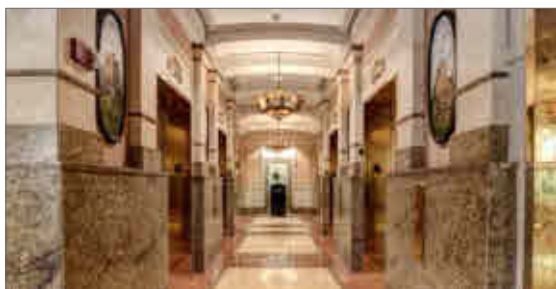


## Alhambra Towers





Alhambra Towers



## Alhambra Towers

| Alhambra Towers  |   |   |  |   |  |
|--|---|---|--|---|--|
| Roof   |   |   |  |   |  |
| 17   | AerSale<br>21,834 SF Exp. 11/2021                   |   |  |   |  |
| 16   | The Allen Morris Co.<br>10,088 SF Exp. 7/2022       | Capital Bank, N.A.<br>5,222 SF Exp. 2/2022                    | Nora Investments<br>US LLC<br>1,800 SF Exp. 11/2019      | Calixto Global<br>Investors, LP<br>2,784 SF Exp. 9/2019 | Endeavor<br>Miami, LLC<br>658 SF Exp. 2/2017 |
| 15   | AerSale<br>3,574 SF Exp. 11/2021                    | Palmer Ranch<br>Holdings, LTD<br>1,900 SF Exp. 4/2022         | Clayco<br>Investments, Inc.<br>3,800 SF Exp. 3/2025      | Stonegate Bank<br>5,379 SF Exp. 8/2019                  | Pan American<br>6,043 SF Exp. 7/2027         |
| 14   | Finser Corporation<br>22,603 SF Exp. 2/2018         |   |  |   |  |
| 12   | Banco de Credito del Peru<br>14,071 SF Exp. 12/2022 | BP Wealth<br>Management, LLC<br>3,613 SF Exp. 6/2020          | American Nat'l<br>Soda Ash Corp.<br>2,714 SF Exp. 3/2020 | Excel Time<br>Service, LLC<br>2,134 SF Exp. 12/2019     | Adkins and<br>Associates<br>850 BP MTM       |
| 11   | MBF Capital<br>6,144 SF Exp. 8/2019                 | Pearl Merchandising<br>& Distribution<br>3,550 SF Exp. 9/2021 | RT Holdings<br>2,165 SF<br>Exp. 7/2020                   | Egon Zehnder<br>5,130 SF Exp. 2/2019                    | Egon Zehnder<br>2,483 SF Exp. 2/2019         |
| 10   | Becker & Pollakoff, PA<br>22,522 SF Exp. 12/2022    |   |  |   |  |
| 9  | Parking   |   |  |   |  |
| 8  | Parking   |   |  |   |  |
| 7  | Parking   |   |  |   |  |
| 6  | Parking   |   |  |   |  |
| 5  | Parking   |   |  |   |  |
| 4  | Parking   |   |  |   |  |
| 3  | Parking   |   |  |   |  |
| 2  | Parking   |   |  |   |  |
| 1  | Capital Bank, N.A.<br>9,024 SF Exp. 2/2022          | Vacant<br>6,500 SF  |  | Fidelity<br>6,395 SF Exp. 3/2022                        |  |
| <div>VACANTBUILDINGMTM2017 - 20182019 - 20202021 - 20222023+</div> |   |   |  |   |  |

## Alhambra Towers

### Mortgage Loan Information

|  |                         |
|--|-------------------------|
| <b>Mortgage Loan Seller:</b>           | RMF                     |
| <b>Original Principal Balance:</b>     | \$61,000,000            |
| <b>Cut-off Date Principal Balance:</b> | \$61,000,000            |
| <b>% of IPB:</b>                       | 7.1%                    |
| <b>Loan Purpose:</b>                   | Refinance               |
| <b>Borrower:</b>                       | 121 Alhambra Tower, LLC |
| <b>Sponsor:</b>                        | William Allen Morris    |
| <b>Interest Rate:</b>                  | 5.02000%                |
| <b>Note Date:</b>                      | 11/15/2016              |
| <b>Maturity Date:</b>                  | 12/6/2026               |
| <b>Interest-only Period:</b>           | 120 months              |
| <b>Original Term:</b>                  | 120 months              |
| <b>Original Amortization Term:</b>     | None                    |
| <b>Amortization Type:</b>              | Interest Only           |
| <b>Call Protection:</b>                | L(26),Def(89),O(5)      |
| <b>Lockbox / Cash Management:</b>      | Hard / Springing        |
| <b>Additional Debt:</b>                | N/A                     |
| <b>Additional Debt Balance:</b>        | N/A                     |
| <b>Additional Debt Type:</b>           | N/A                     |

### Property Information

|  |                             |
|--|-----------------------------|
| <b>Single Asset / Portfolio:</b>               | Single Asset                |
| <b>Title:</b>                                  | Fee                         |
| <b>Property Type – Subtype:</b>                | Office – CBD                |
| <b>Net Rentable Area (SF):</b>                 | 174,250                     |
| <b>Location:</b>                               | Coral Gables, FL            |
| <b>Year Built / Renovated:</b>                 | 2002 / N/A                  |
| <b>Occupancy:</b>                              | 96.3%                       |
| <b>Occupancy Date:</b>                         | 9/30/2016                   |
| <b>4<sup>th</sup> Most Recent NOI (As of):</b> | \$3,767,391 (12/31/2013)    |
| <b>3<sup>rd</sup> Most Recent NOI (As of):</b> | \$4,718,660 (12/31/2014)    |
| <b>2<sup>nd</sup> Most Recent NOI (As of):</b> | \$5,215,825 (12/31/2015)    |
| <b>Most Recent NOI (As of):</b>                | \$5,760,726 (TTM 9/30/2016) |
| <b>UW Economic Occupancy:</b>                  | 92.9%                       |
| <b>UW Revenues<sup>(1)</sup>:</b>              | \$8,399,830                 |
| <b>UW Expenses:</b>                            | \$3,068,928                 |
| <b>UW NOI:</b>                                 | \$5,330,902                 |
| <b>UW NCF:</b>                                 | \$5,034,677                 |
| <b>Appraised Value / Per SF:</b>               | \$93,000,000 / \$534        |
| <b>Appraisal Date:</b>                         | 10/12/2016                  |

### Escrows and Reserves<sup>(2)</sup>

|                              | Initial     | Monthly   | Initial Cap |
|------------------------------|-------------|-----------|-------------|
| <b>Taxes:</b>                | \$0         | \$77,767  | N/A         |
| <b>Insurance:</b>            | \$0         | Springing | N/A         |
| <b>Replacement Reserves:</b> | \$0         | \$2,904   | N/A         |
| <b>TI/LC:</b>                | \$2,500,000 | \$21,781  | \$1,500,000 |
| <b>Other:</b>                | \$5,199,541 | \$0       | N/A         |

### Financial Information

|                                 |       |
|---------------------------------|-------|
| <b>Cut-off Date Loan / SF:</b>  | \$350 |
| <b>Maturity Date Loan / SF:</b> | \$350 |
| <b>Cut-off Date LTV:</b>        | 65.6% |
| <b>Maturity Date LTV:</b>       | 65.6% |
| <b>UW NCF DSCR:</b>             | 1.62x |
| <b>UW NOI Debt Yield:</b>       | 8.7%  |

### Sources and Uses

| Sources              | Proceeds            | % of Total    | Uses                 | Proceeds            | % of Total    |
|----------------------|---------------------|---------------|----------------------|---------------------|---------------|
| Mortgage Loan        | \$61,000,000        | 99.5%         | Payoff Existing Debt | \$52,278,064        | 85.3%         |
| Sponsor Equity       | 299,724             | 0.5           | Upfront Reserves     | 7,699,541           | 12.6          |
|                      |                     |               | Closing Costs        | 1,322,118           | 2.2           |
| <b>Total Sources</b> | <b>\$61,299,724</b> | <b>100.0%</b> | <b>Total Uses</b>    | <b>\$61,299,724</b> | <b>100.0%</b> |

(1) UW Revenues include underwritten contractual rent increases of \$127,311 through November 2017.

