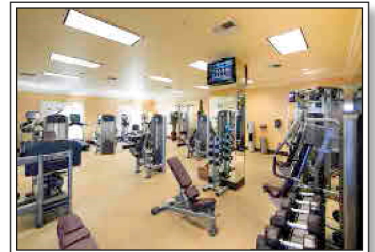
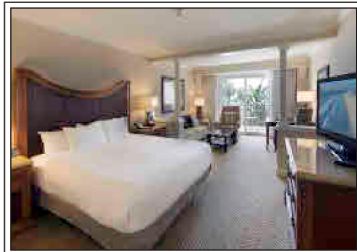
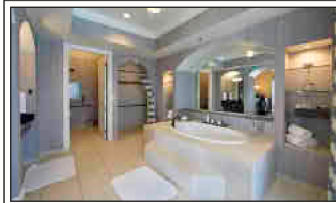
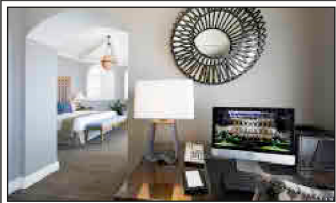


Mortgage Loan No. 1 – Hyatt Regency Huntington Beach Resort & Spa



**Mortgage Loan No. 1 – Hyatt Regency Huntington Beach
Resort & Spa**



Hyatt Regency Huntington Beach Resort & Spa
 21500 Pacific Coast Highway
 Huntington Beach, CA 92648

The map displays the following locations and features:

- Cities and Towns:** Westminister, Garden Grove, Fountain Valley, Costa Mesa, Newport Beach, Huntington Beach, Seal Beach, and Santa Ana.
- Highways:** I-405 (San Diego Fwy), I-5 (Golden State Fwy), SR-39 (Orange Fwy), SR-73 (Toll Fwy), and SR-55 (Irvine Fwy).
- Landmarks and Parks:** Huntington Beach Pier, Seaside Village Shopping Center, Huntington Beach Civic Center, Huntington Beach Hospital, Orange Coast Memorial Medical Ctr., Fountain Valley Promenade Shopping Center, Costa Mesa Golf and Country Club, and various regional parks like Mile Square Regional Park and Centennial Regional Park.
- Other Features:** The Pacific Ocean, Huntington State Beach, and the Newport Beach Pier are also shown.

An inset map in the bottom left corner provides a broader view of Southern California, highlighting the locations of Los Angeles, Anaheim, Santa Ana, and Huntington Beach relative to each other and to the San Gabriel Mountains and the Pacific Ocean.

Mortgage Loan No. 1 – Hyatt Regency Huntington Beach Resort & Spa

Mortgage Loan Information			
Mortgage Loan Seller:	UBSRES		
Original Balance ⁽¹⁾ :	\$60,000,000		
Cut-off Date Balance ⁽¹⁾ :	\$60,000,000		
% of Initial Pool Balance:	6.8%		
Loan Purpose:	Refinance		
Sponsor:	Hyatt Hotels Corporation; Mayer Financial, L.P.; Grand Resort, LLC; Robert L. Mayer, Jr.		
Mortgage Rate:	5.0700%		
Note Date:	4/27/2016		
First Payment Date:	6/1/2016		
Maturity Date:	5/1/2026		
Original Term to Maturity:	120 months		
Original Amortization Term:	360 months		
IO Period:	48 months		
Seasoning:	1 month		
Prepayment Provisions:	LO (25); DEF (91); O (4)		
Lockbox/Cash Mgmt Status:	Hard/In-Place		
Additional Debt Type ⁽¹⁾ :	Pari Passu		
Additional Debt Balance ⁽¹⁾ :	\$140,000,000		
Future Debt Permitted (Type):	No (N/A)		
Reserves ⁽²⁾			
Type	Initial	Monthly	Cap
RE Tax:	\$898,740	\$299,580	N/A
Insurance:	\$743,645	\$63,174	N/A
FF&E:	\$9,300,000	Springing	N/A
Other:	\$0	Springing	N/A

