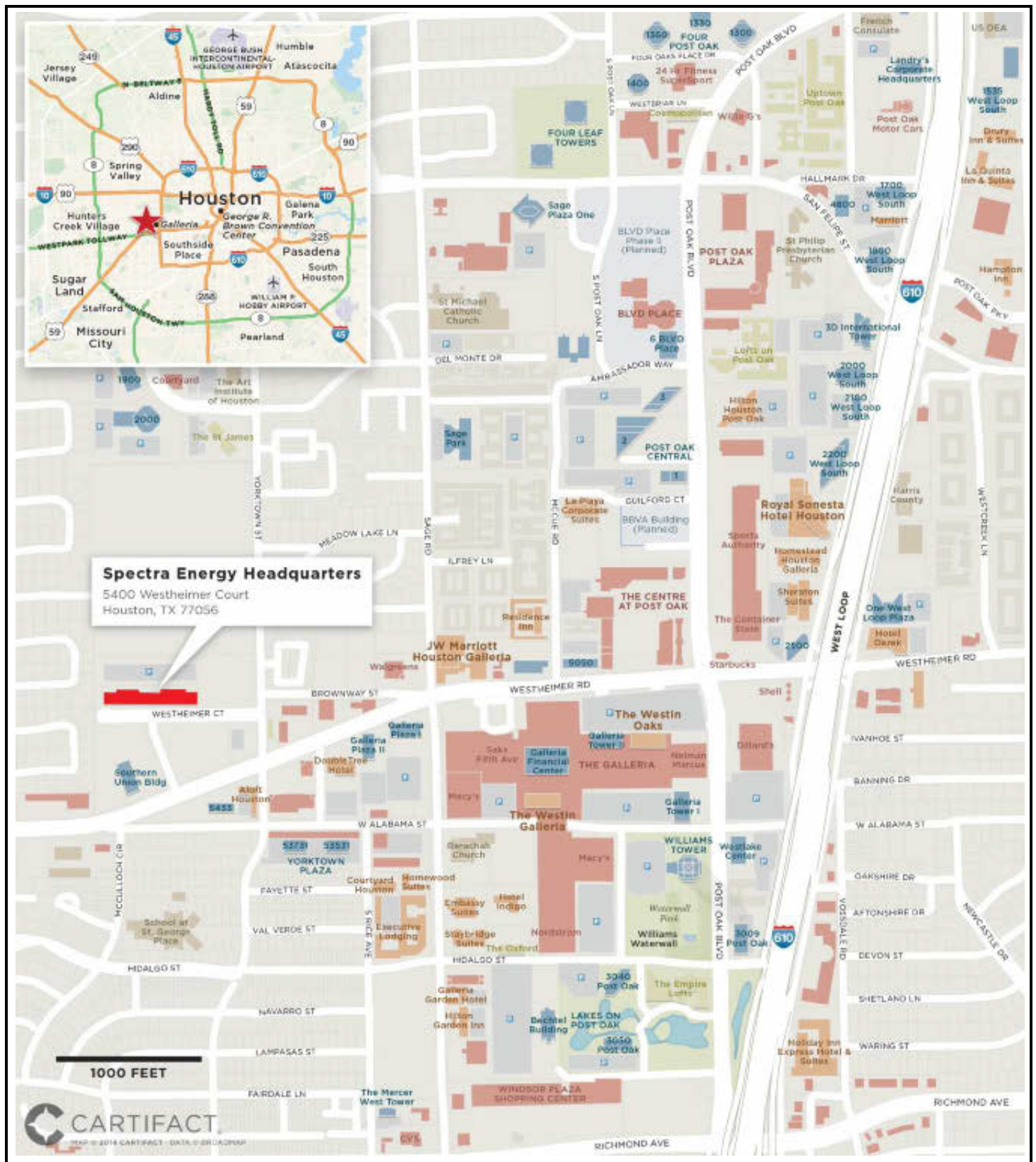


Spectra Energy Headquarters



Spectra Energy Headquarters



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Mortgage Loan Information

Mortgage Loan Seller:	LCF
Original Principal Balance:	\$52,500,000
Cut-off Date Principal Balance:	\$52,500,000
% of Pool by IPB:	4.4%
Loan Purpose:	Refinance
Borrower:	5400 Westheimer Limited Partnership
Sponsor:	PTAD Realty LLC
Interest Rate ⁽¹⁾ :	4.44500%
Note Date:	10/1/2014
Anticipated Repayment Date ⁽¹⁾ :	10/6/2024
Interest-only Period:	120 months
Original Term:	120 months
Original Amortization:	None
Amortization Type:	ARD-Interest Only
Call Protection:	L(25),Def(91),O(4)
Lockbox:	Hard
Additional Debt:	N/A
Additional Debt Balance:	N/A
Additional Debt Type:	N/A

Property Information

Single Asset / Portfolio:	Single Asset
Title:	Fee
Property Type - Subtype:	Office – CBD
Net Rentable Area (SF):	614,000
Location:	Houston, TX
Year Built / Renovated:	1981 / 2004
Occupancy:	100.0%
Occupancy Date:	10/26/2014
Number of Tenants:	1
2011 NOI:	\$7,657,662
2012 NOI:	\$7,791,671
2013 NOI:	\$7,928,025
TTM NOI (as of 6/2014) ⁽²⁾ :	\$8,020,252
UW Economic Occupancy:	54.7%
UW Revenues ⁽³⁾ :	\$5,457,102
UW Expenses:	\$163,713
UW NOI ⁽³⁾ :	\$5,293,389
UW NCF:	\$5,139,889
Appraised Value / Per SF ⁽⁴⁾ :	\$84,500,000 / \$138
Appraisal Date:	9/4/2014

Escrows and Reserves⁽⁵⁾

	Initial	Monthly	Initial Cap
Taxes:	\$0	Springing	N/A
Insurance:	\$0	Springing	N/A
Replacement Reserves:	\$0	Springing	N/A
TI/LC:	\$0	Springing	N/A
Other:	\$0	\$0	N/A

Financial Information

Cut-off Date Loan / SF:	\$86
Maturity Date Loan / SF ⁽⁶⁾ :	\$86
Cut-off Date LTV ⁽⁴⁾ :	62.1%
Maturity Date LTV ⁽⁴⁾⁽⁶⁾ :	62.1%
UW NCF DSCR ⁽³⁾ :	2.17x
UW NOI Debt Yield:	10.1%

Sources and Uses⁽⁷⁾

Sources	Proceeds	% of Total	Uses	Proceeds	% of Total