(2) For a full description of Escrows and Reserves, please refer to "Escrows and Reserves" below.

**The Loan.** The Alhambra Towers loan has an outstanding principal balance as of the Cut-off Date of \$61.0 million and is secured by a first mortgage lien on the borrower's fee interest in a 16-story, 174,250 square foot, Class A office building located in Coral Gables, Florida. The loan has a 10-year term and is interest-only for the full term of the loan. The previously existing debt was securitized in the WBCMT 2006-C29 transaction.

**The Property.** Alhambra Towers is a 16-story, 174,250 square foot, Class A office building located on the corner of Alhambra Plaza, Alhambra Circle and Galiano Street within the Miracle Mile neighborhood of Coral Gables, Florida. The property was built in 2002 and comprises 156,331 square feet of office space, 11,419 square feet of ground floor bank space and a 6,500 square foot ground floor retail space on a 0.74-acre parcel. Property amenities include 24-hour accessibility, 24/7 security personnel and closed-circuit security cameras, a space for an on-site restaurant and retail bank branch, and pedestrian friendly walking accessibility to nearby hotels, restaurants, and retailers. In addition to tenant amenities, the property offers classic car enthusiasts access to the Alhambra Collector



## Alhambra Towers

Car Storage, which features 120 private custom parking spaces on floors seven through nine of the parking deck and offers a solution for automobile owners who want to store their high-end cars in a safe and secure location.

As of September 30, 2016 the Alhambra Towers property was currently 96.3% leased to 27 tenants. The largest tenant, AerSale, leases 15.7% of the net rentable area through November 30, 2021, comprising a space on a portion of the 15<sup>th</sup> floor and the entire 17<sup>th</sup> floor, and has been at the property since December 1, 2015 and November 1, 2011, respectively. AerSale is a global leader in the supply of aftermarket aircrafts, engines, OEM material and asset management services to passenger and cargo airlines, government entities, and leasing companies. AerSale specializes in the sale and lease of mid-life commercial aircrafts and has acquired over 100 aircrafts and 400 engines in the past few years. AerSale was founded in 2009 and operates sales offices, warehouses, and distribution centers around the world. The second largest tenant, Finser Corporation ("**Finser**"), leases 14.7% of the net rentable area, comprising the entirety of the 14<sup>th</sup> floor and a portion of the 11<sup>th</sup> floor, and has been a tenant at the property since October 2006. Recently, Finser executed a 10-month extension (the "**Holdover Period**") through February 7, 2018 and will be vacating at that time as the tenant is seeking to relocate to Downtown Miami. Although the Holdover Period rent will be \$69.38 per square foot, the space is being underwritten at the current in-place rent. In order to mitigate Finser's lease expiration in 2018, the borrower funded a performance reserve of \$5.0 million, which is further explained in the "*Escrows and Reserves*" section, at the closing of the Alhambra Towers loan. The third largest tenant, Becker & Poliakoff, PA, leases 12.9% of the net rentable area through December 31, 2022, comprising the entire 10th floor, and has been a tenant at the property since November 2003. Becker & Poliakoff, PA is a commercial law firm that provides legal services in various areas of law, including real estate, business litigation, customs and international trade, government law and lobbying, corporate and securities law, and construction. The firm was founded in Miami in 1973 and today has more than 170 attorneys, lobbyists, and other professionals in Florida, New York, New Jersey, Washington, DC, Northern Virginia and Prague. The fourth largest tenant, Banco de Credito del Peru ("**BCP**"), leases 8.1% of the net rentable area through December 31, 2022, comprising a portion of the 12th floor, and has been at the property since January 2003. BCP was founded in 1889 and has grown to become the largest bank in Peru with a 35% market share and more than 400 branches in Peru. BCP is publicly traded on the Lima Stock Exchange (CREDITC 1) and is a subsidiary of Credicorp (NYSE: BAP), rated Baa1/BBB /A- by Moody's/S&P/Fitch, the leading financial holding company in Peru. The remaining tenants occupy 44.9% of the net rentable area and the tenancy includes a diverse mix of local and national businesses, with no single tenant occupying more than 6.5% of the net rentable area or 6.4% of the underwritten base rent.

**Environmental.** According to a Phase I environmental assessment dated October 11, 2016, there was no evidence of any recognized environmental conditions at the Alhambra Towers property.

| Historical and Current Occupancy <sup>(1)</sup> |       |        |                        |
|---|-------|--------|------------------------|
| 2013  | 2014  | 2015   | Current <sup>(2)</sup> |
| 96.0%   | 99.0% | 100.0% | 96.3%                  |

(1) Historical Occupancies are averages of each respective year.

(2) Current Occupancy is as of September 30, 2016.

## Alhambra Towers

| Top Ten Tenant Summary <sup>(1)</sup> |   |                              |                      |                                 |                          |                         |                          |
|---------------------------------------|---|------------------------------|----------------------|---------------------------------|--------------------------|-------------------------|--------------------------|
| Tenant                                | Ratings <sup>(2)</sup><br>Moody's/S&P/Fitch | Net<br>Rentable<br>Area (SF) | % of<br>Total<br>NRA | Base Rent<br>PSF <sup>(3)</sup> | Base Rent <sup>(3)</sup> | % of Total<br>Base Rent | Lease<br>Expiration Date |
| AerSale                               | NA / NA / NA                                | 27,408                       | 15.7%                | \$40.57                         | \$1,111,942              | 15.2%                   | 11/30/2021               |
| Finser Corporation <sup>(4)</sup>     | NA / NA / NA                                | 25,553                       | 14.7                 | \$46.25                         | 1,181,827                | 16.1                    | 2/7/2018                 |
| Becker & Poliakoff, PA                | NA / NA / NA                                | 22,522                       | 12.9                 | \$41.00                         | 923,402                  | 12.6                    | 12/31/2022               |
| Banco de Credito del Peru             | Baa1 / BBB / A-                             | 14,071                       | 8.1                  | \$42.89                         | 603,505                  | 8.2                     | 12/31/2022               |
| Capital Bank, N.A.                    | NA / NA / NA                                | 11,246                       | 6.5                  | \$40.74                         | 458,149                  | 6.3                     | 2/28/2022                |
| The Allen Morris Co. <sup>(5)</sup>   | NA / NA / NA                                | 10,068                       | 5.8                  | \$46.37                         | 466,853                  | 6.4                     | 7/30/2022                |
| Egon Zehnder <sup>(6)</sup>           | NA / NA / NA                                | 7,613                        | 4.4                  | \$45.27                         | 344,660                  | 4.7                     | 2/1/2019                 |
| Fidelity                              | A2 / A+ / A+                                | 6,395                        | 3.7                  | \$42.00                         | 268,590                  | 3.7                     | 3/31/2022                |
| MBF Capital                           | NA / NA / NA                                | 6,144                        | 3.5                  | \$44.55                         | 273,715                  | 3.7                     | 8/31/2019                |
| Pan American <sup>(7)</sup>           | NA / NA / NA                                | 6,083                        | 3.5                  | \$42.00                         | 255,486                  | 3.5                     | 7/31/2027                |
| <b>Top Ten Tenants</b>                |   | <b>137,103</b>               | <b>78.7%</b>         | <b>\$42.95</b>                  | <b>\$5,888,129</b>       | <b>80.4%</b>            |                          |
| <b>Non Top Ten Tenants</b>            |   | <b>30,647</b>                | <b>17.6%</b>         | <b>\$46.94</b>                  | <b>\$1,438,673</b>       | <b>19.6%</b>            |                          |
| <b>Occupied Collateral Total</b>      |   | <b>167,750</b>               | <b>96.3%</b>         | <b>\$43.68</b>                  | <b>\$7,326,802</b>       | <b>100.0%</b>           |                          |
| <b>Vacant Space</b>                   |   | <b>6,500</b>                 | <b>3.7%</b>          |                                 |                          |                         |                          |
| <b>Collateral Total</b>               |   | <b>174,250</b>               | <b>100.0%</b>        |                                 |                          |                         |                          |

(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) Base Rent PSF and Base Rent include \$127,311 attributable to contractual rent steps underwritten through November 2017.

