

1917 Ayrsley Town Boulevard
Charlotte, NC 28273

Collateral Asset Summary – Loan No. 12

Embassy Suites Ayrsley Charlotte

Cut-off Date Balance: \$22,415,922
Cut-off Date LTV: 60.3%
U/W NCF DSCR: 1.76x
U/W NOI Debt Yield: 12.8%

Mortgage Loan Information

Loan Seller: Société Générale
Loan Purpose: Refinance
Borrower Sponsor: Thomas B. Henson
Borrower: Ayrsley Hotel Associates III, LLC
Original Balance: \$22,500,000
Cut-off Date Balance: \$22,415,922
% by Initial UPB: 3.4%
Interest Rate: 4.6400%
Payment Date: 1st of each month
First Payment Date: October 1, 2016
Maturity Date: September 1, 2026
Amortization: 360 months
Additional Debt: None
Call Protection: L(27), D(89), O(4)
Lockbox / Cash Management⁽¹⁾: Springing Hard / Springing

Reserves

	Initial	Monthly
Taxes:	\$0	\$21,344
Insurance:	\$33,759	\$3,069
FF&E:	\$0	\$26,795

Financial Information

Cut-off Date Balance / Room:	\$131,858
Balloon Balance / Room:	\$107,502
Cut-off Date LTV:	60.3%
Balloon LTV:	49.1%
Underwritten NOI DSCR:	2.06x
Underwritten NCF DSCR:	1.76x
Underwritten NOI Debt Yield:	12.8%
Underwritten NCF Debt Yield:	10.9%

Property Information

Single Asset / Portfolio: Single Asset
Property Type: Full Service Hospitality
Collateral: Fee Simple
Location: Charlotte, NC
Year Built / Renovated: 2015 / NAP
Total Rooms: 170
Property Management: Griffin Stafford, LLC
Underwritten NOI: \$2,866,689
Underwritten NCF: \$2,443,351
Appraised Value: \$37,200,000
Appraisal Date: July 27, 2016

Historical NOI⁽²⁾

Most Recent NOI:	\$3,110,592 (T-12 September 30, 2016)
2015 NOI:	NAV
2014 NOI:	NAP
2013 NOI:	NAP

Historical Occupancy⁽²⁾

Most Recent Occupancy:	64.1% (September 30, 2016)
2015 Occupancy:	NAV
2014 Occupancy:	NAP
2013 Occupancy:	NAP

(1) A hard lockbox will be established and in-place cash management will commence upon the occurrence of (i) stated maturity date (ii) an event of default, or (iii) the debt service coverage ratio being less than 1.20x.

(2) The Embassy Suites Ayrsley Charlotte Property was built in 2015 and, therefore, there are no historical financials or occupancy figures available.

TRANSACTION HIGHLIGHTS

- Property.** The Embassy Suites Ayrsley Charlotte property (the “Embassy Suites Ayrsley Charlotte Property”) consists of the borrower’s fee simple interest in a 170-room, six-story full service lodging facility in Charlotte, North Carolina. Built in 2015, the newly constructed Embassy Suites Ayrsley Charlotte Property was built at a cost of approximately \$28.4 million (\$166,808 per room) and opened in June 2015. The Embassy Suites Ayrsley Charlotte Property is comprised of 20 king studio suites, 75 king one-bedroom suites, 70 queen/queen one-bedroom suites and 5 executive king one-bedroom suites. Amenities include an indoor swimming pool, fitness center, outdoor patios with fire pits, lobby workstation, suite shop, guest laundry area, a premium floor, a restaurant, free cook-to-order breakfast, room service and 13,176 sq. ft. of meeting space, including a grand ballroom. The Embassy Suites Ayrsley Charlotte Property operates as an Embassy Suites under the Hilton Franchise Holding LLC franchise flag which expires on January 31, 2036.
- Location.** The Embassy Suites Ayrsley Charlotte Property is located at 1917 Ayrsley Town Boulevard in Ayrsley, a 180-acre, 5.0 million sq. ft. master planned urban development located at the corner of South Tryon and the I-485 Beltway approximately 10.0 miles southwest of the Charlotte central business district. The Embassy Suites Ayrsley Charlotte Property is located within Mecklenburg County in the Charlotte-Concord-Gastonia, NC-SC MSA. Primary regional access through the area is provided by north/south Interstate 85, which extends to such cities as Winston-Salem to the north and Greenville, South Carolina, to the south. Interstate 485 is the beltway around the greater Charlotte area. The area is served by the Charlotte Douglas International Airport, located approximately 5.0 miles northwest of the Embassy Suites Ayrsley Charlotte Property.
- Market.** The local area surrounding the Embassy Suites Ayrsley Charlotte Property is located in the master-planned Ayrsley development. The majority of the remaining vacant land within the development is zoned for office development. Surrounding developments include the 700-acre Whitehall master-planned community, which includes the Whitehall Corporate Center comprising approximately 860,000 sq. ft. mid-rise office buildings. In July 2016, construction began on the new Topgolf facility, a 65,000 sq. ft., three-level golf entertainment complex within the Whitehall master-planned community. According to the appraisal, customer segmentation for the Embassy Suites Ayrsley Charlotte Property includes; Commercial (55%), Meeting and Group (25%), and Leisure (20%). The Embassy Suites Ayrsley Charlotte Property’s corporate accounts are driven by Hyster Yale Group, Charter Communications, Siemens and Microsoft, among others. Other corporate drivers include the corporate campuses and office parks of Arrowood, Pineville, Ayrsley, Steele Creek and Whitehall Corporate Center totaling approximately 1.6 million sq. ft. of space that is developed or currently under development. Leisure demand in the area is supported by Downtown Charlotte, 10.0 miles northeast of the Embassy Suites Ayrsley Charlotte Property, and its retail and entertainment venues including the NASCAR Hall of Fame, the Mint Museum, the Charlotte Premium Outlets, Carowinds amusement park, Time Warner Cable Arena (the home of the Charlotte Hornets National Basketball Association team) and Bank of America Stadium (the home of the Carolina Panthers National Football League team).
- Borrower Sponsor.** The sponsor of the borrower is Thomas B. Henson, an active real estate developer and investor in North Carolina since 1981. Mr. Henson currently owns and operates 3 restaurants, 3 hotels and several thousand sq. ft. of commercial office space in Charlotte, North Carolina. As of August 31, 2016, Mr. Henson had approximately \$5.8 million of cash equity remaining in the Embassy Suites Ayrsley Charlotte Property and approximately \$14.7 million of implied equity based on the appraised value of \$37.2 million as of July 27, 2016.