggers) relating to debt yield, debt service coverage or loan-to-value, prepayment fees (including in connection with defeasance and lockouts), yield or spread maintenance provisions, reserve account minimum balance amounts, and purposes or waivers of a borrower being required to obtain an interest rate cap agreement in connection with an extension when the extension is for ninety (90) days or less.

Criteria-Based Modification means, with respect to any Serviced Mortgage Loan other than a Mortgage Loan related to a Credit Risk Mortgage Asset, Specially Serviced Mortgage Loan or Defaulted Loan, any modification, waiver, or amendment of a Mortgage Loan directed by the Collateral Manager that would result in (1) a change in interest rate (other than as a result of any modification in accordance with clause (i) of the definition of Administrative Modification); (2) a delay in the required timing of any payment of principal for any prepayment, amortization, or other principal reduction; (3) permitting indirect owners of the related borrower to incur additional indebtedness in the form of a mezzanine loan or preferred equity; (4) a change of maturity date or extended maturity date under such Mortgage Loan; or (5) an increase in the principal balance of such Mortgage Loan that will be allocated solely to the related Companion Interest. The Criteria-Based Modification Conditions will be satisfied only if, immediately after giving effect to a Criteria-Based 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 Mortgage Loan; (3) no EOD has occurred and is continuing and the Note Protection Tests are satisfied; (4) the related Mortgage Asset complies with the Eligibility Criteria (for this purpose, assuming the related Mortgage Asset was treated as a Reinvestment Mortgage Asset acquired on the date of the modification), as adjusted by the EC Modification Adjustments; (5) for any Criteria-Based Modification after the Reinvestment Period, the as-stabilized loan-to-value ratio of the related Mortgage Loan and any additional indebtedness is not higher than the as-stabilized loan-to-value ratio of such Mortgage Loan as of the Closing Date or the acquisition date of the related Mortgage Asset by the Issuer; and (6) an Updated Appraisal is obtained with respect to the Mortgage Asset, provided that multiple simultaneous modifications to a single Mortgage Asset will be treated as a single Criteria-Based Modification.

The Special Servicer’s processing and effectuation of any Administrative Modification or Criteria-Based Modification 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 EC Modification Adjustments include a provision that if such Criteria-Based Modification does not involve an increase in the principal balance of the related Mortgage Loan is no requirement to obtain a No Downgrade Confirmation from DBRS Morningstar.

Note Protection Tests: Like most commercial real estate collateralized loan obligation (CRE CLO) transactions, the subject transaction features senior note protection tests in the form of an interest coverage (IC) test and a par value or overcollateralization (OC) test. If either of the IC or OC tests is not satisfied on any measurement date, interest proceeds that would otherwise be used to pay interest on to the Class F and the Class G Notes and pay dividends to the Preferred Shares must instead be used to pay principal of first, the Class A Notes; second, the Class B Notes; third, the Class C Notes; fourth, the

Class D Notes; and fifth, the Class E Notes, in each case, to the extent necessary to cause the Note Protection Tests to be satisfied. To the extent that any Note Protection Test is not satisfied following the application of Interest Proceeds in the manner described above, Principal Proceeds also will be applied in the order of priority described above, to the extent necessary to cause each of the Note Protection Tests to be satisfied. The Par Value Test will be satisfied if the Par Value Ratio is equal to or greater than 124, which is 2.0% lower than the initial Par Value Ratio. The Interest Coverage Test will be satisfied if the Interest Coverage Ratio is equal to or great than 120.0%.

Advancing Agent and Backup Advancing Agent: Bridge REIT will serve as Advancing Agent with respect to certain interest shortfalls on the offered notes A and B, subject to a recoverability analysis. If the Advancing Agent fails to make such payments, the Note Administrator, Wells Fargo Bank, National Association, will serve as Backup Advancing Agent and be required to advance certain delinquent scheduled interest payments if deemed recoverable.

