

Mason Devonshire Plaza

Mortgage Loan Information

Mortgage Loan Seller:	LCF
Original Principal Balance:	\$23,500,000
Cut-off Date Principal Balance:	\$23,500,000
% of Pool by IPB:	2.0%
Loan Purpose:	Refinance
Borrower:	Mason Devonshire Plaza, L.L.C.
Sponsor:	Cary J. Lefton
Interest Rate:	4.53000%
Note Date:	10/10/2014
Maturity Date:	11/6/2024
Interest-only Period:	60 months
Original Term:	120 months
Original Amortization:	360 months
Amortization Type:	IO-Balloon
Call Protection:	L(24),Def(92),O(4)
Lockbox:	Soft
Additional Debt:	N/A
Additional Debt Balance:	N/A
Additional Debt Type:	N/A

Property Information

Single Asset / Portfolio:	Single Asset
Title:	Fee
Property Type - Subtype:	Retail - Anchored
Net Rentable Area (SF):	75,912
Location:	Chatsworth, CA
Year Built / Renovated:	1967 / 2004
Occupancy:	100.0%
Occupancy Date:	9/8/2014
Number of Tenants:	16
2011 NOI:	\$1,478,731
2012 NOI:	\$1,629,691
2013 NOI:	\$1,670,496
TTM NOI (as of 7/2014)⁽¹⁾:	\$1,657,419
UW Economic Occupancy:	95.0%
UW Revenues:	\$2,424,255
UW Expenses:	\$576,350
UW NOI⁽¹⁾:	\$1,847,905
UW NCF:	\$1,794,975
Appraised Value / Per SF:	\$34,000,000 / \$448
Appraisal Date:	8/22/2014

Escrows and Reserves

	Initial	Monthly	Initial Cap
Taxes:	\$27,259	\$13,630	N/A
Insurance:	\$16,986	\$1,416	N/A
Replacement Reserves:	\$0	\$986	N/A
TI/LC:	\$0	\$3,424	N/A
Other⁽²⁾:	\$795,938	\$0	N/A

Financial Information

Cut-off Date Loan / SF:	\$310
Maturity Date Loan / SF:	\$283
Cut-off Date LTV:	69.1%
Maturity Date LTV:	63.3%
UW NCF DSCR:	1.25x
UW NOI Debt Yield:	7.9%

Sources and Uses

Sources	Proceeds	% of Total	Uses	Proceeds	% of Total
Mortgage Loan	\$23,500,000	88.6%	Payoff Existing Debt	\$14,706,331	55.4%
Sponsor Equity	3,027,252	11.4	JV Partner Buy Out	10,470,344	39.5
			Upfront Reserves	840,183	3.2
			Closing Costs	510,394	1.9
Total Sources	\$26,527,252	100.0%	Total Uses	\$26,527,252	100.0%

(1) The increase from TTM NOI to the UW NOI is primarily due to a \$68,459 increase in UW rent steps as well as increased expense recoveries.

(2) At loan origination: (i) \$437,500 was escrowed for an environmental reserve, (ii) \$350,000 was escrowed to fund a significant tenant lease rollover reserve and (iii) \$8,438 was escrowed to fund an immediate repair reserve.

The Loan. The Mason Devonshire Plaza loan has an outstanding principal balance of \$23.5 million and is secured by a first mortgage lien on a 75,912 square foot retail center located in Chatsworth, California. Mason Devonshire Plaza is anchored by Trader Joe's, Smart & Final and Kahoots. The loan has a 10-year term and, subsequent to a five-year interest-only period, will amortize on a 30-year schedule. The loan's sponsor and non-recourse carve-out guarantor is Cary J. Lefton, whose firm, Agora Realty and Management, owns and manages 13 retail shopping centers, five industrial business parks, four office buildings and nineteen residential properties. Proceeds from the loan, as well as additional sponsor equity, was used, among other things, to buy out two of the former joint-venture partners for approximately \$10.5 million. The previously existing debt was securitized in MSC 2005-T17.

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The Property. The property is comprised of three, single story buildings with total gross leasable area of 75,912 square feet, situated on a 6.28-acre parcel. As of September 8, 2014, the property was 100.0% occupied by 16 tenants and is anchored by Trader Joe's, Smart & Final and Kahoots. All three anchor tenants (collectively, 51,040 square feet, 67.2% net rentable area, 48.5% underwritten base rent) exercised their respective lease renewals in 2014. The three anchors were not provided with any tenant improvement allowance in connection with their original leases in 2009, or their recent lease extensions in 2014. The southwest corner of the property includes a 0.51 acre pad leased through May 2018 and is operated as an Arco AM/PM gas station.

The Market. Mason Devonshire Plaza is located in Chatsworth, California in the infill western San Fernando Valley. As of Q2 2014 the submarket market vacancy rate was 4.9% according to the appraisal. The appraisal reported a 12.5% year over year decline in submarket vacancy. Additionally, the appraisal reports market rent of \$33.72 per square foot, a nominal year over year increase from \$33.60 per square foot. Mason Devonshire Plaza is located within the residential community of Chatsworth. The area exhibits middle to upper income demographics. According to the appraisal, 131,034 people live within a three-mile radius of the property with an \$88,185 average household income.

