

6826 NY-12  
Norwich, NY 13815

# Collateral Asset Summary – Loan No. 18

## Alvogen Pharma US

**Cut-off Date Balance:** \$17,350,000  
**Cut-off Date LTV:** 66.3%  
**U/W NCF DSCR:** 1.62x  
**U/W NOI Debt Yield:** 10.7%

### Mortgage Loan Information

<b>Loan Seller:</b>	GACC
<b>Loan Purpose:</b>	Recapitalization
<b>Sponsors<sup>(1)</sup>:</b>	AG Net Lease III Corp.; AG Net Lease III (SO) Corp.
<b>Borrower:</b>	AGNL RX, L.L.C.
<b>Original Balance:</b>	\$17,350,000
<b>Cut-off Date Balance:</b>	\$17,350,000
<b>% by Initial UPB:</b>	1.9%
<b>Interest Rate:</b>	4.9000%
<b>Payment Date:</b>	6 <sup>th</sup> of each month
<b>First Payment Date:</b>	May 6, 2017
<b>Anticipated Repayment Date<sup>(2)</sup>:</b>	April 6, 2027
<b>Final Maturity Date:</b>	April 6, 2035
<b>Amortization:</b>	Interest only for first 36 months; 360 months thereafter
<b>Additional Debt<sup>(3)</sup>:</b>	Future Mezzanine Debt Permitted
<b>Call Protection:</b>	L(25), YM1(89), O(6)
<b>Lockbox / Cash Management<sup>(4)</sup>:</b>	Hard / In Place

### Property Information

<b>Single Asset / Portfolio:</b>	Single Asset
<b>Property Type:</b>	Manufacturing/Warehouse Industrial
<b>Collateral<sup>(9)</sup>:</b>	Fee Simple / Leasehold
<b>Location:</b>	Norwich, NY
<b>Year Built / Renovated:</b>	1976 / 2016
<b>Total Sq. Ft.:</b>	385,000
<b>Property Management:</b>	Self-managed
<b>Underwritten NOI:</b>	\$1,852,004
<b>Underwritten NCF:</b>	\$1,794,254
<b>Appraised Value:</b>	\$26,150,000
<b>Appraisal Date:</b>	March 2, 2017

### Historical NOI<sup>(10)</sup>

<b>Most Recent NOI:</b>	NAV
<b>2015 NOI:</b>	NAV
<b>2014 NOI:</b>	NAV
<b>2013 NOI:</b>	NAV

### Reserves

	Initial	Monthly
<b>Taxes<sup>(5)</sup>:</b>	\$0	Springing
<b>Insurance<sup>(5)</sup>:</b>	\$0	Springing
<b>Replacement<sup>(6)</sup>:</b>	\$0	Springing
<b>Lease Sweep<sup>(7)</sup>:</b>	\$0	Springing

### Financial Information

<b>Cut-off Date Balance / Sq. Ft.:</b>	\$45
<b>Balloon Balance / Sq. Ft.:</b>	\$40
<b>Cut-off Date LTV:</b>	66.3%
<b>Balloon LTV:</b>	58.6%
<b>Underwritten NOI DSCR<sup>(8)</sup>:</b>	1.68x
<b>Underwritten NCF DSCR<sup>(8)</sup>:</b>	1.62x
<b>Underwritten NOI Debt Yield:</b>	10.7%
<b>Underwritten NCF Debt Yield:</b>	10.3%
<b>Underwritten NOI Debt Yield at Balloon:</b>	12.1%
<b>Underwritten NCF Debt Yield at Balloon:</b>	11.7%

- The sponsors are also the sponsors of the mortgage loan identified on Annex A-1 to the Prospectus as SG 360 Portfolio, which has a Cut-off Date Balance of \$16,500,000.
- From and after the Anticipated Repayment Date, the Alvogen Pharma US mortgage loan accrues at a fixed interest rate (the "Revised Rate") that is equal to the sum of (i) 2.0000% plus (ii) the greater of (a) 4.9000% and (b) the sum of the (A) the bid side yield to maturity for the "on the run" 10 year U.S. Treasury Note and (B) the 10-year swap spread as of the Anticipated Repayment Date plus 2.5000%. Interest accrued at the excess of the Revised Rate over the initial Interest Rate is deferred and payable only after all principal has been paid in full.
- Provided it is at least two years prior to the Anticipated Repayment Date, the Alvogen Pharma US mortgage loan permits future mezzanine debt provided, among other things, (i) based on the combined mortgage and mezzanine balances (A) the combined loan to value ratio is no more than 66.3%, (B) the combined debt service coverage ratio is no less than 1.62x and (C) the combined debt yield is no less than 10.3%, (ii) such future indebtedness is coterminous with the Alvogen Pharma US whole loan, (iii) has an initial outstanding principal balance less than \$4.0 million and (iv) the related mezzanine loan lender has entered into an intercreditor agreement acceptable to the mortgage lender.

