

State Farm Data Center

Mortgage Loan Information

| | |
|---|---------------------------------------|
| Mortgage Loan Seller ⁽¹⁾ : | UBS AG |
| Original Principal Balance ⁽²⁾ : | \$25,000,000 |
| Cut-off Date Principal Balance ⁽²⁾ : | \$25,000,000 |
| % of IPB: | 2.9% |
| Loan Purpose ⁽³⁾ : | Acquisition/Refinance |
| Borrower: | JDM III SF Kansas City DC, LLC |
| Sponsor: | JDM Partners Opportunity Fund III LLC |
| Interest Rate ⁽⁴⁾ : | 4.64000% |
| Note Date: | 1/11/2017 |
| Anticipated Repayment Date ⁽⁴⁾ : | 2/6/2027 |
| Interest-only Period: | 120 months |
| Original Term: | 120 months |
| Original Amortization Term: | None |
| Amortization Type: | ARD-Interest Only |
| Call Protection ⁽⁵⁾ : | L(24),Grtr1%orYM(92),O(4) |
| Lockbox / Cash Management: | Hard / In-Place |
| Additional Debt: | Yes |
| Additional Debt Balance: | \$55,000,000 |
| Additional Debt Type: | Pari Passu |

Property Information

| | |
|--|-----------------------|
| Single Asset / Portfolio: | Single Asset |
| Title: | Fee |
| Property Type — Subtype: | Office — Data Center |
| Net Rentable Area (SF): | 193,953 |
| Location: | Olathe, KS |
| Year Built / Renovated: | 2016 / N/A |
| Occupancy: | 100.0% |
| Occupancy Date: | 2/6/2017 |
| 4 th Most Recent NOI (As of) ⁽⁶⁾ : | NAP |
| 3 rd Most Recent NOI (As of) ⁽⁶⁾ : | NAP |
| 2 nd Most Recent NOI (As of) ⁽⁶⁾ : | NAP |
| Most Recent NOI (As of) ⁽⁶⁾ : | NAP |
| UW Economic Occupancy: | 98.0% |
| UW Revenues: | \$9,320,149 |
| UW Expenses: | \$186,403 |
| UW NOI: | \$9,133,746 |
| UW NCF: | \$9,104,653 |
| Appraised Value / Per SF ⁽⁷⁾ : | \$128,000,000 / \$660 |
| Appraisal Date: | 10/20/2016 |

Escrows and Reserves

| | Initial | Monthly | Initial Cap |
|---------------------------------------|---------|-----------|-------------|
| Taxes ⁽⁶⁾ : | \$0 | Springing | N/A |
| Insurance ⁽⁶⁾ : | \$0 | Springing | N/A |
| Replacement Reserves ⁽⁶⁾ : | \$0 | Springing | \$58,186 |
| TI/LC ⁽⁶⁾ : | \$0 | Springing | \$969,765 |
| Other ⁽⁶⁾ : | \$0 | \$0 | N/A |

Financial Information⁽²⁾

| | |
|------------------------------------|-------|
| Cut-off Date Loan / SF: | \$412 |
| Maturity Date Loan / SF: | \$412 |
| Cut-off Date LTV ⁽⁷⁾ : | 62.5% |
| Maturity Date LTV ⁽⁷⁾ : | 62.5% |
| UW NCF DSCR: | 2.42x |
| UW NOI Debt Yield: | 11.4% |

Sources and Uses

| Sources | Proceeds | % of Total | Uses | Proceeds | % of Total |
|------------------------------|----------------------|---------------|-------------------|----------------------|---------------|
| Mortgage Loan ⁽²⁾ | \$80,000,000 | 63.4% | Purchase Price | \$125,323,476 | 99.4% |
| Sponsor Equity | 46,137,373 | 36.6 | Closing Costs | 813,897 | 0.6 |
| Total Sources | \$126,137,373 | 100.0% | Total Uses | \$126,137,373 | 100.0% |

(1) The State Farm Data Center Whole Loan (as defined in "The Loan" below) was originated by Deutsche Bank AG, New York Branch ("DBNY"). UBS AG acquired Note A-2, with an original principal amount of \$25.0 million, from DBNY and has re-underwritten such mortgage loan in accordance with the procedures described under "Transaction Parties—The Sponsors and Mortgage Loan Sellers—UBS AG, New York Branch" in the Prospectus.

(2) The State Farm Data Center loan is part of a whole loan evidenced by two *pari passu* notes with an aggregate original principal balance of \$80.0 million. The Financial Information presented in the chart above reflects the Cut-off Date balance of the \$80.0 million State Farm Data Center Whole Loan.