Controlling Class: The Class A Notes are the controlling class, so long as any Class A Notes are outstanding; then the Class B Notes, so long as any Class B Notes are outstanding; then the Class C Notes, so long as any Class C Notes are outstanding; then the Class D Notes, so long as any Class D Notes are outstanding; then the Class E Notes, so long as any Class E Notes are outstanding; then the Class F Notes, so long as any Class F Notes are outstanding; then the Class G Notes, so long as any Class G Notes are outstanding. If an EOD under the Indenture has occurred and is continuing, the holders of the Controlling Class will be entitled to determine the remedies to be exercised under the Indenture and in certain circumstances, without regard to whether there are sufficient proceeds to pay in full the amounts then due and unpaid on the Notes. The Controlling Class will be the most senior Class of Notes outstanding. Any remedies pursued by the holders of the Controlling Class upon an EOD could be adverse to the interests of the holders of more subordinated Classes of Notes.

Deferred Interest: The Class C, D, E, F, and G Notes (deferrable notes) allow for deferred interest on the deferrable notes. To the extent that interest proceeds are not sufficient on a given payment date to pay accrued interest, interest will not be due and payable on the payment date and will instead be deferred. The deferred interest will be added to the principal amount of the respective deferrable note and bear interest at the same rate as the reference deferrable note and will be payable on the first payment date on which funds are available in the priority of payments. The ratings assigned by DBRS Morningstar contemplate the timely payments of distributable interest and, in the case of the deferred interest, the ultimate recovery of deferred interest (inclusive of interest payable thereon at the applicable rate to the extent permitted by law). Thus, DBRS Morningstar will assign its Interest in Arrears designation to the Deferred Interest classes in months when classes are subject to deferred interest.

Benchmark Index: Once a Benchmark Transition Event occurs, LIBOR or the then-current reference index rate will be replaced by a Benchmark Replacement as of the Benchmark Replacement Date for all purposes under the Indenture and the Notes. The Collateral Manager will be required to determine the applicable Benchmark Replacement and the related Benchmark Replacement Rate as described in the Offering Memorandum.

Any determination, decision or election that the Collateral Manager makes with respect to a Benchmark Transaction Event (March 5, 2021), Benchmark Replacement Date (expected to be June 23, 2023) or Benchmark Replacement, including determinations with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, will be conclusive and binding absent manifest error, and may be made in the sole discretion of the Collateral Manager without consent from any noteholder or other party.

The Benchmark Replacement is the first alternative set forth in the order below that can be determined by the Collateral Manager as of the Benchmark Replacement Date:
i. the sum of (a) Term SOFR and (b) the Benchmark Replacement Adjustment;
ii. the sum of (a) Compounded SOFR and (b) the applicable Benchmark Replacement Adjustment;
iii. the sum of (a) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark for the applicable Corresponding Tenor and (b) the Benchmark Replacement Adjustment;
iv. the sum of (a) the ISDA Fallback Rate and (b) the Benchmark Replacement Adjustment; and
v. the sum of (a) the alternate rate of interest that has been selected by the Collateral Manager as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. dollar denominated securitizations at such time and (b) the Benchmark Replacement Adjustment.

The Benchmark Replacement Adjustment will be the first alternative set forth in the order below that can be determined by the Collateral Manager as of the Benchmark Replacement Date:
(i) the spread adjustment, or method for calculating or determining such spread adjustment (which may be a positive or negative value or zero), that has been selected, endorsed or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;
(ii) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, then the ISDA Fallback Adjustment; and (iii) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Collateral Manager giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated securitization transactions at such time.

Methodologies

The principal methodology DBRS Morningstar applied to assign ratings to this transaction is the *North American CMBS Multi-Borrower Rating Methodology*. This methodology can be found on www.dbrsmorningstar.com under the heading Methodologies & Criteria. Alternatively, please contact info@dbrsmorningstar.com or contact the primary analysts whose information is listed in this report.

For a list of the related methodologies for our principal Structured Finance asset class methodologies that may be used during the rating process, please see the DBRS Morningstar Global Structured Finance Related Methodologies document on www.dbrsmorningstar.com. Please note that not every related methodology listed under a principal Structured Finance asset class methodology may be used to rate or monitor an individual structured finance or debt obligation.

Surveillance

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

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

This report is based on information as of May 12, 2021. Subsequent information may result in material changes to the rating assigned herein and/or the contents of this report.

Glossary

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

Definitions

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

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

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

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

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

Issuer UW
Issuer underwritten from Annex A or servicer reports.

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

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

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

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

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

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

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

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

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

About DBRS Morningstar

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

DBRS Morningstar 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.

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