### Historical Occupancy

<b>Most Recent Occupancy:</b>	100.0% (May 6, 2017)
<b>2015 Occupancy:</b>	100.0% (December 31, 2015)
<b>2014 Occupancy:</b>	100.0% (December 31, 2014)
<b>2013 Occupancy:</b>	100.0% (December 31, 2013)

- Norwich Pharmaceuticals, Inc. ("Norwich"), the sole tenant, pays rent quarterly into the lockbox, and after payments of amounts due to the current month of such payment, the lender retains two additional months of taxes, insurance, capital expenditures and three months of debt service in the cash management account. On the day immediately prior to each monthly payment date in the first month of each calendar quarter during the term of the loan, the lender is required to release back to borrower the two months of retained taxes, insurance and capital expenditures all of which is required to be replenished by the next installment of quarterly rent paid.
- The borrower will be required to deposit an amount equal to 1/12 of the annual real estate taxes and annual insurance premiums if (i) the Norwich lease is no longer in full force and effect, (ii) the Norwich lease does not require the tenant to pay for all real estate taxes or insurance premiums, (iii) if the Norwich tenant fails to provide receipt of such payment and (iv) with respect to the insurance premiums, an acceptable blanket policy is no longer in place.
- The borrower will be required to deposit \$12,833 into the Replacement reserve account if (i) the Norwich lease is no longer in full force and effect, (ii) the Norwich tenant lease does not require the tenant to pay for all capital expenditures when such payments are due or (iii) Norwich fails to perform such obligations.
- On each monthly payment date during a Lease Sweep Period, the borrower will be required to deposit all excess cash into the lease sweep reserve. A "Lease Sweep Period" will commence upon (i) the date that the tenant under a Lease Sweep Lease (or any portion thereof exceeding 75.0% of the total NRA under the Lease Sweep Lease) is surrendered, cancelled or terminated, (ii) the date that a tenant under a Lease Sweep Lease discontinues its business, (iii) the occurrence of an event of default under the Lease Sweep Lease due to the failure by the tenant under a Lease Sweep Lease to make any basic rent payments that continue beyond any applicable notice and cure periods or (iv) an insolvency proceeding of any tenant under a Lease Sweep Lease. A "Lease Sweep Lease" means (i) the Norwich lease or any replacement leases or (ii) any replacement lease or leases which collectively cover at least 75.0% of the Lease Sweep Lease space.
- Based on amortizing debt service payments. Based on the current interest only payments, the Underwritten NOI DSCR and the Underwritten NCF DSCR are 2.15x and 2.08x, respectively.
- The borrower owns a portion of the mortgaged property in fee and a portion in leasehold, pursuant to an IDA lease (the "IDA Lease") with the County of Chenango Industrial Development Agency. The IDA Lease expires on February 29, 2032 and rent payments are \$140,000, payable in ten annual installments of \$14,000, payable March 1 of each year commencing on March 1, 2017, plus an additional one-time payment of \$14,000 payable on March 1, 2017. For additional information, see "Description of the Mortgage Pool – Real Estate and Other Tax Considerations" in the Prospectus.
- Historical financial information is not available because the Alvogen Pharma US property has been leased pursuant to an absolute triple net lease to the existing tenant, Norwich since delivery in 1976. Accordingly, historical financials are not available.

### TRANSACTION HIGHLIGHTS

- Tenancy.** The Alvogen Pharma US property is 100.0% leased and subleased to Norwich, a subsidiary of Alvogen Pharma US (S&P Rated: B; Moody's Rated: B2). Alvogen Lux Holdings S.a.r.l., the global parent of the tenant, was formed in 2009, with roots tracing back to the 1800s. Founded in 1887, Norwich is engaged in the manufacturing, packaging, and distribution of prescription drugs and over the counter products, and created Pepto-Bismol in 1901. The tenant represents all of Alvogen Lux Holdings' United States operations and is responsible for 55.0% of its revenue. The tenant has operated in the market for over 130 years, including 40 years at the Alvogen Pharma US property. The tenant built and delivered the Alvogen Pharma US property in 1976. In 2015, the tenant invested approximately \$26.0 million into the renovation and expansion of the Alvogen Pharma US property including, approximately \$10.3 million in build-out costs and more than \$7.0 million in product-specific build-out for future production of a new drug.