(3) For a description of the loan purpose, please refer to "The Loan" below.

(4) For a description of the Anticipated Repayment Date, Maturity Date and post-Anticipated Repayment Date accruals, please refer to "The Loan" below.

(5) With respect to any condemnation while the State Farm Mutual Automobile Insurance Company ("State Farm") lease is in full force and effect, subject to REMIC requirements, the borrower has the right, which must be exercised no later than six months after the condemnation, to elect, (x) to prepay the State Farm Data Center Whole Loan in an amount equal to 100% of the amount of the applicable net proceeds or (y) solely in the event of a condemnation of all of the State Farm Data Center property resulting in the termination of the State Farm lease, to prepay the State Farm Data Center Whole Loan in full, in each case without payment of any prepayment consideration.

(6) Historical cash flows are not applicable as the State Farm Data Center property was constructed in 2016.

(7) The Appraised Value / Per SF, Cut-off Date LTV, and Maturity Date LTV is based on the "as-is" Appraised Value of \$128.0 million as of October 20, 2016. The appraisal concluded an "as dark" appraised value of \$87.0 million, which represents a Cut-off Date LTV and Maturity Date LTV of 92.0%.

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- (8) If the State Farm Data Center property is no longer leased to State Farm or a Major Tenant Trigger Event (as defined herein) has occurred and is continuing (or if any other waiver conditions specified in the State Farm Data Center loan documents are not satisfied), on each monthly payment date, the borrower is required to fund (i) a tax and insurance reserve in an amount equal to 1/12 of the amount the lender estimates will be necessary to pay tax and insurance premiums over the then succeeding 12-month period, (ii) \$2,424 into the replacement reserve, capped at \$58,186 (which amount is subject to an increase of \$0.30 per square foot of any expansion space constructed by State Farm pursuant to the State Farm lease) and (iii) \$16,163 into the TI/LC reserve, capped at \$969,765 (which amount is subject to an increase of \$5.00 per square foot of any expansion space constructed by State Farm pursuant to the State Farm lease). Prior to the ARD (as defined herein), upon the occurrence and continuance of a Major Tenant Trigger Event, all excess cash flow will be required to be deposited into a major tenant TI/LC reserve, provided, the borrower may substitute letters of credit for funds in such major tenant TI/LC reserve. A "Major Tenant Trigger Event" will commence if (i) State Farm or any tenant that leases space comprising of 20% or more of either (x) the total net rentable area or (y) the total in-place base rent, of the State Farm Data Center property ("Major Tenant") gives written notice of its intention to terminate or cancel its lease, (ii) on or prior to 18 months prior to the then applicable expiration date under its lease, a Major Tenant does not extend or renew its lease upon the terms therein or otherwise reasonably acceptable to the lender, (iii) on or prior to the date by which a Major Tenant is required under its lease to notify the landlord of its election to extend or renew its lease, such Major Tenant fails to give such notice, (iv) a monetary event of default under a Major Tenant lease occurs and continues for more than 60 days, (v) a material non-monetary event of default under a Major Tenant lease occurs and continues beyond the later of 90 days and any cure period under the lease, (vi) a bankruptcy or insolvency of a Major Tenant or any related lease guarantor occurs, (vii) a Major Tenant's lease is terminated or no longer in full force and effect, or (viii) if a Major Tenant (or any related lease guarantor) is downgraded below "BBB-" (or the equivalent) by Moody's, S&P or Fitch or any such rating is withdrawn.