Property Information			
Single Asset/Portfolio:	Single Asset		
Location:	Huntington Beach, CA 92648		
General Property Type:	Hospitality		
Detailed Property Type:	Full Service		
Title Vesting:	Fee		
Year Built/Renovated:	2003/2009-2012, 2014-2016		
Size:	517 Rooms		
Cut-off Date Balance per Unit ⁽¹⁾ :	\$386,847		
Maturity Date Balance per Unit ⁽¹⁾ :	\$350,846		
Property Manager:	Hyatt Corporation (borrower-related)		
Underwriting and Financial Information			
UW NOI:	\$26,028,959		
UW NOI Debt Yield ⁽¹⁾ :	13.0%		
UW NOI Debt Yield at Maturity ⁽¹⁾ :	14.3%		
UW NCF DSCR ⁽¹⁾ :	2.19x (IO)	1.74x (P&I)	
Most Recent NOI:	\$26,305,270 (12/31/2015)		
2nd Most Recent NOI:	\$23,811,411 (12/31/2014)		
3rd Most Recent NOI:	\$18,833,735 (12/31/2013)		
Most Recent Occupancy:	83.5% (12/31/2015)		
2nd Most Recent Occupancy:	83.4% (12/31/2014)		
3rd Most Recent Occupancy:	77.2% (12/31/2013)		
Appraised Value (as of):	\$367,900,000 (3/18/2016)		
Cut-off Date LTV Ratio ⁽¹⁾ :	54.4%		
Maturity Date LTV Ratio ⁽¹⁾ :	49.3%		

Sources and Uses					
Sources			Uses		
Sources	Proceeds	% of Total	Uses	Proceeds	% of Total
Loan Amount ⁽¹⁾ :	\$200,000,000	100.0%	Loan Payoff:	\$102,519,949	51.3%
			Other Uses ⁽³⁾	\$7,900,000	4.0%
			Reserves:	\$10,942,385	5.5%
			Closing Costs:	\$862,540	0.4%
			Return of Equity:	\$77,775,126	38.9%
Total Sources:	\$200,000,000	100.0%	Total Uses:	\$200,000,000	100.0%

(1) The Hyatt Regency Huntington Beach Resort & Spa Mortgage Loan is part of the Hyatt Regency Huntington Beach Resort & Spa Whole Loan, which is comprised of five *pari passu* promissory notes with an aggregate principal balance of \$200,000,000. The Cut-off Date Balance per Unit, Maturity Date Balance per Unit, UW NOI Debt Yield, UW NOI Debt Yield at Maturity, UW NCF DSCR, Cut-off Date LTV Ratio and Maturity Date LTV Ratio numbers presented above are based on the aggregate principal balance of the promissory notes comprising the Hyatt Regency Huntington Beach Resort & Spa Whole Loan.

(2) See “Escrows and Reserves” below for further discussion of reserve requirements.

(3) Other Uses of \$7,900,000 represents the Hyatt Regency Huntington Beach Resort & Spa Borrower's acquisition of the fee simple interest in the Hyatt Regency Huntington Beach Resort & Spa Property. The Hyatt Regency Huntington Beach Resort & Spa Property was previously encumbered by a ground lease.

The Mortgage Loan. The largest mortgage loan (the “Hyatt Regency Huntington Beach Resort & Spa Mortgage Loan”) is part of a whole loan (the “Hyatt Regency Huntington Beach Resort & Spa Whole Loan”) evidenced by six *pari passu* promissory notes in the aggregate original principal amount of \$200,000,000, all of which are secured by a first priority fee mortgage encumbering a 517-room full service hospitality property known as the Hyatt Regency Huntington Beach Resort & Spa in Huntington Beach, California (the “Hyatt Regency Huntington Beach Resort & Spa Property”). Promissory Notes A-4 and A-5 in the aggregate original principal amount of \$60,000,000 represent the Hyatt Regency Huntington Beach Resort & Spa Mortgage Loan. Promissory Notes A-1-1, A-1-2, A-2 and A-3, in the aggregate original principal amount of \$140,000,000, represent a non-serviced *pari passu* companion loan (the “Hyatt Regency Huntington Beach Resort & Spa Non-Serviced Companion Loan”). A portion of the Hyatt Regency Huntington Beach Resort & Spa Non-Serviced Companion Loan, represented by Promissory Note A-1-1, in the original principal amount of \$54,000,000, is currently held by Citigroup Global Markets Realty Corp., or an affiliate thereof, and is expected to be contributed to the CGCMT 2016-C1 securitization trust prior to the closing of this transaction, and a portion of the Hyatt Regency Huntington Beach Resort & Spa Non-Serviced Companion Loan, represented by Promissory Notes A-1-2, A-2 and A-3, in the aggregate original principal amount of \$86,000,000, is currently held by Citigroup Global Markets Realty Corp., or an affiliate thereof, and may be contributed to future securitizations or otherwise transferred at any time. The Hyatt Regency Huntington Beach Resort & Spa Whole Loan is expected to be serviced pursuant to the pooling and servicing agreement for the

