

23592 Rockfield Boulevard
Lake Forest, CA 92630

Collateral Asset Summary – Loan No. 11

Lake Forest Gateway

Cut-off Date Balance: \$36,100,000
Cut-off Date LTV: 68.7%
U/W NCF DSCR: 1.29x
U/W NOI Debt Yield: 8.3%

fMortgage Loan Information

Loan Seller: GACC
Loan Purpose: Refinance
Borrower Sponsors: National Credit Tenant Investments, LLC; Diversified Partners, Inc.
Borrower: Valuerock Lake Forest, LLC
Original Balance: \$36,100,000
Cut-off Date Balance: \$36,100,000
% by Initial UPB: 3.2%
Interest Rate: 4.6700%
Payment Date: 6th of each month
First Payment Date: June 6, 2017
Maturity Date: May 6, 2027
Amortization: Interest only for first 36 months; 360 months thereafter
Additional Debt⁽¹⁾: Future Mezzanine Debt Permitted
Call Protection: L(25), D(91), O(4)
Lockbox / Cash Management⁽²⁾: Springing Hard / Springing

Reserves

| | Initial | Monthly |
|--|-----------|-----------|
| Taxes: | \$25,720 | \$12,860 |
| Insurance⁽³⁾: | \$0 | Springing |
| Replacement⁽⁴⁾: | \$0 | \$1,295 |
| TI/LC⁽⁵⁾: | \$0 | \$10,381 |
| Lemon Tree Reserve⁽⁶⁾: | \$183,488 | \$0 |
| AT&T Reserve⁽⁷⁾: | \$160,990 | \$0 |

Financial Information

| | |
|---|-------|
| Cut-off Date Balance / Sq. Ft.: | \$465 |
| Balloon Balance / Sq. Ft.: | \$408 |
| Cut-off Date LTV: | 68.7% |
| Balloon LTV: | 60.4% |
| Underwritten NOI DSCR⁽⁸⁾: | 1.34x |
| Underwritten NCF DSCR⁽⁸⁾: | 1.29x |
| Underwritten NOI Debt Yield: | 8.3% |
| Underwritten NCF Debt Yield: | 8.0% |

- (1) Mezzanine debt is permitted provided, among other things, (i) a combined LTV ratio of less than or equal to 68.7%, (ii) a combined DSCR greater than or equal to 1.25x and (iii) a combined debt yield of no less than 7.6%.
- (2) A hard lockbox and cash management will be triggered upon (i) an event of default, (ii) the DSCR falling below 1.15x or (iii) a mezzanine loan is outstanding.

Property Information

Single Asset / Portfolio: Single Asset
Property Type: Unanchored Retail
Collateral: Fee Simple
Location: Lake Forest, CA
Year Built / Renovated: 1973, 2010, 2015 / 2016
Total Sq. Ft.: 77,710
Property Management: Colliers International Real Estate Management Services (CA), Inc.
Underwritten NOI: \$2,993,769
Underwritten NCF: \$2,881,090
Appraised Value: \$52,540,000
Appraisal Date: November 5, 2016

Historical NOI⁽⁹⁾

| | |
|-------------------------|---------------------------------|
| Most Recent NOI: | \$1,648,376 (December 31, 2016) |
| 2015 NOI: | NAV |
| 2014 NOI: | NAV |
| 2013 NOI: | NAV |

Historical Occupancy⁽⁹⁾

| | |
|--|---------------------------|
| Most Recent Occupancy⁽¹⁰⁾: | 96.5% (April 6, 2017) |
| 2016 Occupancy: | 94.6% (December 31, 2016) |
| 2015 Occupancy: | NAV |
| 2014 Occupancy: | NAV |

- (3) If an acceptable blanket policy is no longer in place, the borrower is required to make monthly deposits of 1/12 of the estimated annual insurance premiums into the insurance reserve account.
- (4) Replacement reserves are subject to a cap of \$46,626.
- (5) TI/LC reserves are subject to a cap of \$498,298.
- (6) Lemon Tree Spa (3.9% of NRA) has executed a lease but has not yet taken occupancy at the Lake Forest Gateway property. Lemon Tree Spa is expected to take occupancy in Fall 2017. The reserve consists of (i) \$39,104 for monthly disbursements related to the anticipated rent commencement, (ii) \$27,072 for tenant improvements and (iii) \$117,312 for free rent.
- (7) AT&T (1.8% of NRA) has executed a lease but has not yet taken occupancy at the Lake Forest Gateway property. AT&T is expected to take occupancy in Fall 2017. The reserve consists of (i) \$31,500 for monthly disbursements related to the anticipated rent commencement, (ii) \$33,040 for tenant improvements, (iii) \$87,000 for required landlord work and (iv) \$9,450 for leasing commissions.
- (8) Based on amortizing debt service payments. Based on the current interest only payments, the Underwritten NOI DSCR and the Underwritten NCF DSCR are 1.75x and 1.69x, respectively.
- (9) The property was re-developed by the borrower sponsors from 2011 to 2016. Accordingly, Historical NOI information is not available.
- (10) Most Recent Occupancy includes Lemon Tree Spa and AT&T, which executed leases, but are not yet in occupancy. See footnotes (6) and (7), respectively, for additional information.

TRANSACTION HIGHLIGHTS

- Capital Expenditures.** Since 2011, the borrower sponsors have invested more than \$18.5 million to re-develop and re-lease the Lake Forest Gateway property. The redevelopment finished in late 2016 and included the removal of four buildings, the substantial renovation of three existing buildings and the construction of four new buildings. This renovation upgraded and modernized the look of the Lake Forest Gateway property and resulted in significant re-tenanting. The borrower sponsors' cost basis in the Lake Forest Gateway property, including purchase price and redevelopment costs, totals approximately \$39.5 million, which does not include additional capital spent between 2003 and 2011.
- Tenancy.** The Lake Forest Gateway property is currently 96.5% occupied by a rent roll of 31 tenants as of April 6, 2017, including national tenants such as FedEx, Sears, Buffalo Wild Wings, Starbucks, AT&T and Panera Bread. The remaining tenants at the Lake Forest Gateway property include a variety of regional and local service providers, casual dining restaurants and medical tenants. No tenant at the Lake Forest Gateway property accounts for more than 8.4% of net rentable area ("NRA") or 8.5% of annual base rent. Additionally, since January 2015, the borrower sponsors have signed new leases with 24 tenants, accounting for 55,724 sq. ft. (71.7% of NRA) and approximately 74.9% of the Lake Forest Gateway property's base rent.
- Market.** The Lake Forest Gateway property is located in Lake Forest, California, a master planned community in Orange County. The area features estimated 2016 populations of 128,822 and 284,677 within a three-, and five- mile radius, respectively, and estimated 2016 average household incomes of \$98,334 and \$114,884, within the same radii. The Lake Forest Gateway property has significant traffic and visibility from its site on the hard corner intersection of Lake Forest Drive and Rockfield Boulevard, the two main arterials within the trade area according to the appraisal. The Lake Forest Gateway property is also in close proximity to I-5, the main North-South freeway in Southern California which connects San Diego, Orange County and Los Angeles.