Mortgage Loan	\$52,500,000	100.0%	Payoff Existing Debt	\$45,067,381	85.8%
			Return of Equity	6,974,228	13.3
			Closing Costs	458,392	0.9
Total Sources	\$52,500,000	100.0%	Total Uses	\$52,500,000	100.0%

(1) The loan is structured with an anticipated repayment date ("ARD"). If the loan is not paid off on or before the ARD, then the interest rate ("Revised Rate") will equal the initial interest rate of 4.44500% (the "Initial Interest Rate") plus 3.00000% (the "Step Up Rate"), the borrower will be required to make monthly payments to the lender based on the Revised Rate, the portion of the payment based on the Step Up Rate will be applied to pay principal or be deposited in a rollover account and the payment of interest accrued at the Step Up Rate will be deferred. The final maturity date of the loan is October 6, 2027.

(2) TTM NOI is based on trailing six month period ending on June 30, 2014 annualized.

(3) UW Revenues and UW NOI are lower than historical due to the landlord signing a modification and extension agreement with the tenant in 2012 which extended the tenant's lease term through April 2026. In connection with the extension, no tenant improvements or concessions were provided, and the rent will decrease in May 2016 from \$13.45 per square foot to \$6.94 per square foot with approximately 2.8% annual increases commencing in May of each year thereafter. The base rent of \$8.64 per square foot was underwritten based on the average rent during the term of the loan. The UW NCF DSCR based on a base rent of \$6.94 per square foot is 1.74x.

(4) The "Go Dark" appraised value of \$89,580,000 would result in a Cut-off Date LTV and Maturity Date LTV that are each equal to 58.6%.

(5) For a full description of Escrows and Reserves, please refer to "Escrows and Reserves" below.

