

38-01 47th Avenue
Long Island City, NY 11101

Collateral Asset Summary – Loan No. 15

38-01 47th Avenue

Cut-off Date Balance: \$20,750,000
Cut-off Date LTV: 65.0%
U/W NCF DSCR: 1.59x
U/W NOI Debt Yield: 9.3%

Mortgage Loan Information

Loan Seller:	GACC
Loan Purpose:	Refinance
Sponsor⁽¹⁾:	Steven J. Guttman
Borrower:	47th Avenue LLC
Original Balance:	\$20,750,000
Cut-off Date Balance:	\$20,750,000
% by Initial UPB:	2.3%
Interest Rate:	4.1000%
Payment Date:	6 th of each month
First Payment Date:	September 6, 2016
Maturity Date:	August 6, 2026
Amortization:	360 months
Additional Debt:	None
Call Protection:	L(24), D(92), O(4)
Lockbox / Cash Management⁽²⁾:	Springing Hard / Springing

Reserves

	Initial	Monthly
Taxes:	\$20,086	\$10,043
Insurance⁽³⁾:	\$0	Springing
Replacement:	\$0	\$1,016
Ground Rent⁽⁴⁾:	\$150,000	Springing

Financial Information

Cut-off Date Balance / Sq. Ft.:	\$254
Balloon Balance / Sq. Ft.:	\$203
Cut-off Date LTV:	65.0%
Balloon LTV:	51.9%
Underwritten NOI DSCR:	1.60x
Underwritten NCF DSCR:	1.59x
Underwritten NOI Debt Yield:	9.3%
Underwritten NCF Debt Yield:	9.2%

Property Information

Single Asset / Portfolio:	Single Asset
Property Type:	Self Storage
Collateral:	Leasehold
Location:	Long Island City, NY
Year Built / Renovated:	1952 / 2005
Total Sq. Ft.:	81,630
Property Management:	Cubesmart Asset Management, LLC
Underwritten NOI:	\$1,931,005
Underwritten NCF:	\$1,918,810
Appraised Value:	\$31,900,000
Appraisal Date:	May 27, 2016

Historical NOI

Most Recent NOI:	\$2,002,053 (T-12 May 31, 2016)
2015 NOI:	\$1,906,941 (December 31, 2015)
2014 NOI:	\$1,675,871 (December 31, 2014)
2013 NOI:	\$1,511,065 (December 31, 2013)

Historical Occupancy

Most Recent Occupancy:	92.4% (June 2, 2016)
2015 Occupancy:	90.3% (December 31, 2015)
2014 Occupancy:	89.2% (December 31, 2014)
2013 Occupancy:	87.2% (December 31, 2013)

- (1) The sponsor is also the sponsor of the mortgage loan identified on Annex A-1 to the Prospectus as 39-25 21st Street, which has a Cut-off Date Balance of approximately \$20.72 million.
- (2) A hard lockbox and in place cash management will be triggered during the commencement of a "Trigger Period", which will occur (i) upon an event of default or (ii) if the DSCR falls below 1.15x during any calendar quarter.
- (3) If an acceptable blanket insurance policy is no longer in place or the manager fails to pay all insurance premiums directly, borrower will be required to deposit 1/12 of the annual insurance premiums into the insurance reserve account.
- (4) During a "Ground Rent Trigger Period", defined as (i) the borrower failing to pay all ground rent when due and payable or (ii) at any time a Trigger Period is continuing, the borrower will be required to deposit an amount equal to the ground rent that was due for such month in which the trigger occurred.

TRANSACTION HIGHLIGHTS

- **Property/Location.** The 38-01 47th Avenue property consists of 1,569 climate-controlled self storage units across 81,630 sq. ft. within a four-story building located in Long Island City, New York, a neighborhood in the western area of Queens and situated opposite Midtown Manhattan. Converted to a self storage facility by the sponsor in 2005, the subject is considered to be Class A by the appraiser. The property is located within three blocks from the 7 train subway (40th street stop), which provides convenient access to Manhattan. Since 2006, at least 9,000 residential units have been completed in the neighborhood. There are currently more than 14,000 units under construction in the area, and at least 3,500 more units planned for the future. The 14,000 units under construction are anticipated to be delivered between 2015 and 2018.
- **Market.** As of 2015, the population within a one-mile radius of the property is 70,519 with an average household income of \$66,241 and the population within a three-mile radius is 1,178,567 with an average household income of \$106,581. The property's trade area is approximately 79.3% occupied by renters within one mile and 74.6% within three miles. In terms of self storage supply, a peer group analysis of the United States by state reports that existing supply in New York is approximately 4.40 sq. ft. per person compared to nationwide supply of 8.29 sq. ft. per person.
- **Sponsorship.** The sponsor of the borrower and non-recourse carve-out guarantor is Steven J. Guttman, who founded Storage Deluxe Management Company, LLC ("Storage Deluxe") in 1998. Storage Deluxe is a Manhattan-based owner, developer and manager of self storage properties within the New York metropolitan area. Storage Deluxe manages 10 facilities with an additional seven properties under construction.
- **Ground Lease.** The property is subject to a 49-year ground lease which expires on February 28, 2054 and has five, 10-year renewal options. For each five year extension option, the base rent will be equal to the base rent in effect on the day immediately preceding the first day of the lease year which begins such five year period plus 10% of such base rent then in effect.
- **Tax Abatement.** The 38-01 47th Avenue property is subject to three 25-year Industrial & Commercial Abatement Program ("ICAP") property tax abatements. The first abatement started in the 1998/1999 tax year and will end in June 2023. The other two abatements began in the 2006/2007 tax year and will end in June 2032. Each ICAP abatement freezes the assessment on structural improvement made to the building for 15 years and is then phased in by increments of 10% per annum during the final 10 years of each abatement. The real estate taxes for the property were underwritten based on the 10 year average through the maturity date.