The Loan. The State Farm Data Center loan, which is part of a larger split whole loan, has an outstanding principal balance as of the Cut-off Date of \$25.0 million and is secured by a first mortgage lien on the borrower's fee interest in a 193,953 square foot, office building located in Olathe, Kansas. The whole loan has an outstanding principal balance as of the Cut-off Date of \$80.0 million (the "**State Farm Data Center Whole Loan**") and is comprised of two *pari passu* notes, each as described below. Note A-1, in the outstanding original principal balance of \$55.0 million, was securitized in the CD 2017-CD3 Trust and serves as the controlling note under the related intercreditor agreement, the rights of which will be exercised by the trustee (or, prior to the occurrence and continuance of a control termination event for such trust by the directing certificateholder for such trust). Note A-2, with an original principal balance of \$25.0 million, will be contributed to the BBCMS 2017-C1 Trust. The State Farm Data Center Whole Loan requires interest-only payments through the anticipated repayment date in February 2027 ("**ARD**") and accrues interest at 4.64000% *per annum* (the "**Initial Interest Rate**") through the ARD. The final maturity date is the due date in November 2031. If, as of the payment date immediately preceding the ARD or as of the ARD, (i) the State Farm lease is no longer in full force and effect, (ii) a Major Tenant Trigger Event has occurred and is continuing, or (iii) a Cash Sweep Event (as defined below) has occurred and is continuing, other than solely due to the ARD, the final maturity date of the State Farm Data Center Whole Loan will be, without notice and without requirement for any action on the part of the borrower or lender, the ARD. Subject to the foregoing, if the State Farm Data Center Whole Loan is not repaid in full on or prior to the ARD, the State Farm Data Center Whole Loan will accrue interest at a *per annum* rate equal to the greater of (i) a rate based on the interest rate swaps reported by the Federal Reserve, as determined on the business day ending immediately prior to the ARD, with a maturity most nearly approximating the final maturity date of the State Farm Data Center Whole Loan plus 2.00000% and (ii) the Initial Interest Rate plus 2.00000% (the "**Adjusted Interest Rate**"); however, interest accrued at the excess of the Adjusted Interest Rate over the Initial Interest Rate (the "**Accrued Interest**") will be deferred. In addition, from and after the ARD, all excess cash flow from the State Farm Data Center Property after the payment of reserves, interest calculated at the Initial Interest Rate and operating expenses will be applied (i) first, to repay the principal balance of the State Farm Data Center Whole Loan and (ii) second, to the payment of the Accrued Interest. A "**Cash Sweep Event**" will commence upon the occurrence of (i) an event of default under the State Farm Data Center Whole Loan, (ii) any bankruptcy action of the borrower, guarantor or any affiliated manager, (iii) the debt service coverage ratio falls below 1.75x as of the end of any calendar quarter, (iv) the borrower fails to prepay or repay the State Farm Data Center Whole Loan in full on or before the ARD or (v) the occurrence and continuance of a Major Tenant Trigger Event.

| Whole Loan Summary | | | |
|--------------------|---------------------|---------------|-------------------|
| Note | Original Balance | Note Holder | Controlling Piece |
| A-1 | \$55,000,000 | CD 2017-CD3 | Yes |
| A-2 | \$25,000,000 | BBCMS 2017-C1 | No |
| Total | \$80,000,000 | | |

The proceeds of the State Farm Data Center Whole Loan, along with sponsor equity, were used to acquire the State Farm Data Center property for approximately \$125.3 million (inclusive of retiring an existing bridge loan) in a sale-leaseback transaction with the sole tenant and pay closing costs. The borrowing entity for the State Farm Data Center Whole Loan is JDM III SF Kansas City DC, LLC, a single-purpose Delaware limited liability company with two independent directors. Legal counsel to the borrower delivered a non-consolidation opinion in connection with the origination of the State Farm Data Center Whole Loan. The loan sponsor and nonrecourse carve-out guarantor is JDM Partners Opportunity Fund III LLC.

JDM Partners is a real estate investment firm with projects in real estate, sports and entertainment venues and franchises. JDM Partners' current portfolio of real estate investments includes properties in 16 states. JDM Partners was founded in 1983 by Jerry Colangelo, David Eaton, and Mel Shultz, who have over 100 years of collective real estate experience.

State Farm Data Center

The Property. The State Farm Data Center property is a 193,953 square foot data center set on a 20.1-acre site, located in Olathe, Kansas. Constructed in 2016 as a build-to-suit for State Farm and acquired by the borrower sponsor in a sale-leaseback transaction, the State Farm Data Center property serves as one of State Farm's data centers. The State Farm Data Center property features approximately 60,515 square feet of raised floor space, approximately 11,000 square feet of office space and approximately 27,600 square feet of mechanical and electrical support space including an exterior service yard for emergency generators, electrical gear and mechanical equipment. According to the appraisal, the State Farm Data Center property has a critical IT load of 6.66 megawatts, which corresponds to an overall average density of 110 watts per square foot.

The State Farm Data Center property is supported by an uninterruptible power supply utilizing a 3N/2 configuration with expansion capability of up to 4N/3. The standardized electrical power delivery block consists of 2500 megavolt amperes utility paired with 2.5-megawatt generators. The mechanical cooling plant consists of a N+1 looped chilled water system with air cooled chillers. According to the appraiser, the State Farm Data Center property is classified as a turn-key data center, which is a physically secure facility with power and cooling point of delivery ("**POD**") Architecture that has been optimized for green operation and the redundancy capabilities. POD Architecture promotes the energy efficiency needed for green data center operation and also allows tenants to take delivery of their POD space in 6-8 months versus the 24-month industry average.

