

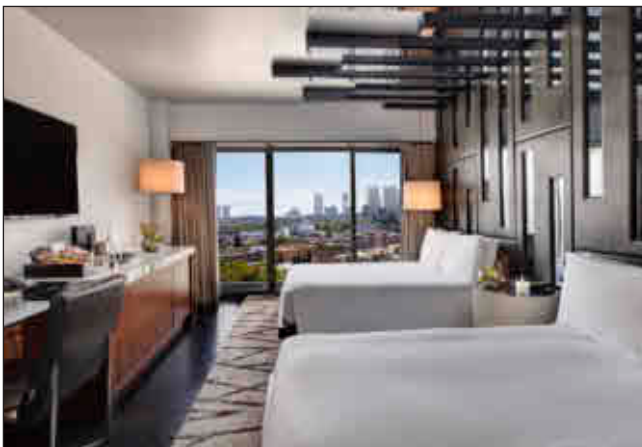
Mortgage Loan No. 6 — SIXTY Hotel Beverly Hills

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**Golden Triangle**

**Sixty Hotel Beverly Hills**  
9360 Wilshire Boulevard  
Beverly Hills, CA 90212

**Los Angeles**

**Los Angeles International Airport (LAX)**

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## Mortgage Loan No. 6 — SIXTY Hotel Beverly Hills

### Mortgage Loan Information

<b>Mortgage Loan Seller:</b>	Natixis
<b>Original Principal Balance:</b>	\$40,000,000
<b>Cut-off Date Principal Balance:</b>	\$40,000,000
<b>% of Pool by IPB:</b>	5.9%
<b>Loan Purpose:</b>	Refinance
<b>Borrower:</b>	TH Beverly LLC
<b>Sponsors:</b>	Michael Pomeranc; Lawrence Pomeranc; Jason Pomeranc
<b>Interest Rate:</b>	4.8000%
<b>Note Date:</b>	7/21/2017
<b>Maturity Date:</b>	8/5/2022
<b>Interest-only Period:</b>	60 months
<b>Original Term:</b>	60 months
<b>Original Amortization:</b>	None
<b>Amortization Type:</b>	Interest Only
<b>Call Protection:</b>	L(36), Def(21), O(3)
<b>Lockbox<sup>(1)</sup>:</b>	Hard
<b>Additional Debt:</b>	No
<b>Additional Debt Balance:</b>	N/A
<b>Additional Debt Type:</b>	N/A
<b>Additional Future Debt Permitted:</b>	No

### Escrows and Reserves<sup>(4)</sup>

	Initial	Monthly	Initial Cap
<b>Taxes:</b>	\$198,523	\$28,360	N/A
<b>Insurance:</b>	\$233,095	\$19,425	N/A
<b>FF&amp;E Reserve:</b>	\$0	Springing	N/A

### Sources and Uses

Sources	Proceeds	% of Total
<b>Mortgage Loan:</b>	\$40,000,000	100.0%
<b>Total Sources:</b>	<b>\$40,000,000</b>	<b>100.0%</b>

### Property Information

<b>Single Asset / Portfolio:</b>	Single Asset
<b>Title:</b>	Fee
<b>Property Type - Subtype:</b>	Hotel – Full Service
<b>Net Rentable Area (Rooms)<sup>(2)</sup>:</b>	118
<b>Location:</b>	Beverly Hills, CA
<b>Year Built / Renovated:</b>	1963 / 2016
<b>Occupancy / ADR / RevPAR<sup>(3)</sup>:</b>	87.6% / \$319.90 / \$279.95
<b>Occupancy / ADR / RevPAR Date:</b>	3/31/2018
<b>Number of Tenants:</b>	N/A
<b>2015 NOI:</b>	\$2,988,632
<b>2016 NOI<sup>(2)</sup>:</b>	\$3,700,498
<b>2017 NOI<sup>(2)</sup>:</b>	\$4,457,924
<b>TTM NOI<sup>(2)(3)</sup>:</b>	\$4,825,342
<b>UW Occupancy / ADR / RevPAR:</b>	86.8% / \$319.90 / \$277.81
<b>UW Revenues:</b>	\$12,968,568
<b>UW Expenses:</b>	\$7,731,683
<b>UW NOI<sup>(2)</sup>:</b>	\$5,236,885
<b>UW NCF:</b>	\$4,718,142
<b>Appraised Value / Per Room:</b>	\$85,000,000 / \$720,339
<b>Appraisal Date:</b>	7/2/2018