(4) Finser Corporation recently executed a 10-month extension (the "Holdover Period") through February 7, 2018 and will be vacating the property at that time as the tenant is seeking to relocate to Downtown Miami. Although the Holdover Period rent will be \$69.38 per square foot, the space is being underwritten at the current in-place rent. In order to mitigate Finser's lease expiration in 2018, the borrower funded a performance reserve of \$5.0 million at loan closing.

(5) The Allen Morris Co. is a borrower related tenant. This tenant has the right to cancel its lease at any time during the lease term in the event of (a) change in ownership of the Alhambra Towers; (b) the management agreement of the Alhambra Towers is discontinued or is materially altered; or (c) tenant pays to the borrower the unamortized improvements cost prior to the cancellation date (provided that in this case, the tenant is also required to provide the borrower with six months prior written notice).

(6) Egon Zehnder has 5,130 square feet expiring February 1, 2019 and 2,483 square feet expiring February 28, 2019.

(7) Pan American is entitled to free rent for the period of April 1, 2017 – July 31, 2017. At loan closing, the borrower deposited \$85,164 in escrow related to this four month free rent period. One quarter of such reserve amount may be released to the borrower on or after the last day of each free rent month.

## Alhambra Towers

| Lease Rollover Schedule <sup>(1)(2)</sup> |                           |                            |                   |                                   |                         |                                       |                              |                               |                                    |
|---|---------------------------|----------------------------|-------------------|-----------------------------------|-------------------------|---------------------------------------|------------------------------|-------------------------------|------------------------------------|
| Year                                      | Number of Leases Expiring | Net Rentable Area Expiring | % of NRA Expiring | Base Rent Expiring <sup>(3)</sup> | % of Base Rent Expiring | Cumulative Net Rentable Area Expiring | Cumulative % of NRA Expiring | Cumulative Base Rent Expiring | Cumulative % of Base Rent Expiring |
| Vacant                                    | NAP                       | 6,500                      | 3.7%              | NAP                               | NAP                     | 6,500                                 | 3.7%                         | NAP                           | NAP                                |
| 2017 & MTM                                | 4                         | 1,808                      | 1.0               | \$92,064                          | 1.3%                    | 8,308                                 | 4.8%                         | \$92,064                      | 1.3%                               |
| 2018 <sup>(4)</sup>                       | 3                         | 25,553                     | 14.7              | 1,235,096                         | 16.9                    | 33,861                                | 19.4%                        | \$1,327,160                   | 18.1%                              |
| 2019                                      | 6                         | 20,475                     | 11.8              | 925,130                           | 12.6                    | 54,336                                | 31.2%                        | \$2,252,290                   | 30.7%                              |
| 2020                                      | 3                         | 7,492                      | 4.3               | 342,120                           | 4.7                     | 61,828                                | 35.5%                        | \$2,594,410                   | 35.4%                              |
| 2021                                      | 2                         | 30,958                     | 17.8              | 1,272,828                         | 17.4                    | 92,786                                | 53.2%                        | \$3,867,238                   | 52.8%                              |
| 2022                                      | 6                         | 66,202                     | 38.0              | 2,809,495                         | 38.3                    | 158,988                               | 91.2%                        | \$6,676,733                   | 91.1%                              |
| 2023                                      | 0                         | 0                          | 0.0               | 0                                 | 0.0                     | 158,988                               | 91.2%                        | \$6,676,733                   | 91.1%                              |
| 2024                                      | 1                         | 5,379                      | 3.1               | 231,297                           | 3.2                     | 164,367                               | 94.3%                        | \$6,908,030                   | 94.3%                              |
| 2025                                      | 1                         | 3,800                      | 2.2               | 163,286                           | 2.2                     | 168,167                               | 96.5%                        | \$7,071,316                   | 96.5%                              |
| 2026                                      | 0                         | 0                          | 0.0               | 0                                 | 0.0                     | 168,167                               | 96.5%                        | \$7,071,316                   | 96.5%                              |
| 2027 & Beyond                             | 1                         | 6,083                      | 3.5               | 255,486                           | 3.5                     | 174,250                               | 100.0%                       | \$7,326,802                   | 100.0%                             |
| <b>Total</b>                              | <b>27</b>                 | <b>174,250</b>             | <b>100.0%</b>     | <b>\$7,326,802</b>                | <b>100.0%</b>           |                                       |                              |                               |                                    |

(1) Based on the underwritten rent roll.

(2) Certain tenants may have lease termination or contraction options that are exercisable prior to the originally stated expiration date of the subject lease and that are not considered in the Lease Rollover Schedule.

(3) Base Rent Expiring include \$127,311 attributable to contractual rent steps underwritten through November 2017.

(4) Finser Corporation recently executed a 10-month extension (the "Holdover Period") through February 7, 2018 and will be vacating the property at that time as the tenant is seeking to relocate to Downtown Miami. Although the Holdover Period rent will be \$69.38 per square foot, the space is being underwritten at the current in-place rent. In order to mitigate Finser's lease expiration in 2018, the borrower funded a performance reserve of \$5.0 million at loan closing.

| Operating History and Underwritten Net Cash Flow |                    |                    |                    |                    |                    |                 |                  |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|-----------------|------------------|
|  | 2013               | 2014               | 2015               | TTM <sup>(1)</sup> | Underwritten       | Per Square Foot | % <sup>(2)</sup> |
| Rents in Place <sup>(3)</sup>                    | \$5,753,498        | \$6,544,530        | \$6,819,382        | \$7,229,832        | \$7,199,490        | \$41.32         | 90.1%            |
| Vacant Income                                    | 0                  | 0                  | 0                  | 0                  | 227,500            | 1.31            | 2.8              |
| Rent Steps <sup>(4)</sup>                        | 0                  | 0                  | 0                  | 0                  | 127,311            | 0.73            | 1.6              |
| <b>Gross Potential Rent</b>                      | <b>\$5,753,498</b> | <b>\$6,544,530</b> | <b>\$6,819,382</b> | <b>\$7,229,832</b> | <b>\$7,554,302</b> | <b>\$43.35</b>  | <b>94.5%</b>     |
| Total Reimbursements                             | 217,477            | 308,956            | 336,632            | 343,226            | 439,657            | 2.52            | 5.5              |
| <b>Net Rental Income</b>                         | <b>\$5,970,975</b> | <b>\$6,853,486</b> | <b>\$7,156,014</b> | <b>\$7,573,058</b> | <b>\$7,993,958</b> | <b>\$45.88</b>  | <b>100.0%</b>    |
| (Vacancy/Credit Loss)                            | 0                  | 0                  | 0                  | 0                  | (563,616)          | (3.23)          | (7.1)            |
| Other Income <sup>(5)</sup>                      | 757,953            | 812,319            | 949,138            | 969,487            | 969,487            | 5.56            | 12.1             |
| <b>Effective Gross Income</b>                    | <b>\$6,728,928</b> | <b>\$7,665,805</b> | <b>\$8,105,152</b> | <b>\$8,542,545</b> | <b>\$8,399,830</b> | <b>\$48.21</b>  | <b>105.1%</b>    |
| <b>Total Expenses</b>                            | <b>\$2,961,537</b> | <b>\$2,947,145</b> | <b>\$2,889,327</b> | <b>\$2,781,819</b> | <b>\$3,068,928</b> | <b>\$17.61</b>  | <b>36.5%</b>     |
| <b>Net Operating Income</b>                      | <b>\$3,767,391</b> | <b>\$4,718,660</b> | <b>\$5,215,825</b> | <b>\$5,760,726</b> | <b>\$5,330,902</b> | <b>\$30.59</b>  | <b>63.5%</b>     |
| Total TI/LC, Capex/RR                            | 0                  | 0                  | 0                  | 0                  | 296,225            | 1.70            | 3.5              |
| <b>Net Cash Flow</b>                             | <b>\$3,767,391</b> | <b>\$4,718,660</b> | <b>\$5,215,825</b> | <b>\$5,760,726</b> | <b>\$5,034,677</b> | <b>\$28.89</b>  | <b>59.9%</b>     |