(6) Maturity Date Loan / SF and Maturity Date LTV are as of the ARD.

(7) After the loan was originated, an affiliate of the sponsor, AD Share Capital Inc. purchased a 1% general partnership interest and a 31% limited partnership interest in the borrower from WRT Realty, L.P. for \$9,764,667.

Spectra Energy Headquarters

The Loan. The Spectra Energy Headquarters loan has an outstanding principal balance of \$52.5 million and is secured by a first mortgage lien on the borrower's fee interest in a nine-story, Class A, 614,000 square foot office building located in Houston, Texas. The loan is structured with an ARD of October 6, 2024 and a final maturity date of October 6, 2027, and is interest-only until the ARD. The previous existing debt was structured as lease finance pass-through certificates and sold into the SPAF 2006-1A collateralized debt obligation.

The Borrower. The borrowing entity for the Spectra Energy Headquarters loan is 5400 Westheimer Limited Partnership, a Delaware limited partnership and special purpose entity.

The Sponsor. The loan's sponsor and nonrecourse carve-out guarantor is PTAD Realty LLC ("PTAD"). PTAD is controlled by the DiMare family through an affiliate of DiMare Inc. ("DiMare"). DiMare is a producer and supplier of fresh produce and provides a network of fresh produce distribution facilities throughout California, Texas, Illinois, Florida and Pennsylvania. DiMare owns over 1.3 million square feet of warehouse and distribution facilities in eleven locations in California, Florida and Texas. In addition, the DiMare family has invested, developed and currently manages over 125,000 square feet of office and retail assets in California unrelated to its agricultural business.

The Property. Spectra Energy Headquarters is a triple-net leased, 614,000 square foot, Class A office building located in Houston, Texas that was constructed in 1981. The property is entirely leased to Spectra Energy Westheimer, LLC ("Spectra Energy"), a subsidiary of Spectra Energy Corporation, with the tenant's obligations under the lease guaranteed by Spectra Energy Capital, LLC. The property has served as Spectra Energy's headquarters since 2003. The property features a layout comprised of two distinct wings, serviced by two separate elevator banks, with a large atrium and a full basement level. The property is serviced by 16 passenger elevators and three freight elevators in truck loading areas. The layout of the property serves to break-apart the large 68,000 square foot floor plates into two smaller 34,000 square foot floor plates. Amenities at the property include a 300-seat cafeteria, a 100-seat auditorium and conference center, a fitness center, and a locker room. The site contains a structured parking garage for 1,394 vehicles and a surface visitor's lot for 46 cars.

Spectra Energy Corporation, (NYSE: SE), a Fortune 500 company, is one of North America's leading pipeline and midstream companies. Based in Houston, Texas, the company's operations in the United States and Canada include more than 22,000 miles of natural gas, natural gas liquids, and crude oil pipelines; approximately 305 billion cubic feet (Bcf) of natural gas storage; 4.8 million barrels of crude oil storage; as well as natural gas gathering, processing, and local distribution operations. Spectra Energy is the general partner of Spectra Energy Partners (NYSE: SEP), one of the largest pipeline master limited partnerships in the United States and owner of the natural gas, natural gas liquids, and crude oil assets in Spectra Energy's U.S. portfolio. Spectra Energy also has a 50 percent ownership in DCP Midstream, the largest producer of natural gas liquids and the largest natural gas processor in the United States.

Since 1987, Spectra Energy has invested approximately \$59.6 million (\$97.04 per square foot) into the property, with approximately \$10.1 million (\$16.41 per square foot) invested since 2004, including installing the property's elevators (2007), constructing a coffee lounge (2008), installing perimeter security fences and gates (2009), replacing the roofs (2011), replacing the boiler (2012), and upgrading the garage lighting and security systems (2014).