CGCMT 2016-C1 transaction. See “Description of the Mortgage Pool—The Whole Loans—The Non-Serviced *Pari Passu* Whole Loans—The Hyatt Regency Huntington Beach Resort & Spa Whole Loan” and “Pooling and Servicing Agreement” in the Prospectus.

The proceeds of the Hyatt Regency Huntington Beach Resort & Spa Whole Loan were used to refinance a previous loan, acquire the fee interest in the Hyatt Regency Huntington Beach Resort & Spa Property, fund upfront reserves, pay closing costs and return equity to the Hyatt Regency Huntington Beach Resort & Spa Sponsor. The previous mortgage loan secured by the Hyatt Regency Huntington Beach Resort & Spa Property was included in the JPMCC 2006-LDP7 securitization trust.

The Borrower and the Sponsor. The borrower is PCH Beach Resort, LLC (the “Hyatt Regency Huntington Beach Resort & Spa Borrower”), a single-purpose Delaware limited liability company structured to be bankruptcy-remote, with two independent directors in its organizational structure. The Hyatt Regency Huntington Beach Resort & Spa Borrower is 60.0% directly owned by its managing member, Grand Resort, LLC and 40.0% indirectly owned by Hyatt Hotels Corporation. The sponsors and the nonrecourse carve-out guarantors of the Hyatt Regency Huntington Beach Resort & Spa Borrower are Hyatt Hotels Corporation, Robert L. Mayer, Jr., Mayer Financial, L.P. and Grand Resort, LLC (collectively, the “Hyatt Regency Huntington Beach Resort & Spa Sponsor”).

Robert L. Mayer, Jr. serves as the Chairman and Chief Operating Officer of The Mayer Corporation, and has extensive background and experience in land acquisition, construction, property development and hospitality operations. The Mayer Corporation has been involved in a broad range of real estate development and operating projects for approximately 50 years spanning three generations of the Mayer family. The company’s history includes the financing and development of more than 25,000 residential units, numerous commercial projects, and the construction and operation of fourteen hotels, including the 290-room Waterfront Beach Resort, located adjacent to the Hyatt Regency Huntington Beach Resort & Spa Property. Hyatt Hotels Corporation (“Hyatt”) (NYSE: H, rated Baa2/BBB by Moody’s/S&P), is a global hospitality company with widely-recognized, industry-leading brands and a tradition of innovation developed over its more than fifty-year history. Hyatt develops, owns, operates, manages, franchises, licenses, and provides services to a portfolio of properties consisting of full service hotels, select service hotels, resorts and other properties, including timeshare, fractional and other forms of residential and vacation properties. As of March 31, 2016, its worldwide hotel portfolio consisted of 612 hotels (161,572 rooms). As of December 31, 2015 and December 31, 2014, revenues totaled \$4.3 billion and \$4.4 billion, respectively, and adjusted EBITDA totaled \$727 million and \$728 million, respectively.

The Property. The Hyatt Regency Huntington Beach Resort & Spa Property consists of a 517-room full service hotel built on 15.1 acres. The guestroom configuration is comprised of 176 standard double queen rooms, 160 standard king rooms, 113 deluxe/custom king rooms, eleven deluxe/custom double queen rooms, 54 standard suites, and three presidential suites. Guestrooms feature 42-inch flat-screen HD televisions, private balcony or patio, work desks, high speed internet access, coffeemakers and refrigerators. Hotel features include seven dining options comprised of restaurants and poolside dining, room service, over 110,000 SF of flexible indoor and outdoor function space, three ocean-view ballrooms with a capacity of up to 2,000 people, 5,845 SF of occupied retail space, two pools, a mini waterpark, a full service 20,000 SF luxury state-of-the-art spa, a fitness center, a business center, and a 990-space subterranean parking structure. It also offers direct beach access via a pedestrian bridge. The Hyatt Regency Huntington Beach Resort & Spa Property has received many travel, dining, event space, and sustainability awards, including its title as a five-time winner of Trip Advisor’s Certificate of Excellence, a 2015 AAA Four Diamond resort, and a 2015 Conde Nast Travelers Readers’ Choice Awards Top 20 Resort in Southern California.