(1) TTM reflects the trailing twelve month period ending September 30, 2016.

(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) Historical Rents in Place are presented net of any applicable rent abatements afforded to tenants in accordance with their respective leases. At origination, the borrower deposited into escrow \$167,267 for rent abatements related to three tenants.

(4) Rent Steps are underwritten through November 2017.

(5) Other Income is comprised of parking income and tenant services.

## Alhambra Towers

**The Market.** The property is located in Coral Gables, Florida, a city within Miami-Dade County, approximately six miles from the Miami central business district. The property has frontage on three arterials, including Alhambra Plaza, the major gateway into Downtown Coral Springs. The Coral Gables submarket is characterized by mediterranean style buildings along tree lined streets interspersed with sculptures and fountains. The Coral Gables trolley, which provides access along Ponce de Leon Boulevard between the metrorail station along Dixie Highway and Flagler Street, has a stop along Alhambra Circle. In addition, the Miami-Dade Transit Metrobus has a stop along Southwest 37<sup>th</sup> Street or Aragon Avenue. The immediate area is developed with a mix of office, residential and retail uses. Coral Gables is home to many global companies including American Airlines, Kraft Foods, Bacardi U.S.A. and HBO Latin America, who have based their Latin American operations within the city limits. The area is experiencing a high level of new development including multifamily, retail, office and hotel development. More specifically, the property is located in downtown Coral Gables in an area known as "Miracle Mile," which is one of South Florida's most sought-after shopping destinations. Miracle Mile is a pedestrian friendly area featuring boutique shops, art galleries, restaurants, and a live theater. Miracle Mile and The Village of Merrick Park are the major retail corridors in the area. The Village of Merrick Park contains 780,000 square feet of mixed-use retail, residential and office space and is anchored by Neiman Marcus and Nordstrom and has over 100 retailers such as Tiffany & Co., Burberry, Coach and Gucci.

According to the appraisal, the property is located in the Coral Gables office submarket. As of the third quarter of 2016, the submarket comprised approximately 10.7 million square feet of office space with an overall vacancy rate of 9.0% and average office rents of \$37.45 per square foot and Class A office rents of \$39.88 per square foot. This compares to 9.3% and \$35.63 per square foot respectively, as of third quarter 2015. The appraisal identified six directly competitive properties built between 1974 and 2004 and ranging in size from approximately 175,376 to 261,866 square feet. The comparable properties reported occupancies ranging from 73.0% to 96.0%, with a weighted average of 85.5%. Asking rents for the comparable properties range from \$29.00 to \$47.00 per square foot. The weighted average in-place rental rate at Alhambra Towers is \$42.92 per square foot, which is in line with the appraisal concluded market rent of \$45.00 per square foot for office space less than 10,000 square feet and \$43.00 per square foot for office space greater than 10,000 square feet. Additionally, the appraisal concluded market rent of \$60.00 per square foot for the bank space and \$35.00 per square foot for retail space.

**The Borrower.** The borrowing entity for the Alhambra Towers loan is 121 Alhambra Tower, LLC, a Delaware limited liability company and special purpose entity with two independent directors in its organizational structure. Legal counsel to the borrower delivered a non-consolidation opinion in connection with the origination of the Alhambra Towers loan.

**The Loan Sponsor.** The loan sponsor and nonrecourse carve-out guarantor is William Allen Morris. Mr. Morris has been the Chairman, President, and CEO of the Allen Morris Company since 1980. Founded in 1958, the Allen Morris Company is one of the largest diversified real estate firms in the southeast specializing in commercial development, investment sales, commercial leasing, and property management.

**Property Management.** The Alhambra Towers property is managed by the Allen Morris Company, an affiliate of the borrower.

**Escrows and Reserves.** At origination, the borrower was required to deposit into escrow \$5,000,000 for a performance reserve, \$2,500,000 for future tenant improvements and leasing commissions, \$167,267 for rent abatements related to three tenants and \$32,274 for outstanding tenant improvements and leasing commissions related to one tenant.

**Tax Escrows** – On a monthly basis, the borrower is required to escrow 1/12 of the annual estimated tax payments, which currently equates to \$77,767.

**Insurance Escrows** – The requirement for the borrower to make monthly deposits to the insurance escrow is waived so long as the property is insured under a blanket insurance policy in accordance with the loan documents.

**Replacement Reserves** – On a monthly basis, the borrower is required to escrow \$2,904 (approximately \$0.20 per square foot annually) for replacement reserves.

**TI/LC Reserves** – On a monthly basis, the borrower is required to escrow \$21,781 (approximately \$1.50 per square foot annually) in cash or an acceptable letter of credit for tenant improvements and leasing commissions, subject to a cap of \$1,500,000 after the PR Release Conditions (as defined below) have been satisfied.



## Alhambra Towers

**Performance Reserve** – The loan documents provide that amounts in the performance reserve will be released (in whole or in part, but not more than six times during the Alhambra Towers loan term and not more than once in any three-month period) upon satisfaction of the following conditions (i) no event of default; (ii) the borrower has entered into one or more new Acceptable Finser Replacement Leases (as defined below); (iii) occupancy is not less than 85.0%; and (iv) the underwritten debt yield is not less than 8.25% ((i), (ii), (iii) and (iv), the **“PR Release Conditions”**). **“Acceptable Finser Replacement Lease”** means one or more leases covering all or any portion of the premises demised under the Finser lease provided that (a) such lease or leases are for a term of not less than five years; (b) all tenant improvements have been completed; (c) the commencement date of such lease or leases have occurred and the related tenant or tenants have accepted possession of its premises and are conducting business; and (d) (1) if the lease is to a tenant with a long-term unsecured debt rating of at least BBB- by S&P or its equivalent by other rating agencies (an **“Investment Grade Tenant”**), such tenant has commenced payment of the full amount of its rent under such lease with any concessions expiring no later than six months following the applicable date of release of the Performance Reserve funds or (2) if the lease is not to an Investment Grade Tenant, such tenant has commenced payment of the full amount of its rent under such lease with any concession periods provided for in such lease having expired.

**Lockbox / Cash Management.** The loan is structured with a hard lockbox and springing cash management. The borrower and property manager are required to direct all tenants to pay rents directly into such lockbox account. Any rents or other charges related to the Alhambra Towers property are required to be deposited into the lockbox account within one business day of receipt. Prior to the occurrence of a Cash Management Trigger Event (as defined below), all funds on deposit in the lockbox account are disbursed to the borrower. During the occurrence and continuance of a Cash Management Trigger Event, all funds in the lockbox account are swept daily to a segregated cash management account under the control of the lender. The Alhambra Towers loan documents provide that to the extent there is a Cash Sweep Event (as defined below) continuing, all excess cash flow after payment of the mortgage debt service, required reserves and customary expenses in accordance with the loan documents will be held as additional collateral for the Alhambra Towers loan. If no Cash Sweep Event is in effect, then all funds in the excess cash flow account after payment of the mortgage debt service, required reserves and customary expenses in accordance with the loan documents will be disbursed to the borrower. The lender has a first priority security interest in the cash management account.