### Financial Information

<b>Cut-off Date Loan / Room:</b>	\$338,983
<b>Maturity Date Loan / Room:</b>	\$338,983
<b>Cut-off Date LTV:</b>	47.1%
<b>Maturity Date LTV:</b>	47.1%
<b>UW NOI DSCR:</b>	2.69x
<b>UW NCF DSCR:</b>	2.42x
<b>UW NOI Debt Yield:</b>	13.1%
<b>UW NCF Debt Yield:</b>	11.8%

Uses	Proceeds	% of Total
<b>Payoff Existing Debt:</b>	\$37,729,186	94.3%
<b>Upfront Reserves:</b>	431,619	1.1
<b>Closing Costs:</b>	664,078	1.7
<b>Return of Equity:</b>	1,175,118	2.9
<b>Total Uses:</b>	<b>\$40,000,000</b>	<b>100.0%</b>

(1) For a more detailed description of lockbox, please refer to "Lockbox / Cash Management" below.

(2) The property added eleven rooms between 2016 and 2018. Additionally, underwritten operating expenses exclude \$281,837 in management and bonuses that would typically be covered under the management fee.

(3) Represents the trailing twelve months ending March 31, 2018.

(4) For a more detailed description of Escrows and Reserves, please refer to "Escrows and Reserves" below.

## Mortgage Loan No. 6 — SIXTY Hotel Beverly Hills

**The Loan.** The SIXTY Hotel Beverly Hills loan is a \$40.0 million first mortgage loan secured by the borrower's fee interest in a 118-room, full-service hotel located in Beverly Hills, CA. The loan has a five-year term and is interest-only for the term of the loan.

**The Borrower.** The borrowing entity for the loan is TH Beverly LLC, a Delaware-registered, single-purpose, bankruptcy-remote entity. TH Beverly LLC is wholly owned by Beverly Pavilion Associates LLC, which in turn is controlled by Beverly Pavilion Manager Corp. (1.0%), LJJM Beverly LLC (70.0%), Michael Pomeranc (2.3%), Jason Pomeranc (2.3%), Lawrence Pomeranc (2.3%), Alan Wilzig (11.1%), and Marc Aron (11.1%).

**The Sponsors.** The loan's sponsors and nonrecourse carve-out guarantors are Michael Pomeranc, Lawrence Pomeranc, and Jason Pomeranc. Michael Pomeranc, Lawrence Pomeranc and Jason Pomeranc are co-founders of SIXTY Hotels and second generation real estate developers.

The Pomeranc Group was founded in 1952 by Jack Pomeranc. The Pomeranc Group created Thompson Hotels and developed 60 Thompson, now the SIXTY Soho property, in 2000. The Pomeranc Group grew the Thompson Hotel brand into an international collection of owned and managed luxury properties. The Pomeranc Group re-branded all Thompson Hotels as SIXTY Hotels, named after the SIXTY Soho property. The Sixty Hotels portfolio now includes: SIXTY Soho, SIXTY LES, SIXTY Beverly Hills, Six Columbus – a SIXTY Hotel, and Nautilus – a SIXTY Hotel.

**The Property.** The property is an eight-story, 118-room full-service hotel located in Beverly Hills, CA. The property is located in the heart of Beverly Hills on Wilshire Boulevard, 0.3 miles east of Rodeo Drive and 3.0 miles north of Interstate-10. The property was built in 1963 and has been owned by the sponsors since 2005 and was managed by Thompson Hotels until 2013. In late 2013, as part of the reorganization of the company, the management was transferred to SIXTY Beverly Hotel Manager LLC. From 2013 through year-end 2016 the sponsor has invested approximately \$4.6 million (\$38,702 per key) in capital improvements and upgrades. Between 2016 and 2018 the property converted some of the meeting and office space to guestrooms, increasing the room count from 107 to 118 rooms.

The 118 guestrooms are comprised of 87 king rooms, 21 studio queen rooms, eight king suites, and two suites. In room amenities consist of one or two bedside tables, a dresser, flat screen televisions, a desk and chair, a small table and chairs or one stuffed chair, and high-speed wired or wireless internet. Property amenities include a lobby with a sitting area, a restaurant, a rooftop bar and lounge, 727 sf of meeting space, a rooftop swimming pool, a fitness center, and wireless high-speed internet. Additionally, the property offers 113 on-site valet parking spaces.