Competitive Set Summary ⁽¹⁾				
Property	Year Built / Renovated	Total GLA	Proximity	Anchor Tenants
Competition				
Erwin Topanga Shopping Center	1972 / 1980	109,292	7	Toys R Us, Office Depot and Off Broadway Shoes
Plaza de La Canada	1968 / NAV	100,408	27	Gelson's Market, T.J. Maxx and Rite Aid
Huntington Plaza	1968 / 2010	57,154	39	Sprouts Farmers Market and Walgreens
Diamond Hills Plaza	1973 / 2011	139,314	58	Super H Mart, Rite Aid, and AAA Auto Insurance
Rancho Temecula Town Center	2007 / NAV	165,486	113	Sprouts Farmers Market, Rite Aid, LA Fitness and BevMo!
Total		571,654		

(1) Per the appraisal.

Tenant Summary ⁽¹⁾							
Tenant	Ratings Moody's/S&P/Fitch ⁽²⁾	Net Rentable Area (SF)	% of Total NRA	Base Rent PSF	Sales PSF	Occupancy Costs	Lease Expiration Date
Kahoots	NA / NA / NA	21,500	28.3%	\$17.42	N/A	N/A	9/30/2019
Smart & Final Stores	NA / NA / NA	17,540	23.1%	\$21.17	N/A	N/A	11/30/2019
Trader Joe's	NA / NA / NA	12,000	15.8%	\$21.10	N/A	N/A	7/31/2019
Sharky's Wood Fired Mexican Grill	NA / NA / NA	4,576	6.0%	\$19.20	N/A	N/A	6/3/2023
Logix Federal Credit ⁽³⁾	NA / NA / NA	4,000	5.3%	\$37.08	N/A	N/A	6/30/2024
Mattress World	NA / NA / NA	3,272	4.3%	\$21.00	N/A	N/A	1/31/2015
Arco AM/PM ⁽⁴⁾	NA / NA / NA	3,000	4.0%	\$66.23	N/A	N/A	5/31/2018
JPMorgan Chase Bank	A3 / A / A+	2,462	3.2%	\$33.27	N/A	N/A	4/30/2015
Nailspa Salon	NA / NA / NA	2,128	2.8%	\$45.19	N/A	N/A	10/31/2018
Palace Cleaners	NA / NA / NA	1,620	2.1%	\$45.21	N/A	N/A	9/30/2019

(1) Based on the underwritten rent roll.

(2) Ratings provided are for the parent company of the entity listed in the "Tenant" field whether or not the parent company guarantees the lease.

(3) Logix Federal Credit shall have the right to terminate on March, 31, 2019, upon six months' notice and payment of the straight line unamortized costs of the TI Allowance and Commission no later than three months prior to the early termination date.

(4) Arco AM/PM is a pad lease.

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Operating History and Underwritten Net Cash Flow							
	2011	2012	2013	TTM ⁽¹⁾	Underwritten	Per Square Foot	% ⁽²⁾
Rents in Place	\$1,631,165	\$1,760,820	\$1,832,627	\$1,803,597	\$2,059,399	\$27.13	80.8%
Vacant Income	0	0	0	0	0	0	0.0
Gross Potential Rent	\$1,631,165	\$1,760,820	\$1,832,627	\$1,803,597	\$2,059,399	\$27.13	80.8%
Total Reimbursements	297,053	300,335	314,618	350,364	490,332	6.46	19.2
Net Rental Income	\$1,928,218	\$2,061,155	\$2,147,245	\$2,153,960	\$2,549,731	\$33.59	100.0%
(Vacancy/Credit Loss)	0	0	0	0	(127,487)	(1.68)	(5.3)
Other Income	1,565	1,455	1,980	2,010	2,010	0.03	0.1
Effective Gross Income	\$1,929,783	\$2,062,611	\$2,149,225	\$2,155,970	\$2,424,255	\$31.94	100.0%
Total Expenses	\$451,052	\$432,919	\$478,729	\$498,551	\$576,350	\$7.59	23.8%
Net Operating Income⁽³⁾	\$1,478,731	\$1,629,691	\$1,670,496	\$1,657,419	\$1,847,905	\$24.34	76.2%
Total TI/LC, Capex/RR	0	0	0	0	52,929	0.70	2.2
Net Cash Flow	\$1,478,731	\$1,629,691	\$1,670,496	\$1,657,419	\$1,794,975	\$23.65	74.0%
Occupancy⁽⁴⁾	90.5%	94.8%	95.0%	100.0%	95.0%		

(1) The TTM column represents the trailing twelve months ending July 31, 2014.

(2) Percentage column represents percent of Net Rental Income for all revenue lines and represents percent of Effective Gross Income for the remainder of fields.

(3) The increase from TTM NOI to the UW NOI is primarily due to UW rent steps through September 2015 of \$68,459.

(4) TTM occupancy provided as of September 8, 2014.