A **“Cash Management Trigger Event”** means the occurrence of (i) an event of default, (ii) any bankruptcy action of borrower, guarantor or manager, or (iii) a Cash Management DSCR Trigger Event (as defined below).

A **“Cash Management DSCR Trigger Event”** means any period that the debt service coverage ratio as calculated in the loan documents based on the trailing 12-month period is less than 1.15x.

A **“Cash Sweep Event”** means the occurrence of (i) an event of default, (ii) any bankruptcy action of borrower, guarantor or manager, or (iii) a Cash Sweep DSCR Trigger Event (as defined below).

A **“Cash Sweep DSCR Trigger Event”** means any period that the debt service coverage ratio as calculated in the loan documents based on the trailing 12-month period is less than 1.10x.

**Subordinate and Mezzanine Debt.** None.

**Partial Release.** Not Permitted.

**Ground Lease.** None.

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1166 Avenue of the Americas

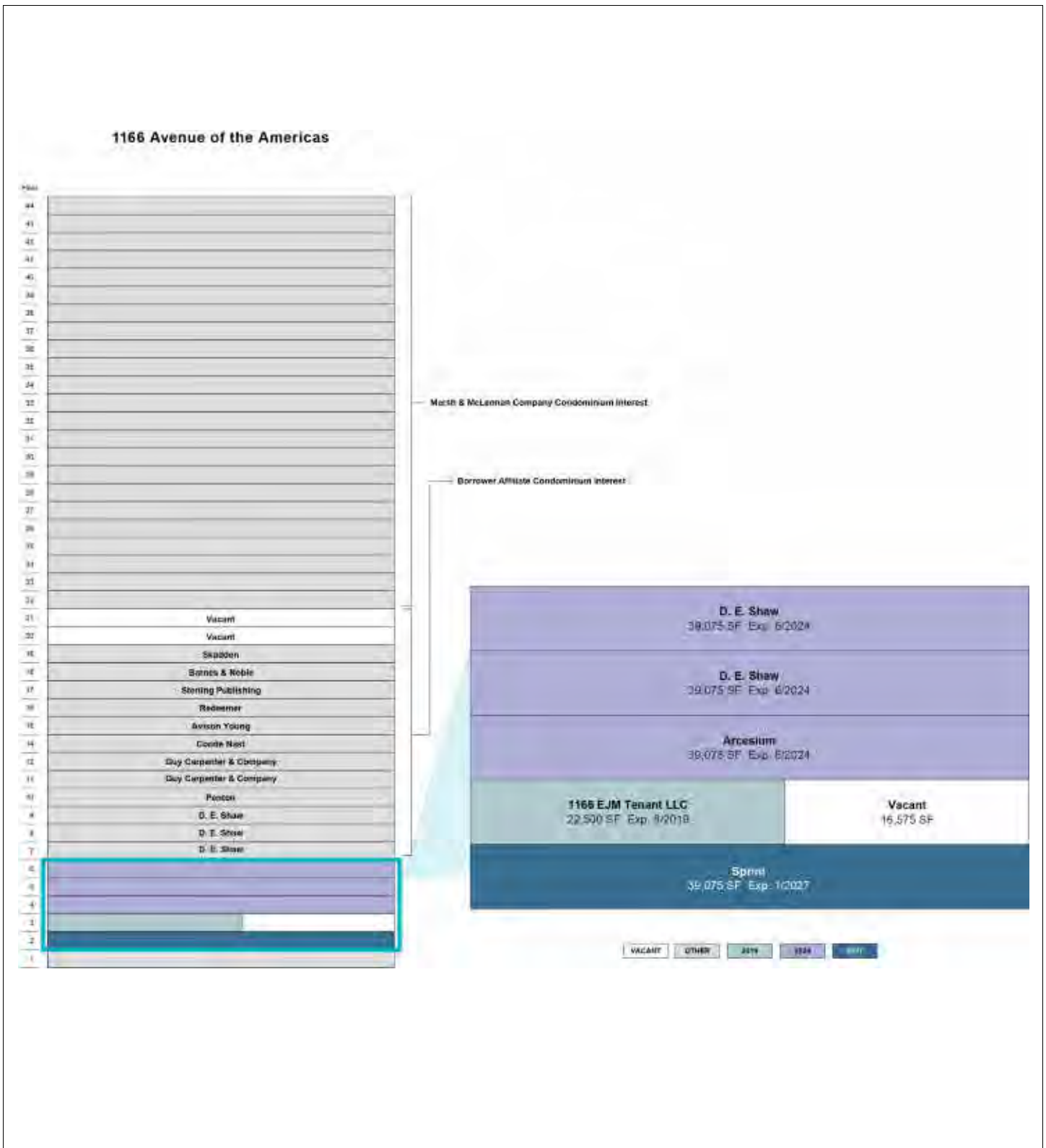




1166 Avenue of the Americas



## 1166 Avenue of the Americas



## 1166 Avenue of the Americas

## Mortgage Loan Information

|  |  |
|--|--|
| <b>Mortgage Loan Seller:</b>                         | Barclays                                   |
| <b>Original Principal Balance<sup>(1)</sup>:</b>     | \$56,250,000                               |
| <b>Cut-off Date Principal Balance<sup>(1)</sup>:</b> | \$56,250,000                               |
| <b>% of IPB:</b>                                     | 6.6%                                       |
| <b>Loan Purpose:</b>                                 | Refinance                                  |
| <b>Borrower:</b>                                     | 1166 EJM LLC                               |
| <b>Sponsor:</b>                                      | Edward J. Minskoff Equities, Inc.          |
| <b>Interest Rate:</b>                                | 5.27880%                                   |
| <b>Note Date:</b>                                    | 1/11/2017                                  |
| <b>Maturity Date:</b>                                | 2/6/2027                                   |
| <b>Interest-only Period:</b>                         | 120 months                                 |
| <b>Original Term:</b>                                | 120 months                                 |
| <b>Original Amortization Term:</b>                   | None                                       |
| <b>Amortization Type:</b>                            | Interest Only                              |
| <b>Call Protection<sup>(2)</sup>:</b>                | L(24),Def(89),O(7)                         |
| <b>Lockbox / Cash Management:</b>                    | Hard / Springing                           |
| <b>Additional Debt:</b>                              | Yes  |
| <b>Additional Debt Balance:</b>                      | \$28,750,000 / \$25,000,000 / \$20,000,000 |
| <b>Additional Debt Type:</b>                         | Pari Passu / B-Note / Mezzanine Loan       |