Since 2009, the Hyatt Regency Huntington Beach Resort & Spa Sponsor has invested approximately \$24.0 million in renovations to the guest rooms, spa/fitness center, and food & beverage outlets onsite in an effort to promote the hotel as a luxury hospitality facility. Between November 2013 and April 2014, the Hyatt Regency Huntington Beach Resort & Spa Sponsor closed the hotel restaurant space to re-concept and create the Watertable restaurant with a \$4.5 million renovation. As a result, the restaurant increased annual revenue from \$2.0 million in 2012 to \$5.6 million in 2015 and it has won multiple awards, including being named a winner of OpenTable’s Diners’ Choice Awards among the Top 100 Best Restaurants in America.

The Mayer Corporation acquired the ground leasehold interest in the Hyatt Regency Huntington Beach Resort & Spa Property in 1978 and has since modernized and developed the site. In 2001, The Mayer Corporation and Hyatt Hotels Corporations formed a joint venture to develop the remaining vacant parcel to form the current Hyatt Regency Huntington Beach Resort & Spa Property, which opened in 2003. At loan origination, the Hyatt Regency Huntington Beach Resort & Spa Sponsor acquired the fee interest of the Hyatt Regency Huntington Beach Resort & Spa Property from the City of Huntington Beach for \$7.9 million. The Hyatt Regency Huntington Beach Resort & Spa Property is currently subject to a management agreement with Hyatt Corporation, a subsidiary of Hyatt, expiring December 31, 2028 with one five-year extension option (the “Hyatt Management Agreement”). Due to the sponsor-affiliated management, the Hyatt Regency Huntington Beach Resort & Spa Property operates as a Hyatt Regency without a franchise agreement. Hyatt Regency is positioned as a premium brand among Hyatt’s 11 different luxury, premium, select service, extended stay, all-inclusive resort, and vacation ownership brands. For the year ended December 31, 2015, the Hyatt Regency Huntington Beach Resort & Spa Property had a RevPAR of \$217.50, which outperformed full service Hyatt properties in the Americas at an average rate of \$147.

More specific information about the Hyatt Regency Huntington Beach Resort & Spa Property and the related competitive set is set forth in the following table:

Year	Competitive Set			Historical Occupancy, ADR, RevPAR Hyatt Regency Huntington Beach Resort & Spa ⁽¹⁾			Penetration Factor		
	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR
2011	59.5%	\$220.75	\$131.25	73.4%	\$211.18	\$154.91	123.4%	95.7%	118.0%
2012	63.9%	\$229.06	\$146.35	75.9%	\$219.51	\$166.70	118.9%	95.8%	113.9%
2013	68.4%	\$208.54	\$142.62	77.2%	\$233.14	\$179.92	112.8%	111.8%	126.2%
2014	72.3%	\$212.91	\$153.93	83.4%	\$247.21	\$206.10	115.3%	116.1%	133.9%
2015	72.9%	\$224.74	\$163.86	83.5%	\$260.59	\$217.50	114.5%	116.0%	132.7%

Source: *Industry Report*

(1) Based on the Hyatt Regency Huntington Beach Resort & Spa Borrower-provided historical operating statements.

The Market. The Hyatt Regency Huntington Beach Resort & Spa Property is located at 21500 Pacific Coast Highway in Huntington Beach, California, approximately 38 miles southeast of Los Angeles International Airport, 10 miles southwest of John Wayne/Orange County Airport, and seven miles southwest of the San Diego Freeway (Interstate 405). Huntington Beach, California features 9.5 miles of beaches, large recreational piers, public parks, biking, jogging, and walking paths, shopping attractions, and restaurants. Located along the Pacific Coast Highway, popular tourist destinations in the area include Disneyland, Knott's Berry Farm, Newport Beach, Catalina Island, Fashion Island Shopping Center, and Laguna Beach. The largest employers in the Orange County area include Disneyland Resort, University of California, Irvine, Kaiser Permanente, and Boeing. According to The Orange County Visitor and Convention Bureau, Orange County attracted over 44 million visitors in 2013 that spent in excess of \$9.5 billion.