**The Market.** The property is located in the city of Beverly Hills, Los Angeles County, in the west-central portion of the Los Angeles-Long Beach-Glendale, CA metropolitan statistical area, which includes all of Los Angeles County. Los Angeles County is the third most populous metropolitan statistical area in the nation with a 2017 population of 10.3 million.

The property is part of the Los Angeles/Long Beach, CA lodging market. As of March 2018, the market contained a total of 1,028 hotels and 103,569 rooms. For the 12 month period ending March 2018, the market achieved an aggregate occupancy of 79.8% with an ADR of \$177.65 and RevPAR of \$141.69, a 1.9% increase over the previous corresponding twelve month period, driven almost entirely by growth in ADR. As reported by a third party market research provider, the luxury class grouping of hotels contained a total of 61 hotels with a lodging inventory of 12,594 rooms. As of the trailing 12 months ending March 2018, the luxury class of hotels achieved an aggregate occupancy of 78.0% and ADR of \$389.75, and a RevPAR of \$304.07, down 2.1% over the previous corresponding twelve month period.

According to a third party research report, the competitive market experiences limited seasonality of demand, due to from the year-round sources of demand. The months of February, March and July through October represent the peak months of demand, during which time occupancy levels average in the high 80.0% range. The month of December is the slowest month of demand during which time occupancy levels average in the low 70.0% range. The primary key corporate/transient demand driver in Beverly Hills is from the area's attractions, specifically the shopping and attractions in and around the Beverly Hills/Hollywood area.

## Mortgage Loan No. 6 — SIXTY Hotel Beverly Hills

### Historical Occupancy, ADR, RevPAR

Year	Competitive Set <sup>(1)</sup>			SIXTY Beverly Hills <sup>(1)</sup>			Penetration Factor		
	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR
2016	82.6%	\$408.10	\$337.27	89.1%	\$321.26	\$286.16	107.8%	78.7%	84.8%
2017	81.0%	\$391.92	\$317.39	87.0%	\$320.62	\$278.87	107.4%	81.8%	87.9%
TTM <sup>(2)</sup>	81.8%	\$395.80	\$323.92	87.9%	\$319.94	\$281.32	107.4%	80.8%	86.8%

- (1) Source: Third party research report. Other hotels in the competitive set include Mr. C Beverly Hills, L'Ermitage, Four Seasons Hotel Los Angeles, Sofitel Los Angeles, and Avalon Beverly Hills.
- (2) Based on trailing 12 months ending March 31, 2018.