## Property Information

|  |                              |
|--|------------------------------|
| <b>Single Asset / Portfolio:</b>                             | Single Asset                 |
| <b>Title:</b>  | Fee                          |
| <b>Property Type – Subtype:</b>                              | Office – CBD                 |
| <b>Net Rentable Area (SF):</b>                               | 195,375                      |
| <b>Location:</b>   | New York, NY                 |
| <b>Year Built / Renovated:</b>                               | 1974 / N/A                   |
| <b>Occupancy<sup>(3)</sup>:</b>                              | 91.5%                        |
| <b>Occupancy Date:</b>                                       | 1/24/2017                    |
| <b>4<sup>th</sup> Most Recent NOI (As of):</b>               | \$8,680,406 (12/31/2013)     |
| <b>3<sup>rd</sup> Most Recent NOI (As of)<sup>(4)</sup>:</b> | \$9,152,554 (12/31/2014)     |
| <b>2<sup>nd</sup> Most Recent NOI (As of)<sup>(4)</sup>:</b> | \$8,250,030 (12/31/2015)     |
| <b>Most Recent NOI (As of)<sup>(4)(5)</sup>:</b>             | \$6,347,326 (TTM 10/31/2016) |
| <b>UW Economic Occupancy<sup>(3)</sup>:</b>                  | 91.5%                        |
| <b>UW Revenues:</b>  | \$14,201,718                 |
| <b>UW Expenses:</b>  | \$5,559,507                  |
| <b>UW NOI<sup>(5)(6)</sup>:</b>                              | \$8,642,211                  |
| <b>UW NCF<sup>(6)</sup>:</b>                                 | \$8,151,944                  |
| <b>Appraised Value / Per SF<sup>(7)</sup>:</b>               | \$225,000,000 / \$1,152      |
| <b>Appraisal Date:</b>                                       | 1/1/2017                     |

Escrows and Reserves<sup>(8)</sup>

|                              | Initial      | Monthly   | Initial Cap |
|------------------------------|--------------|-----------|-------------|
| <b>Taxes:</b>                | \$0          | Springing | N/A         |
| <b>Insurance:</b>            | \$0          | Springing | N/A         |
| <b>Replacement Reserves:</b> | \$0          | Springing | N/A         |
| <b>TI/LC:</b>                | \$0          | Springing | N/A         |
| <b>Other:</b>                | \$17,829,009 | Springing | N/A         |

## Financial Information

|   | A-Notes <sup>(1)</sup> | Whole Loan |
|---|------------------------|------------|
| <b>Cut-off Date Loan / SF:</b>          | \$435                  | \$563      |
| <b>Maturity Date Loan / SF:</b>         | \$435                  | \$563      |
| <b>Cut-off Date LTV<sup>(7)</sup>:</b>  | 37.8%                  | 48.9%      |
| <b>Maturity Date LTV<sup>(7)</sup>:</b> | 37.8%                  | 48.9%      |
| <b>UW NCF DSCR:</b>                     | 1.79x                  | 1.37x      |
| <b>UW NOI Debt Yield:</b>               | 10.2%                  | 7.9%       |

## Sources and Uses

| Sources                      | Proceeds             | % of Total    | Uses                 | Proceeds             | % of Total    |
|------------------------------|----------------------|---------------|----------------------|----------------------|---------------|
| Mortgage Loan <sup>(1)</sup> | \$85,000,000         | 65.4%         | Payoff Existing Debt | \$110,534,218        | 85.0%         |
| B-Note <sup>(1)</sup>        | 25,000,000           | 19.2          | Upfront Reserves     | 17,829,009           | 13.7          |
| Mezzanine Loan               | 20,000,000           | 15.4          | Closing Costs        | 1,447,482            | 1.1           |
|                              |                      |               | Return of Equity     | 189,291              | 0.1           |
| <b>Total Sources</b>         | <b>\$130,000,000</b> | <b>100.0%</b> | <b>Total Uses</b>    | <b>\$130,000,000</b> | <b>100.0%</b> |

(1) The 1166 Avenue of the Americas loan is part of a whole loan evidenced by two *pari passu* senior notes with an aggregate original principal balance of \$85.0 million and a subordinate companion loan (the “**B-Note**”) with an original principal balance of \$25.0 million. The A-Notes Financial Information presented in the chart above reflects the Cut-off Date balance of the 1166 Avenue of the Americas A-Notes, as defined in “*The Loan*” below. The Whole Loan Financial Information presented in the chart above reflects the Cut-off Date balance of the A-Notes and the B-Note evidencing the 1166 Avenue of the Americas Whole Loan, but excludes the related mezzanine loan.

(2) The lockout period will be at least 24 payments beginning with and including March 6, 2017. Defeasance of the full \$110.0 million 1166 Avenue of the Americas Whole Loan is permitted after the date that is the earlier to occur of (i) two years from the closing date of the securitization that includes the last note to be securitized and (ii) January 11, 2020.

(3) Occupancy and UW Economic Occupancy include 1166 EJM Tenant LLC, a sponsor-affiliated tenant that has executed a 30-month master lease commencing on February 1, 2017 for 22,500 square feet on the third floor. The sponsor has provided a guaranty for such master leased space and an upfront reserve of approximately \$4.1 million was escrowed for third floor leasing costs. Occupancy excluding 1166 EJM Tenant LLC is 80.0%. According to the sponsor, they have identified a third party tenant with whom they have agreed to a term sheet for, and are currently negotiating a lease, for most of the space on the third floor. See “*The Property*” below.



## 1166 Avenue of the Americas

- (4) The decrease in Most Recent NOI from 3<sup>rd</sup> Most Recent NOI is a result of CT Partners, a prior tenant that vacated their space overnight in mid-2015 due to corporate level issues including bankruptcy.
- (5) The increase in UW NOI from Most Recent NOI is primarily due to (i) the sponsor executing a master lease for 22,500 square feet of space on the third floor and (ii) underwriting the renewal rental rates for D.E. Shaw, Sprint and Arcesium, which commence between February 1, 2017 and April 1, 2017.
- (6) UW NOI and UW NCF excluding the master lease rental income are \$7,179,711 and \$6,689,444, respectively.
- (7) The Appraised Value / Per SF, Cut-off Date LTV and Maturity Date LTV are calculated based on the "As-Is Assuming Holdbacks" Appraised Value of \$225,000,000. All such holdbacks were reserved upfront. Based on the "as-is" Appraised Value of \$205.0 million, the Cut-off Date LTV for the 1166 Avenue of the Americas A-Notes is 41.5%, the Cut-off Date LTV for the 1166 Avenue of the Americas Whole Loan is 53.7% and the Cut-off Date LTV for the total debt including the \$20.0 million mezzanine loan is 63.4%.
- (8) For a full description of Escrows and Reserves, please refer to "Escrows and Reserves" below.

**The Loan.** The 1166 Avenue of the Americas loan is secured by a first mortgage lien on the borrower's fee interest in condominium units representing five floors of a Class A office building located in New York, New York. The whole loan was originated by Barclays and has an outstanding principal balance as of the Cut-off Date of \$110.0 million (the "1166 Avenue of the Americas Whole Loan"), and is comprised of two *pari passu* senior notes, Note A-1 and Note A-2, with an aggregate outstanding principal balance as of the Cut-off Date of \$85.0 million (the "1166 Avenue of the Americas A-Notes") and a subordinate B-Note with an outstanding principal balance as of the Cut-off Date of \$25.0 million (the "1166 Avenue of the Americas Subordinate Companion Loan"). Note A-1, with an outstanding principal balance as of the Cut-off Date of approximately \$56.3 million, is being contributed to the BBCMS 2017-C1 trust (the "1166 Avenue of the Americas Mortgage Loan"). Note A-2 is held by Barclays, has an outstanding principal balance as of the Cut-off Date of approximately \$28.8 million and is expected to be contributed to a future securitization trust (the "1166 Avenue of the Americas Pari Passu Companion Loan"). The 1166 Avenue of the Americas Subordinate Companion Loan is currently held by Barclays, but is anticipated to be sold to a third party investor. Under the related intercreditor agreement, prior to a control appraisal period with respect to the 1166 Avenue of the Americas Subordinate Companion Loan, under certain circumstances, the holder of the 1166 Avenue of the Americas Subordinate Companion Loan will have the right to approve certain major decisions with respect to the 1166 Avenue of the Americas Whole Loan. After a control appraisal period occurs with respect to the 1166 Avenue of the Americas Subordinate Companion Loan, the holder of Note A-1 will be entitled to exercise the rights of the controlling noteholder for the 1166 Avenue of the Americas Whole Loan; however, the holder of the 1166 Avenue of the Americas Pari Passu Companion Loan will be entitled, under certain circumstances, to be consulted with respect to certain major decisions. The 1166 Avenue of the Americas Whole Loan has a 10-year term and is interest-only for the full term of the loan. The previously existing debt was securitized in the LBUBS 2007-C1 transaction.