According to the appraisal, the 2015 population within a one-, three-, and five-mile radius of the Hyatt Regency Huntington Beach Resort & Spa Property was 13,036, 104,896 and 277,280, respectively. Estimated average household income within a one-, three-, and five-mile radius of the Hyatt Regency Huntington Beach Resort & Spa Property was \$106,813, \$115,117 and \$104,743, respectively.

Residential developments in the immediate area are concentrated north of the Hyatt Regency Huntington Beach Resort & Spa Property consisting of condominium units and single-family homes. Significant commercial development in the vicinity consists of office, industrial, retail, mixed-use and auto dealerships along major arterials that are interspersed with multifamily complexes. Located less than half a mile northwest of the Hyatt Regency Huntington Beach Resort & Spa Property is Pacific City, a newly-completed 191,000 SF lifestyle center situated on 310-acres and anchored by Equinox Fitness and H&M, along with other smaller fashion retailers and restaurants. Other retail in the area includes a retail center anchored by Walmart and Big Lots, which is located less than one mile north of the Hyatt Regency Huntington Beach Resort & Spa Property.

Demand for the Hyatt Regency Huntington Beach Resort & Spa Property and competitive set comes from commercial travelers due to its proximity to business activities, leisure travelers due to its proximity to the ocean and leisure amenities, and meeting & group travelers due to the hotel's meeting facilities. According to an industry report, the competitive set had 2015 occupancy, ADR and RevPAR of 72.9%, \$224.74 and \$163.86, respectively. The competitive set's RevPAR has grown at a compounded annual growth rate of 6.9% since 2010.

Primary competitive properties to the Hyatt Regency Huntington Beach Resort & Spa Property are shown in the table below:

Competitive Property Summary								
Property Name	Year Opened	No. of Rooms	Distance (in miles)	Commercial & Leisure Demand	Meeting & Group Demand	2015 Occupancy	2015 ADR	2015 RevPAR
Hyatt Regency Huntington Beach Resort & Spa Property⁽¹⁾	2003	517	—	55%	45%	83.5%⁽¹⁾	\$260.59⁽¹⁾	\$217.50⁽¹⁾
Kimpton Shorebreak Hotel	2009	157	1.0	75%	25%	80.0%	\$220	\$176.00
Hilton Huntington Beach Waterfront Resort	1990	290	0.3	75%	25%	80.0%	\$240	\$192.00
Balboa Bay Resort	2003	159	5.0	70%	30%	75.0%	\$200	\$150.00
Marriott Newport Beach Hotel & Spa	1975	532	7.0	65%	35%	75.0%	\$185	\$138.75
Marriott Laguna Cliffs Resort & Spa	1987	378	22.0	60%	40%	75.0%	\$215	\$161.25
Omni La Costa Resort & Spa	1965	607	57.0	60%	40%	70.0%	\$275	\$192.50
Loews Coronado Bay Resort	1991	439	81.0	60%	40%	80.0%	\$210	\$168.00
Total/Wtd. Avg.		3,079		63%	37%	76.9%	\$230.42	\$177.00

Source: *Appraisal*

(1) Based on the Hyatt Regency Huntington Beach Resort & Spa Borrower-provided historical operating statements.

Operating History and Underwritten Net Cash Flow. The following table presents certain information relating to the historical operating performance and the Underwritten Net Cash Flow at the Hyatt Regency Huntington Beach Resort & Spa Property:

