

12603 Southwest Freeway  
Stafford, TX 77477

Collateral Asset Summary – Loan No. 20

## 12603 Southwest Freeway Office Building

**Cut-off Date Balance:** \$13,100,915  
**Cut-off Date LTV:** 72.8%  
**U/W NCF DSCR:** 1.34x  
**U/W NOI Debt Yield:** 10.5%

### Mortgage Loan Information

**Loan Seller:** CGMRC  
**Loan Purpose:** Acquisition  
**Sponsor:** James M. Birney; Leeshan Birney  
**Borrower:** Sunblossom 12603 Southwest, LLC  
**Original Balance:** \$13,125,000  
**Cut-off Date Balance:** \$13,100,915  
**% by Initial UPB:** 1.3%  
**Interest Rate:** 4.4000%  
**Payment Date:** 6<sup>th</sup> of each month  
**First Payment Date:** December 6, 2016  
**Maturity Date:** November 6, 2026  
**Amortization:** 300 months  
**Additional Debt:** None  
**Call Protection:** L(25), D(88), O(7)  
**Lockbox / Cash Management<sup>(1)</sup>:** Springing Hard / Springing

### Reserves

	Initial	Monthly
<b>Taxes:</b>	\$237,040	\$21,549
<b>Insurance:</b>	\$25,204	\$8,401
<b>Replacement:</b>	\$0	\$1,196
<b>TI/LC<sup>(2)</sup>:</b>	\$0	\$17,000
<b>Required Repairs:</b>	\$20,000	NAP
<b>Outstanding Leasing Funds:</b>	\$26,132	\$0
<b>Rent Concession:</b>	\$5,747	\$0

### Financial Information

<b>Cut-off Date Balance / Sq. Ft.:</b>	\$92
<b>Balloon Balance / Sq. Ft.:</b>	\$68
<b>Cut-off Date LTV:</b>	72.8%
<b>Balloon LTV:</b>	53.3%
<b>Underwritten NOI DSCR:</b>	1.59x
<b>Underwritten NCF DSCR:</b>	1.34x
<b>Underwritten NOI Debt Yield:</b>	10.5%
<b>Underwritten NCF Debt Yield:</b>	8.9%

### Property Information

**Single Asset / Portfolio:** Single Asset  
**Property Type:** Suburban Office  
**Collateral:** Fee Simple  
**Location:** Stafford, TX  
**Year Built / Renovated:** 1982 / 2015  
**Total Sq. Ft.:** 142,009  
**Property Management:** Landpark Advisors, LLC  
**Underwritten NOI:** \$1,379,683  
**Underwritten NCF:** \$1,161,333  
**Appraised Value:** \$18,000,000  
**Appraisal Date:** September 19, 2016

### Historical NOI

**Most Recent NOI:** \$1,095,928 (T-12 July 31, 2016)  
**2015 NOI:** \$807,214 (December 31, 2015)  
**2014 NOI:** \$648,352 (December 31, 2014)  
**2013 NOI:** NAV

### Historical Occupancy

**Most Recent Occupancy:** 83.3% (September 1, 2016)  
**2015 Occupancy:** 86.1% (December 31, 2015)  
**2014 Occupancy:** 78.1% (December 31, 2014)  
**2013 Occupancy:** NAV

- (1) A hard lockbox and in place cash management will be triggered upon (i) the occurrence and continuance of an event of default, (ii) the DSCR falling below 1.25x and (iii) Strayer University, LLC (a) being in default under its lease, (b) not being in actual, physical possession of its space, (c) giving notice that it is terminating its lease for all or any portion of its space, (d) terminating or cancelling its lease, (e) filing for bankruptcy or similar insolvency, and (f) failing to extend or renew its lease 12 months prior to February 28, 2020.
- (2) The TI/LC reserve is subject to a cap of \$816,000.

## TRANSACTION HIGHLIGHTS

- Property/Amenities.** The 12603 Southwest Freeway Office Building property is a 142,009 sq. ft. office building located in Stafford, Texas. The 12603 Southwest Freeway Office Building property is currently 83.3% occupied as of September 1, 2016 by over 40 tenants. The property has 496 parking spaces in an adjacent two-story parking garage. The property was built in 1982 and was renovated for approximately \$1.04 million in 2015. The renovation includes garage waterproofing, elevator upgrades, lobby renovations, an upgraded energy management system, remodeling of suites and upgrading the skylights and walkway.
- Location/Market.** The 12603 Southwest Freeway Office Building property is located in Stafford, Texas within Fort Bend county. Stafford is bordered to the north by Houston, to the northwest by Meadows Place, to the west by Sugar Land, and to the south and east by Missouri City. The property is located in the Houston office market. The Houston office market has an inventory of approximately 317.6 million sq. ft. with a vacancy rate of 14.1% and an average asking rent of \$27.56 PSF as of the second quarter of 2016. The appraisal identified rent comparables ranging from \$20.50 PSF to \$26.55 PSF, with a weighted average of \$22.21 PSF.
- Sponsorship/Management.** The non-recourse carveout guarantors are James M. Birney and Leeshan Birney who established Stone Mountain Properties ("SMP") in 1981. SMP is a family owned enterprise which focuses on renovating, repositioning, marketing and operating apartment communities and commercial properties primarily located in the Houston metropolitan statistical area.