### Operating History and Underwritten Net Cash Flow

	2015	2016 <sup>(1)</sup>	2017 <sup>(1)</sup>	TTM <sup>(1)(2)</sup>	Underwritten <sup>(1)(3)</sup>	Per Room <sup>(4)</sup>	% <sup>(5)</sup>
Occupancy	84.5%	88.3%	86.4%	87.6%	86.8%		
ADR	\$292.95	\$321.96	\$321.60	\$319.90	\$319.90		
RevPAR	\$247.67	\$284.38	\$277.72	\$279.95	\$277.81		
Room Revenue	\$9,672,668	\$11,136,797	\$11,594,956	\$11,965,171	\$11,965,171	\$101,400	92.3%
Food and Beverage	178,640	0	211,458	227,780	227,780	\$1,930	1.8%
Other Departmental Revenues	518,521	712,685	573,269	775,617	775,617	\$6,573	6.0%
<b>Total Revenue</b>	<b>\$10,369,829</b>	<b>\$11,849,482</b>	<b>\$12,379,683</b>	<b>\$12,968,568</b>	<b>\$12,968,568</b>	<b>\$109,903</b>	<b>100.0%</b>
Room Expense	3,256,539	3,474,690	3,495,019	3,592,716	3,592,716	\$30,447	30.0%
Food and Beverage Expense	86,061	8	99,567	104,489	104,489	\$886	45.9%
Other Departmental Expenses	88,060	342,075	53,815	46,096	46,096	\$391	5.9%
<b>Departmental Expenses</b>	<b>\$3,430,660</b>	<b>\$3,816,773</b>	<b>\$3,648,401</b>	<b>\$3,743,301</b>	<b>\$3,743,301</b>	<b>\$31,723</b>	<b>28.9%</b>
<b>Departmental Profit</b>	<b>\$6,939,169</b>	<b>\$8,032,709</b>	<b>\$8,731,282</b>	<b>\$9,225,267</b>	<b>\$9,225,267</b>	<b>\$78,180</b>	<b>71.1%</b>
<b>Operating Expenses</b>	<b>\$3,331,048</b>	<b>\$3,726,780</b>	<b>\$3,670,252</b>	<b>\$3,790,109</b>	<b>\$3,378,566</b>	<b>\$28,632</b>	<b>26.1%</b>
<b>Gross Operating Profit</b>	<b>\$3,608,121</b>	<b>\$4,305,929</b>	<b>\$5,061,030</b>	<b>\$5,435,158</b>	<b>\$5,846,701</b>	<b>\$49,548</b>	<b>45.1%</b>
Fixed Expenses	619,489	605,431	603,106	609,816	609,816	\$5,168	4.7%
<b>Net Operating Income</b>	<b>\$2,988,632</b>	<b>\$3,700,498</b>	<b>\$4,457,924</b>	<b>\$4,825,342</b>	<b>\$5,236,885</b>	<b>\$44,380</b>	<b>40.4%</b>
FF&E	0	0	0	0	518,743	\$4,396	4.00%
<b>Net Cash Flow</b>	<b>\$2,988,632</b>	<b>\$3,700,498</b>	<b>\$4,457,924</b>	<b>\$4,825,342</b>	<b>\$4,718,142</b>	<b>\$39,984</b>	<b>36.4%</b>

- (1) The Sponsor added eleven rooms between 2016 and 2018.
- (2) Represents the trailing twelve month period ending March 31, 2018.
- (3) Underwritten Operating Expenses exclude \$281,837 in management and bonuses that would typically be covered under the management fee.
- (4) Per Room values are based on 118 rooms.
- (5) % column represents percent of Total Revenue except for Room Expense, Food and Beverage Expense and Other Departmental Expenses, which is based on their corresponding revenue line items.

## Mortgage Loan No. 6 — SIXTY Hotel Beverly Hills

**Property Management.** The property is self-managed by SIXTY Beverly Hotel Manager LLC, a borrower-related entity.

**Escrows and Reserves.** At origination, the borrower deposited into escrow \$233,095 for insurance and \$198,523 for real estate taxes.

*Tax Escrows* – On a monthly basis, the borrower is required to escrow 1/12th of the annual estimated tax payments, which currently equals \$28,360.

*Insurance Escrow* – On a monthly basis, the borrower is required to escrow 1/12th of the annual estimated insurance payments, which currently equals \$19,425.

*FF&E Reserve* – Starting in the third year of the loan the borrower, on a monthly basis, is required to escrow an amount equal to 3.0% of gross revenues from the same calendar month of the prior year.

**Lockbox / Cash Management.** The SIXTY Hotel Beverly Hills loan is structured with a hard lockbox and springing cash management. The borrower is required to cause all rents including, without limitation, all credit card company payments to be transmitted directly into the applicable lockbox account. During the continuance of a Cash Management Period (as defined below), all funds in the lockbox account are required to be swept daily to a cash management account under the control of the lender and disbursed during each interest period of the term of the loan in accordance with the loan documents.

A “Cash Management Period” will commence upon: (i) an event of default under the SIXTY Hotel Beverly Hills Loan documents; or (ii) the failure by the borrower, as of the end of a calendar quarter, to maintain a DSCR of at least 1.10x; and will end provided that (1) the SIXTY Hotel Beverly Hills Loan and all other obligations under the loan documents have been repaid in full; (2) there has been a full defeasance of the SIXTY Hotel Beverly Hills Loan; (3) with respect to clause (i) or (ii) above, (and no other Cash Management Period is continuing, for three consecutive months since the commencement of the existing Cash Management Period) (A) no event of default under SIXTY Hotel Beverly Hills Loan documents has occurred, (B) no event that would trigger another Cash Management Period has occurred, and (C) the DSCR, determined as of the end of each such calendar quarter, is at least equal to 1.15x.