	Cash Flow Analysis					UW per Room
	2012	2013	2014	2015	UW	
Occupancy	75.9%	77.2%	83.4%	83.5%	83.7%	
ADR	\$219.51	\$233.14	\$247.21	\$260.59	\$260.59	
RevPAR	\$166.70	\$179.92	\$206.10	\$217.50	\$218.09	
Rooms Revenue	\$31,543,551	\$33,951,287	\$38,892,228	\$41,155,432	\$41,155,432	\$79,604
Food & Beverage	\$27,584,636	\$29,359,486	\$35,702,200	\$38,650,718	\$38,650,718	\$74,760
Other Income	\$6,455,583	\$7,470,962	\$8,682,344	\$8,448,331	\$8,629,758	\$16,692
Total Revenue	\$65,583,770	\$70,781,735	\$83,276,772	\$88,254,481	\$88,435,908	\$171,056
Total Expenses	\$49,406,591	\$51,948,000	\$59,465,361	\$61,949,211	\$62,406,949	\$120,710
Net Op. Income	\$16,177,179	\$18,833,735	\$23,811,411	\$26,305,270	\$26,028,959	\$50,346
FF&E ⁽¹⁾	\$3,279,189	\$3,539,087	\$4,163,839	\$4,412,724	\$3,491,795	\$6,754
Net Cash Flow	\$12,897,990	\$15,294,648	\$19,647,573	\$21,892,546	\$22,537,164	\$43,592
NOI DSCR⁽²⁾	1.25x	1.45x	1.83x	2.03x	2.00x	
NCF DSCR⁽²⁾	0.99x	1.18x	1.51x	1.69x	1.74x	
NOI Debt Yield⁽²⁾	8.1%	9.4%	11.9%	13.2%	13.0%	
NCF Debt Yield⁽²⁾	6.4%	7.6%	9.8%	10.9%	11.3%	

(1) UW FF&E includes credit equal to 10% of \$9.3 million currently held in the FF&E reserve for accretive capital investment during the loan term.

(2) NOI DSCR, NCF DSCR, NOI Debt Yield and NCF Debt Yield are based on the Hyatt Regency Huntington Beach Resort & Spa Whole Loan.

Escrows and Reserves. The Hyatt Regency Huntington Beach Resort & Spa Borrower deposited in escrow \$898,740 for real estate taxes and \$743,645 for insurance premiums at loan origination and is required to escrow monthly 1/12 of the annual estimated tax payments and 1/12 of the annual estimated insurance premiums (unless the Hyatt Regency Huntington Beach Resort & Spa Borrower maintains an acceptable blanket insurance policy). The Hyatt Regency Huntington Beach Resort & Spa Borrower deposited in escrow with the Hyatt Corporation (the "Hyatt Manager") \$9,300,000 for furniture, fixtures, and equipment ("FF&E") and is required to deposit with the Hyatt Manager monthly 1/12 of an amount equal to 4% of the greater of (x) annual gross revenue for the prior calendar year and (y) the projected annual gross revenue for the upcoming calendar year; however, such monthly deposits will be waived provided (i) no event of default has occurred and is continuing, (ii) no bankruptcy action involving the Hyatt Regency Huntington Beach Resort & Spa Borrower or Hyatt Manager has occurred and is continuing, and (iii) the Hyatt Manager reserves, in a segregated account, amounts required to be reserved for FF&E pursuant to the Hyatt Management Agreement. On each monthly payment date, the Hyatt Regency Huntington Beach Resort & Spa Borrower is required to deposit an amount equal to the quotient of (x) the aggregate Negative Monthly Amounts (as defined below) for the upcoming twelve-month period divided by (y) the number of months for which there is no Negative Monthly Amount (the "Seasonality Reserve"), provided however, such obligation will be waived when the amount in the Seasonality Reserve equals or exceeds 100% of the aggregate Negative Monthly Amounts required for such calendar year. As required by the existing or any renewed Hyatt Management Agreement, the Hyatt Regency Huntington Beach Resort & Spa Borrower is required to make a deposit equal to 120% of the costs, if any, related to future property improvement plan work.

On the first monthly payment date occurring after each occurrence of a Trigger Period (as defined below), the Hyatt Regency Huntington Beach Resort & Spa Borrower shall make a true up payment, to be determined by the lender, into an operating expense account. On each monthly payment date occurring on and after the occurrence and continuance of a Trigger Period, the Hyatt Regency Huntington Beach Resort & Spa Borrower shall deposit into the operating expense account an amount equal to the aggregate amount of approved operating and extraordinary expenses to be incurred for the then current interest accrual period. The Hyatt Regency Huntington Beach Resort & Spa Borrower shall not be required to make monthly operating expense deposit provided that (i) no event of default has occurred, (ii) no bankruptcy action involving the Hyatt Regency Huntington Beach Resort & Spa Borrower or Hyatt Manager has occurred and is continuing, (iii) neither the Hyatt Regency Huntington Beach Resort & Spa Borrower or Hyatt Manager is in default under the Hyatt Management Agreement, and (iv) the Hyatt Manager reserves, in a segregated account, amounts required to be reserved for operating and extraordinary expenses pursuant to the Hyatt Management Agreement.