| Whole Loan Summary |                      |                         |                                  |
|--------------------|----------------------|-------------------------|----------------------------------|
| Note               | Original Balance     | Note Holder             | Controlling Piece <sup>(1)</sup> |
| A-1                | \$56,250,000         | BBCMS 2017-C1           | No                               |
| A-2                | \$28,750,000         | Barclays                | No                               |
| B-1                | \$25,000,000         | Barclays <sup>(2)</sup> | Yes                              |
| <b>Total</b>       | <b>\$110,000,000</b> |                         |                                  |

(1) The 1166 Avenue of the Americas Whole Loan will be serviced pursuant to the BBCMS 2017-C1 pooling and servicing agreement. However, so long as no control appraisal period has occurred and is continuing, the holder of the 1166 Avenue of the Americas Subordinate Companion Loan will be the controlling noteholder and will have the right to approve certain modifications and consent to certain actions to be taken with respect to the 1166 Avenue of the Americas Whole Loan. If a control appraisal period has occurred and is continuing, the holder of Note A-1 will be the controlling noteholder.

(2) Note B-1 is currently held by Barclays but is anticipated to be sold to a third party investor.

## 1166 Avenue of the Americas

**The Property.** 1166 Avenue of the Americas is a 44-story, 1,204,839 square foot, Class A office building located on Avenue of the Americas between West 45<sup>th</sup> Street and West 46<sup>th</sup> Street in midtown Manhattan. The property was built in 1974 and is currently undergoing lobby renovations, which are expected to be substantially completed by March 31, 2017. As a part of the ongoing renovation, the property's lobby was redesigned by Gensler showcasing modern art by Roy Lichtenstein and Kaws. The scope of the lobby renovation work includes the installation of new lobby desks, new glass security panels, new security turnstiles, new sheetrock ceilings, new light fixtures throughout the space and the refinishing of all interior lobby columns. Originally built as the world headquarters for International Paper Company, 1166 Avenue of the Americas currently serves as the world headquarters to Marsh & McLennan Companies who occupy floors 22 to 44 (not collateral). The property's floor heights are generally 11.5 feet; however, Sprint's second floor space boasts a floor height of 20 feet. 1166 Avenue of the Americas also benefits from its high-tech infrastructure, providing tenants with access to multiple high-quality internet service providers and fiber optic connections. 1166 Avenue of the Americas is comprised of a 46-unit condominium, of which five units, floors 2-6 serve as collateral for the 1166 Avenue of the Americas Whole Loan ("**1166 Avenue of the Americas Property**" or "**Property**") and comprise 195,375 square feet of net rentable area.

From 2013 through 2016, physical occupancy at the 1166 Avenue of the Americas Property averaged approximately 93.0%. As of January 24, 2017, the Property was 91.5% occupied by four tenants, inclusive of the sponsor's master lease. The Property is 80.0% occupied excluding the sponsor's master lease. The largest tenant, D.E. Shaw, leases 78,150 square feet (40.0% of the net rentable area) through June 2024, and will comprise the entirety of the fifth and sixth floors. D.E. Shaw has been a tenant at the property since September 2006. The tenant has one five-year extension option remaining. Founded in 1998, D.E. Shaw is a global investment and technology development firm with more than \$40 billion in investment capital as of October 1, 2016. D.E. Shaw invests globally in both public and private markets and is recognized as a pioneer in quantitative investing, particularly in equities, futures and options. 1166 Avenue of the Americas serves as the headquarters for D.E. Shaw. The second largest tenant, Sprint, leases 20.0% of the net rentable area through January 2027, comprising the entirety of the second floor, and has been a tenant at the property since June 2006. The tenant has one five-year extension option remaining. Sprint is a communications company that offers a wide range of wireless and wireline communications products and services to various types of consumers. Sprint utilizes their office space at the Property for their executive offices, their sales and marketing division and as showrooms. The third largest tenant at the property, Arcesium, occupies 20.0% of the net rentable area through June 2024, and will comprise the entirety of the fourth floor. Arcesium has one five-year renewal option remaining. Launched by and affiliated with D.E. Shaw in 2015 and now its own independent company, Arcesium is a post-trade technology and professional services firm offering technology platforms to hedge fund professionals to solve their post-trade challenges. Arcesium has received additional equity backing from Blackstone Alternative Asset Management and has since grown to support more than \$60 billion in assets with a staff of over 550 professionals. Arcesium's lease is guaranteed by D.E. Shaw. The third floor was previously occupied by CT Partners until June 2015 when they vacated their space with little notice due to corporate issues including bankruptcy. 1166 EJM Tenant LLC, a sponsor-affiliated entity, will master lease 22,500 square feet, representing approximately 57.6% of the third floor for a term of 30 months. Edward J. Minskoff has executed a personal guaranty for such space. According to the sponsor, they have identified a third party tenant with whom they have agreed to a term sheet for and are currently negotiating a lease that encompasses most of the third floor for a 10-year term and a base rental rate higher than that of the master lease base rental rate. An upfront reserve of approximately \$4.1 million was reserved for third floor leasing costs.

**Environmental.** According to a Phase I environmental assessment dated December 9, 2016, there was no evidence of any recognized environmental conditions at the 1166 Avenue of the Americas Property.

| Historical and Current Occupancy <sup>(1)</sup> |        |       |                        |
|---|--------|-------|------------------------|
| 2013  | 2014   | 2015  | Current <sup>(2)</sup> |
| 100.0%  | 100.0% | 90.0% | 91.5%                  |

(1) Historical Occupancies are the averages of each respective year.

(2) Current Occupancy is as of January 24, 2017 and includes the sponsor's master lease space representing 22,500 square feet or 11.5% of the net rentable area. Excluding the sponsor's master lease space, the property is 80.0% occupied.

## 1166 Avenue of the Americas

| Top Four Tenant Summary <sup>(1)</sup> |   |                              |                   |                  |                     |                            |                          |
|--|---|------------------------------|-------------------|------------------|---------------------|----------------------------|--------------------------|
| Tenant                                 | Ratings <sup>(2)</sup><br>Moody's/S&P/Fitch | Net<br>Rentable<br>Area (SF) | % of<br>Total NRA | Base Rent<br>PSF | Base Rent           | % of Total<br>Base<br>Rent | Lease<br>Expiration Date |
| D.E. Shaw                              | NA / NA / NA                                | 78,150                       | 40.0%             | \$76.24          | \$5,958,156         | 44.3%                      | 6/30/2024                |
| Sprint <sup>(3)</sup>                  | Ba1 / BB+ / NA                              | 39,075                       | 20.0              | \$81.00          | 3,165,075           | 23.6                       | 1/31/2027                |
| Arcesium <sup>(4)</sup>                | NA / NA / NA                                | 39,075                       | 20.0              | \$73.00          | 2,852,475           | 21.2                       | 6/30/2024                |
| 1166 EJM Tenant LLC <sup>(5)</sup>     | NA / NA / NA                                | 22,500                       | 11.5              | \$65.00          | 1,462,500           | 10.9                       | 8/1/2019 <sup>(6)</sup>  |
| <b>Top Four Tenants</b>                |   | <b>178,800</b>               | <b>91.5%</b>      | <b>\$75.16</b>   | <b>\$13,438,206</b> | <b>100.0%</b>              |                          |
| <b>Non Top Four Tenants</b>            |   | <b>0</b>                     | <b>0.0%</b>       | <b>\$0.00</b>    | <b>\$0</b>          | <b>0.0%</b>                |                          |
| <b>Occupied Collateral Total</b>       |   | <b>178,800</b>               | <b>91.5%</b>      | <b>\$75.16</b>   | <b>\$13,438,206</b> | <b>100.0%</b>              |                          |
| <b>Vacant Space</b>                    |   | <b>16,575</b>                | <b>8.5%</b>       |                  |                     |                            |                          |
| <b>Collateral Total</b>                |   | <b>195,375</b>               | <b>100.0%</b>     |                  |                     |                            |                          |

(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) Sprint has the right to terminate its lease on January 31, 2022 with 15 months' notice and the payment of a termination fee equal to nine months of fixed rent and the unamortized leasing costs.