The Market. The property is located in the West Loop submarket of Houston, Texas, approximately six miles west of the Houston central business district. According to the appraisal, as of the second quarter of 2014, the submarket vacancy rate for the Class B office submarket was 12.7%. Additionally, the appraisal reported submarket rent of \$26.26 per square foot. Specifically, the property is located in the Galleria neighborhood of Houston. With more than 32.0 million square feet of commercial office space, the Galleria is the 15th largest business center in the U.S. and compares in size to the downtowns of Seattle and Denver. In addition, the Galleria is home to approximately 2,000 companies, ranging from small to large sized commercial businesses, representing a variety of diverse industries. In addition, the Galleria offers more than five million square feet of gross leasable retail space, and is ranked the fourth largest retail complex in the country. The area hosts approximately 200,000 office workers and shoppers daily and more than 24 million visitors from all over the world each year. Primary access to the property is provided by Interstate 10 to the north, US Highway 69 to the south, and West Loop 610 to the east. Interstate 10 traverses the area in an east-west direction and connects San Antonio, Texas to downtown Houston, Texas. West Loop 610 traverses the area in a north-south direction, circumnavigating the city of Houston at a distance of approximately six miles. According to the appraisal, more than 30,000 people reside in the Galleria neighborhood, and the area surrounding the property has a one-, three-, and five-mile population of 22,953, 188,155, and 481,115, respectively, as well as a one-, three-, and five-mile average household income of \$102,753, \$100,005, and \$98,431, respectively.

According to the appraisal, the West Loop submarket has 782,899 square feet of office space under construction, of which 87% is pre-leased, contributing to a current supply of approximately 23.4 million square feet. The appraisal identified five competitive buildings leased to single tenants, comprising approximately 1.7 million square feet of office space. The comparables all exhibit 100.0% occupancy with asking rents from \$14.00 to \$16.75 per square foot. The comparable properties all reported occupancies of 100.0%.

Spectra Energy Headquarters

Tenant	Tenant Summary ⁽¹⁾				Lease Expiration Date
	Ratings ⁽²⁾ Moody's/S&P/Fitch	Net Rentable Area (SF)	% of Total NRA	Base Rent PSF ⁽³⁾	
Spectra Energy Westheimer, LLC	Baa2 / BBB / BBB	614,000	100.0%	\$8.64	4/30/2026

(1) Based on the underwritten rent roll.

(2) Ratings provided are for Spectra Energy Capital, LLC which guarantees the lease.

(3) The UW base rent PSF of \$8.64 represents the average rent during the loan term. The lease was modified and extended in 2012. In connection with the extension, no tenant improvements or concessions were provided, and the landlord agreed to a step down in rent beginning in May 2016 from \$13.45 per square foot to \$6.94 per square foot with approximately 2.8% annual increases commencing in May of each year thereafter.

Lease Rollover Schedule ⁽¹⁾									
Year	Number of Leases Expiring	Net Rentable Area Expiring	% of NRA Expiring	Base Rent Expiring	% 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
2014 & MTM	0	0	0.0	\$0	0.0%	0	0.0%	\$0	0.0%
2015	0	0	0.0	0	0.0	0	0.0%	\$0	0.0%
2016	0	0	0.0	0	0.0	0	0.0%	\$0	0.0%
2017	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 & Beyond	1	614,000	100.0	5,303,602	100.0	614,000	100.0%	\$5,303,602	100.0%
Total	1	614,000	100.0%	\$5,303,602	100.0%				

(1) Based on the underwritten rent roll.

Operating History and Underwritten Net Cash Flow							
	2011	2012	2013	TTM ⁽¹⁾	Underwritten	Per Square Foot	% ⁽²⁾
Rents in Place ⁽³⁾	\$7,657,662	\$7,791,671	\$7,928,025	\$8,020,252	\$5,303,602	\$8.64	97.2%
Vacant Income	0	0	0	0	0	0.00	0.0
Gross Potential Rent	\$7,657,662	\$7,791,671	\$7,928,025	\$8,020,252	\$5,303,602	\$8.64	97.2%
Total Reimbursements ⁽⁴⁾	0	0	0	0	153,500	0.25	2.8
Net Rental Income	\$7,657,662	\$7,791,671	\$7,928,025	\$8,020,252	\$5,457,102	\$8.89	100.0%
(Vacancy/Credit Loss) ⁽⁵⁾	0	0	0	0	0	0.00	0.0
Other Income	0	0	0	0	0	0.00	0.0
Effective Gross Income⁽⁶⁾	\$7,657,662	\$7,791,671	\$7,928,025	\$8,020,252	\$5,457,102	\$8.89	100.0%
Total Expenses⁽⁷⁾	\$0	\$0	\$0	\$0	\$163,713	\$0.27	3.0%
Net Operating Income⁽⁶⁾	\$7,657,662	\$7,791,671	\$7,928,025	\$8,020,252	\$5,293,389	\$8.62	97.0%
Total TI/LC, Capex/RR ⁽⁴⁾	0	0	0	0	153,500	0.25	2.8
Net Cash Flow	\$7,657,662	\$7,791,671	\$7,928,025	\$8,020,252	\$5,139,889	\$8.37	94.2%