A "Negative Monthly Amount" means, with respect to any monthly payment date, the amount, if any, by which operating Income for the Hyatt Regency Huntington Beach Resort & Spa Property for the calendar month is insufficient to establish a debt service coverage ratio of 1.10x based on the then current approved annual budget.

Lockbox and Cash Management. The Hyatt Regency Huntington Beach Resort & Spa Whole Loan has a hard lockbox and in-place cash management. Provided no Hard CM Trigger (as defined below) has occurred, all revenue is required to be collected by the Hyatt Manager and deposited in an account to which the Hyatt Manager has access (the "Hotel Operating Account"). The lender has a perfected security interest in the Hotel Operating Account. Provided no event of default has occurred under the loan agreement and the Hyatt Management Agreement is in full force and effect, the Hyatt Manager is required to pay all operating expenses from the Hotel Operating Account pursuant to the Hyatt Management Agreement and deposit such funds necessary to maintain the \$1,500,000 minimum working balance required under the Hyatt Management Agreement. All remaining sums are required to be remitted to the lender-controlled lockbox account on or prior to the 15th day of each calendar month. Upon the occurrence and during the continuance of an event of default under the loan agreement, provided (A) the Hyatt Management Agreement is in full force and effect, (B) the

Hyatt Manager continues to be the property manager, and (C) none of the Hyatt Manager, Hyatt Hotels Corporation or any affiliate of the foregoing controls the Hyatt Regency Huntington Beach Resort & Spa Borrower, the Hyatt Manager is required to make disbursements from the Hotel Operating Account as follows: (i) first, funds sufficient to pay the monthly tax deposit due for the then applicable due date, if any, to the lender; (ii) second, funds sufficient to pay the monthly insurance deposit due for the then applicable due date, if any, to the lender; (iii) third, to fund all other approved operating expenses per the approved annual budget, and (iv) fourth, the remaining balance of all revenue derived from the Hyatt Regency Huntington Beach Resort & Spa Property to the lender-controlled lockbox account. Upon the occurrence and during the continuance of a Hard CM Trigger, all revenue is required to be deposited into the lockbox account.

A “Hard CM Trigger” means upon the occurrence of either (x) the Hyatt Management Agreement not being in full force and effect or (y) an event of default occurring and continuing and the Hyatt Manager, Hyatt Hotels Corporation or any affiliate of the foregoing controlling the borrower.

All sums on deposit in the lockbox are required to, on each business day, be transferred from the lockbox to the cash management account. Provided no event of default is continuing, funds on deposit in the cash management account are required to be disbursed on each monthly payment date to pay debt service on the Hyatt Regency Huntington Beach Resort & Spa Whole Loan, to fund the required reserve deposits as described above under “—*Escrows and Reserves*,” to pay any other amounts due and owing under the Hyatt Regency Huntington Beach Resort & Spa Whole Loan, and to disburse the remainder to the Hyatt Regency Huntington Beach Resort & Spa Borrower (or, during the continuance of a Trigger Period (as defined below), to an account to be held by the lender as additional security for the Hyatt Regency Huntington Beach Resort & Spa Whole Loan).

A “Trigger Period” means a period commencing upon the earlier of (i) the occurrence and continuance of a monetary event of default or material non-monetary event of default and expiring upon the cure of such event of default, (ii) the debt service coverage ratio being less than 1.30x and expiring when the debt service coverage ratio is equal to or greater than 1.40x for two consecutive calendar quarters, (iii) the occurrence of a Hotel Agreement Trigger Period and expiring upon the cure of such Hotel Agreement Trigger Period, (iv) the occurrence of a Hotel Agreement Renewal Trigger Event and expiring in connection with a Hotel Agreement Renewal Event, and (v) the occurrence of a bankruptcy action of the Hyatt Manager and expiring upon the replacement of such Hyatt Manager.