As of February 6, 2017, the State Farm Data Center property is 100.0% occupied by State Farm (rated AA by S&P). State Farm's lease commenced in November 2016 and State Farm is currently in possession and utilizing their space. The initial base rent is \$42.00 per square foot on a triple-net basis with annual increases of 1.9% through the lease expiration date in November 2031. State Farm has three five-year renewal options remaining, with no termination or contraction options. State Farm is the largest provider of auto, home, and life insurance in the United States with over 65,000 employees and approximately 18,000 insurance agents servicing approximately 84.1 million policies and accounts, as of June 30, 2016. As of year-end 2015, State Farm reported total assets of approximately \$138.50 billion with net income of approximately \$2.14 billion compared to year-end 2014 total assets of approximately \$138.80 billion with net income of approximately \$1.05 billion.

State Farm may elect to expand the State Farm Data Center property by constructing a material addition of shell building space and improvements in such space ("**Expansion Space**"). If State Farm does so, it is required to be constructed at the tenant's sole cost and expense. Upon substantial completion of the Expansion Space, the term of the lease could be extended as follows: (a) if substantial completion occurs during the initial term, the initial term will be extended for a period to be elected by the tenant in its sole discretion of the minimum number of years necessary for the term to expire at least 12 full years but no more than 15 full years from the date of substantial completion; in no event can the initial lease term be less than 12 years from the date of substantial completion of the Expansion Space or (b) if substantial completion occurs during any extension period, the extension period will be extended for a period to be elected by the tenant in its sole discretion of the minimum number of years necessary for the extension term to expire at least 10 full years but no more than 15 full years from the date of substantial completion. In either case, the extension period elected by the tenant will have no effect on State Farm's rights to any unexercised renewal option. During any extension of the term resulting from the construction of the Expansion Space, the base rent will be subject to annual increases of 1.9%.

The Market. The State Farm Data Center property is located approximately 24.3 miles southwest of the Kansas City, Missouri central business district, within the Kansas City metropolitan statistical area ("**MSA**"). The Kansas City MSA is the second largest MSA in Missouri and the 30th largest in the United States. The market serves a role as a transportation and logistics hub given its central location in the United States. According to a third party market research report, the total population for Johnson county, the Kansas City MSA, and the state of Kansas are 584,915, 2,094,363, and 2,919,372, respectively. The average household income for Johnson county, the Kansas City MSA, and the state of Kansas are \$102,072, \$77,179, and \$71,918, respectively. The State Farm Data Center property is located south of Highway 10 with access to the neighborhood from highways K-7 and K-10. Major employers in Olathe, Kansas include Honeywell Aerospace, Hallmark, Garmin International, Farmers Insurance Federal Credit Union, a US Bank data center and ALDI Divisional Office & Distribution Center.

The State Farm Data Center property is located within the Kansas City data center market. The Kansas City data center market consists of 28 active data centers operated by 20 providers. The total data center inventory in Kansas City is approximately 520,000 square feet powered by 76 megawatts. The total data center market share within Kansas City is operated by only a handful of providers including Cavern Technologies (29%), 1102 Grand (16%), Iron Mountain (11%), TierPoint (11%) and DataBank (7%), with other providers accounting for the remaining 26% of the market.

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According to the appraisal, Kansas City is considered an emerging data center market. Support for the data center demand in Kansas City is evidenced by the public-private efforts to transform Kansas City into a "Smart City." In June 2015, a \$15.7 million public-private partnership was formalized when Kansas City signed a strategic agreement with Cisco Systems, Inc. and its partners to develop a comprehensive smart city network. Smart City initiatives will help the city of Kansas City use real-time data to deliver basic services more efficiently through upgrades including interactive kiosks, free public WiFi, smart streetlights and sensors to provide efficiency. The State Farm Data Center property is well positioned due to its direct access to the highest concentration of fiber-optic cable in the Kansas City metro area.

| Tenant Summary ⁽¹⁾ | | | | | | | |
|-------------------------------|---|------------------------------|-------------------|---------------------|--------------------|-------------------------|--------------------------|
| Tenant | Ratings ⁽²⁾ Moody's/S&P/Fitch | Net Rentable Area (SF) | % of Total NRA | Base Rent PSF | Base Rent | % of Total Base Rent | Lease Expiration Date |
| State Farm | NA / AA / NA | 193,953 | 100.0% | \$42.00 | \$8,146,026 | 100.0% | 11/30/2031 |
| Total | | 193,953 | 100.0% | \$42.00 | \$8,146,026 | 100.0% | |
| Vacant Space | | 0 | 0.0% | | | | |
| Collateral Total | | 193,953 | 100.0% | | | | |

(1) Based on the underwritten rent roll.