(1) The TTM column is based on trailing six month period ending on June 30, 2014 annualized.

(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) Rents in Place is based on the average rent during the term of the loan.

(4) Lease is triple net and the tenant is responsible for paying all capital expenditures. As a result, the underwritten capital expenditure reserve of \$0.25 per square foot has been shown as a reimbursement.

(5) No additional Vacancy/Credit Loss was underwritten as the appraisal's market rent estimate was \$16.00 triple net, which is 81% above the underwritten base rent of \$8.64.

(6) Underwritten Effective Gross Income and underwritten Net Operating Income are lower than historical due to the landlord signing a modification and extension agreement with the tenant in 2012 which extend its lease term through April 2026. In connection with the extension, no tenant improvements or concessions were provided, and the landlord agreed to a step down in rent beginning May 2016 from approximately \$13.45 per square foot to \$6.94 per square foot with approximately 2.8% annual increases commencing in May of each year thereafter.

(7) Lease is triple net and the tenant is responsible for paying all operating expenses and real estate taxes. As a result, such expenses were not included in the mortgage loan seller's underwriting analysis.

Spectra Energy Headquarters

Property Management. The property is self-managed.

Escrows and Reserves. No upfront reserves were taken at origination.

Tax Escrows - The requirement for the borrower to make monthly deposits to the tax escrow is waived so long as a Reserve Trigger Event (as defined below) is not in effect.

A “Reserve Trigger Event” means (i) the borrower is otherwise in default under the Spectra Energy Headquarters loan; (ii) the tenant is not required to pay and perform such obligations under its lease; or (iii) the tenant is in default of its obligations to pay or perform such obligations under its lease.

Insurance Escrows - The requirement for the borrower to make monthly deposits to the insurance escrow is waived so long as a Reserve Trigger Event is not in effect.

Replacement Reserves - The requirement for the borrower to make monthly deposits to the replacement reserves is waived so long as a Reserve Trigger Event is not in effect.

TI/LC Reserves - The requirement for the borrower to make monthly deposits of \$46,050 (approximately \$0.90 per square foot annually) to the TI/LC escrow is waived so long as (i) a Reserve Trigger Event is not in effect and (ii) the lease guarantor’s senior unsecured debt rating from S&P has not fallen below “BB” or the equivalent of such rating by any other Rating Agency (a “Rating Trigger Event”).

Lockbox / Cash Management. The loan is structured with a hard lockbox and in-place cash management. At origination, the borrower was required to send a tenant direction letter to the tenant instructing it to deposit all rents and payments into the lockbox account. All funds in the lockbox account are swept daily to a segregated cash management account under the control of the lender. To the extent there is a Cash Sweep Event (as defined below), all excess cash flow after payment of the debt service, required reserves and operating expenses will be held as additional collateral for the loan. The lender will have a first priority security interest in the cash management account.

A “Cash Sweep Event” means, subject to termination in accordance with the related loan documents, the occurrence of: (i) an event of default, (ii) a Cash Sweep Significant Tenant Trigger Event (as defined below); or (iii) the anticipated repayment date.

A “Cash Sweep Significant Tenant Trigger Event” means that Spectra Energy (or the lease guarantor, as applicable) (i) (a) vacates, surrenders or ceases to conduct its normal business operations at substantially all of its demised premises or otherwise “goes dark” or (b) provides notice of intention to vacate its normal business operations at substantially all of its demised premises or otherwise “go dark”, (ii) shall become insolvent or a debtor in any bankruptcy action or (iii) shall have its senior unsecured debt rating be downgraded below “B” by S&P or the equivalent of such rating by any other Rating Agency.