A “Hotel Agreement Trigger Period” means a period (A) commencing upon the first to occur of (i) the Hyatt Regency Huntington Beach Resort & Spa Borrower being in material default under the Hyatt Management Agreement, (ii) the Hyatt Regency Huntington Beach Resort & Spa Borrower or Hyatt Manager giving notice that it is terminating the Hyatt Management Agreement, (iii) any termination, cancellation, and/or expiration of the Hyatt Management Agreement, (iv) any bankruptcy action of the Hyatt Manager that is not dismissed within 60 days of having been filed, (v) the Hyatt Regency Huntington Beach Resort & Spa Property failing to be operated, “flagged”, or branded pursuant to the Hyatt Management Agreement and (B) expiring upon the satisfaction of cures pursuant to the Hyatt Management Agreement or the rebranding or reflagging of the Hyatt Regency Huntington Beach Resort & Spa Property pursuant to a qualified replacement management agreement and to the extent a property improvement plan (“PIP”) is required with the foregoing, the deposit of the corresponding PIP deposit.

A “Hotel Agreement Renewal Trigger Event” means an event in which the Hyatt Management Agreement (or applicable management agreement) is not renewed on or before the date that is 12 months prior to the expiration of the then applicable management agreement.

Additional Secured Indebtedness (not including trade debts). The Hyatt Regency Huntington Beach Resort & Spa Property also secures the Hyatt Regency Huntington Beach Resort & Spa Non-Serviced Companion Loan, with a Cut-off Date balance of \$140,000,000. A portion of the Hyatt Regency Huntington Beach Resort & Spa Non-Serviced Companion Loan, represented by Promissory Note A-1-1, in the original principal amount of \$54,000,000, is currently held by Citigroup Global Markets Realty Corp., or an affiliate thereof, and is expected to be contributed to the CGCMT 2016-C1 securitization trust prior to the closing of this transaction, and a portion of the Hyatt Regency Huntington Beach Resort & Spa Non-Serviced Companion Loan, represented by Promissory Notes A-1-2, A-2 and A-3, in the aggregate original principal amount of \$86,000,000, is currently held by Citigroup Global Markets Realty Corp., or an affiliate thereof, and may be contributed to future securitizations or otherwise transferred at any time. The promissory notes evidencing the Hyatt Regency Huntington Beach Resort & Spa Non-Serviced Companion Loan accrue interest at the same rate as the Hyatt Regency Huntington Beach Resort & Spa Mortgage Loan. The Hyatt Regency Huntington Beach Resort & Spa Mortgage Loan is entitled to payments of principal and interest on a pro rata and *pari passu* basis with the Hyatt Regency Huntington Beach Resort & Spa Non-Serviced Companion Loan. The holders of the Hyatt Regency Huntington Beach Resort & Spa Mortgage Loan and the Hyatt Regency Huntington Beach Resort & Spa Non-Serviced Companion Loan have entered into a co-lender agreement which sets forth the allocation of collections on the Hyatt Regency Huntington Beach Resort & Spa Whole Loan. The Hyatt Regency Huntington Beach Resort & Spa Whole Loan is expected to be serviced pursuant to the pooling and servicing agreement for the CGCMT 2016-C1 transaction. See “*Description of the Mortgage Pool—The Whole Loans—The Non-Serviced Pari Passu Whole Loans—The Hyatt Regency Huntington Beach Resort & Spa Whole Loan*” and “*Pooling and Servicing Agreement*” in the Prospectus.

Mezzanine Loan and Preferred Equity. Not permitted.

Release of Property. Not permitted.

Terrorism Insurance. The Hyatt Regency Huntington Beach Resort & Spa Borrower is required to obtain insurance against acts of terrorism or other similar acts or events (or “fire following”) to the extent such insurance is available in form and substance reasonably satisfactory to the lender (but in no event more than the sum of 100% of full replacement cost and 24 months of business interruption insurance). Notwithstanding the foregoing, for so long as the Terrorism Risk Insurance Act of 2002, as amended by the Terrorism Risk Insurance Program Reauthorization Act of 2007 and the Terrorism Risk Insurance Program Reauthorization Act of 2015 (or any extension thereof or other federal government program with substantially similar protection) is in effect, the Hyatt Regency Huntington Beach Resort & Spa Borrower is required to maintain, and the lender is required to accept, terrorism insurance which covers “covered acts” (as defined by such statute or other program), as full compliance as it relates to the risks required to be covered pursuant to the preceding sentence, so long as such statute or other program covers both domestic and foreign acts of terrorism.