(2) Ratings provided are for the parent company of the entity listed in the "Tenant" field whether or not the parent company guarantees the lease.

| Lease Rollover Schedule ⁽¹⁾ | | | | | | | | | |
|--|------------------------------------|-------------------------------------|-------------------------|--------------------------------------|-------------------------------|---|------------------------------------|-------------------------------------|---|
| Year | Number of Leases Expiring | Net Rentable Area Expiring | % of NRA Expiring | Base Rent Expiring ⁽²⁾ | % of Base Rent Expiring | Cumulative Net Rentable Area Expiring | Cumulative % of NRA Expiring | Cumulative Base Rent Expiring | Cumulative % of Base Rent Expiring |
| Vacant | NAP | 0 | 0.0% | NAP | NAP | 0 | 0.0% | NAP | NAP |
| 2017 & MTM | 0 | 0 | 0.0 | \$0 | 0.0% | 0 | 0.0% | \$0 | 0.0% |
| 2018 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0% | \$0 | 0.0% |
| 2019 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0% | \$0 | 0.0% |
| 2020 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0% | \$0 | 0.0% |
| 2021 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0% | \$0 | 0.0% |
| 2022 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0% | \$0 | 0.0% |
| 2023 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0% | \$0 | 0.0% |
| 2024 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0% | \$0 | 0.0% |
| 2025 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0% | \$0 | 0.0% |
| 2026 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0% | \$0 | 0.0% |
| 2027 & Beyond | 1 | 193,953 | 100.0 | 8,146,026 | 100.0 | 193,953 | 100.0% | \$8,146,026 | 100.0% |
| Total | 1 | 193,953 | 100.0% | \$8,146,026 | 100.0% | | | | |

(1) Based on the underwritten rent roll.

(2) Base Rent Expiring does not include \$1,177,927 in straight-line rent based on the average of annual rent steps of 1.9% through the 15-year State Farm lease term.

State Farm Data Center

| Operating History and Underwritten Net Cash Flow ⁽¹⁾ | | | |
|---|--------------------|-----------------|------------------|
| | Underwritten | Per Square Foot | % ⁽²⁾ |
| Rents in Place | \$8,146,026 | \$42.00 | 85.7% |
| Straight-Line Rent ⁽³⁾ | 1,177,927 | 6.07 | 12.4 |
| Vacant Income | 0 | 0.0 | 0.0 |
| Gross Potential Rent | \$9,323,953 | \$48.07 | 98.0% |
| Total Reimbursements | 186,403 | 0.96 | 2.0 |
| Other Rental Income | 0 | 0.00 | 0.0 |
| Net Rental Income | \$9,510,356 | \$49.03 | 100.0% |
| (Vacancy/Credit Loss) ⁽⁴⁾ | (190,207) | (0.98) | (2.0) |
| Other Income | 0 | 0.0 | 0.0 |
| Effective Gross Income | \$9,320,149 | \$48.05 | 98.0% |
| Total Expenses⁽⁵⁾ | \$186,403 | \$0.96 | 2.0% |
| Net Operating Income | \$9,133,746 | \$47.09 | 98.0% |
| Total TI/LC, Capex/RR | 29,093 | 0.15 | 0.3 |
| Net Cash Flow | \$9,104,653 | \$46.94 | 97.7% |
| Occupancy⁽⁶⁾ | 98.0% | | |

(1) Historical cash flows are not available as the State Farm Data Center property was constructed in 2016.

(2) Percentage column represents percent of Net Rental Income for all revenue lines and represents percent of Effective Gross Income for the remainder of fields.

(3) Straight-Line Rent represents the average of annual rent steps of 1.9% through the 15-year State Farm lease term of \$1,177,927.

(4) Underwritten Vacancy/Credit Loss represents a 2.0% underwriting adjustment. As of the underwritten rent roll dated February 6, 2017, the State Farm Data Center property was 100.0% leased.

(5) Total Expenses is comprised of a management fee underwritten to 2.0% of the Effective Gross Income. The State Farm Data Center property is managed by State Farm.

(6) Underwritten Occupancy represents economic occupancy. The State Farm Data Center property was 100.0% occupied as of the underwritten rent roll dated February 6, 2017.