(4) Arcesium has the right to terminate its lease on October 1, 2021 with 12 months' notice and the payment of a termination fee equal to two months of rent and the unamortized leasing costs.

(5) An affiliate of the sponsor is master leasing 22,500 square feet of the third floor and Edward J. Minskoff has provided a personal guaranty for such master leased space. According to the sponsor, they have identified a third party tenant with whom they have agreed to a term sheet for, and are currently negotiating a lease that encompasses most of the third floor, for a 10-year term and a base rental rate higher than that of the master lease base rental rate.

(6) The tenant's master lease expires upon the earlier of (i) the date on which all or any portion of the third floor have been relet pursuant to one or more leases that are, (a) at least 60 months in term, with no termination option during that time, (b) having a base rent of not less than \$65.00 per square foot after the first year, (c) other lease terms are in line with market with a tenant that is suitable for occupancy in a Class A office building and (d) such tenant takes the space as-is or, (ii) August 1, 2019. In addition, the rent payable under the master lease is reduced proportionately as rent is paid under qualifying leases of the space.

| Lease Rollover Schedule <sup>(1)</sup> |                                    |                                     |                         |                       |                               |   |                                    |                                     |   |
|--|------------------------------------|-------------------------------------|-------------------------|-----------------------|-------------------------------|---|------------------------------------|-------------------------------------|---|
| Year                                   | Number<br>of<br>Leases<br>Expiring | Net<br>Rentable<br>Area<br>Expiring | % of<br>NRA<br>Expiring | Base Rent<br>Expiring | % of Base<br>Rent<br>Expiring | Cumulative<br>Net<br>Rentable<br>Area<br>Expiring | Cumulative<br>% of NRA<br>Expiring | Cumulative<br>Base Rent<br>Expiring | Cumulative<br>% of Base<br>Rent<br>Expiring |
| Vacant                                 | NAP                                | 16,575                              | 8.5%                    | NAP                   | NAP                           | 16,575  | 8.5%                               | NAP                                 | NAP   |
| 2017 & MTM                             | 0                                  | 0                                   | 0.0                     | \$0                   | 0.0%                          | 16,575  | 8.5%                               | \$0                                 | 0.0%  |
| 2018                                   | 0                                  | 0                                   | 0.0                     | 0                     | 0.0                           | 16,575  | 8.5%                               | \$0                                 | 0.0%  |
| 2019 <sup>(2)</sup>                    | 1                                  | 22,500                              | 11.5                    | 1,462,500             | 10.9                          | 39,075  | 20.0%                              | \$1,462,500                         | 10.9%                                       |
| 2020                                   | 0                                  | 0                                   | 0.0                     | 0                     | 0.0                           | 39,075  | 20.0%                              | \$1,462,500                         | 10.9%                                       |
| 2021                                   | 0                                  | 0                                   | 0.0                     | 0                     | 0.0                           | 39,075  | 20.0%                              | \$1,462,500                         | 10.9%                                       |
| 2022                                   | 0                                  | 0                                   | 0.0                     | 0                     | 0.0                           | 39,075  | 20.0%                              | \$1,462,500                         | 10.9%                                       |
| 2023                                   | 0                                  | 0                                   | 0.0                     | 0                     | 0.0                           | 39,075  | 20.0%                              | \$1,462,500                         | 10.9%                                       |
| 2024                                   | 2                                  | 117,225                             | 60.0                    | 8,810,631             | 65.6                          | 156,300   | 80.0%                              | \$10,273,131                        | 76.4%                                       |
| 2025                                   | 0                                  | 0                                   | 0.0                     | 0                     | 0.0                           | 156,300   | 80.0%                              | \$10,273,131                        | 76.4%                                       |
| 2026                                   | 0                                  | 0                                   | 0.0                     | 0                     | 0.0                           | 156,300   | 80.0%                              | \$10,273,131                        | 76.4%                                       |
| 2027 & Beyond                          | 1                                  | 39,075                              | 20.0                    | 3,165,075             | 23.6                          | 195,375   | 100.0%                             | \$13,438,206                        | 100.0%                                      |
| <b>Total</b>                           | <b>4</b>                           | <b>195,375</b>                      | <b>100.0%</b>           | <b>\$13,438,206</b>   | <b>100.0%</b>                 |   |                                    |                                     |   |

(1) Based on the underwritten rent roll.

(2) Includes the sponsor's master lease space commencing on February 1, 2017. The sponsor's master lease expires upon the earlier of (i) the date on which all or any portion of the third floor have been relet pursuant to one or more leases that are, (a) at least 60 months in term, with no termination option during that time, (b) having a base rent of not less than \$65.00 per square foot after the first year, (c) other lease terms are in line with market with a tenant that is suitable for occupancy in a Class A office building and (d) such tenant takes the space as-is or, (ii) August 1, 2019. In addition, the rent payable under the master lease is reduced proportionately as rent is paid under qualifying leases of the space.



## 1166 Avenue of the Americas

### Operating History and Underwritten Net Cash Flow

|   | 2013                | 2014                | 2015                | TTM <sup>(1)</sup>  | Underwritten        | Per Square Foot | % <sup>(2)</sup> |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|-----------------|------------------|
| Rents in Place <sup>(3)(4)</sup>          | \$11,990,407        | \$12,199,324        | \$11,572,572        | \$9,692,318         | \$13,438,206        | \$68.78         | 86.8%            |
| Vacant Income                             | 0                   | 0                   | 0                   | 0                   | 1,326,000           | 6.79            | 8.6              |
| <b>Gross Potential Rent</b>               | <b>\$11,990,407</b> | <b>\$12,199,324</b> | <b>\$11,572,572</b> | <b>\$9,692,318</b>  | <b>\$14,764,206</b> | <b>\$75.57</b>  | <b>95.4%</b>     |
| Total Reimbursements <sup>(5)(6)</sup>    | 1,933,371           | 2,285,366           | 2,421,481           | 2,085,321           | 717,098             | 3.67            | 4.6              |
| <b>Net Rental Income</b>                  | <b>\$13,923,778</b> | <b>\$14,484,690</b> | <b>\$13,994,053</b> | <b>\$11,777,639</b> | <b>\$15,481,304</b> | <b>\$79.24</b>  | <b>100.0%</b>    |
| (Vacancy/Credit Loss)                     | 0                   | 0                   | 0                   | 0                   | (1,326,000)         | (6.79)          | (8.6)            |
| Other Income <sup>(7)</sup>               | 48,882              | 48,987              | 55,929              | 46,414              | 46,414              | 0.24            | 0.3              |
| <b>Effective Gross Income</b>             | <b>\$13,972,660</b> | <b>\$14,533,677</b> | <b>\$14,049,983</b> | <b>\$11,824,052</b> | <b>\$14,201,718</b> | <b>\$72.69</b>  | <b>91.7%</b>     |
| <b>Total Expenses</b>                     | <b>\$5,292,254</b>  | <b>\$5,381,123</b>  | <b>\$5,799,952</b>  | <b>\$5,476,727</b>  | <b>\$5,559,507</b>  | <b>\$28.46</b>  | <b>39.1%</b>     |
| <b>Net Operating Income<sup>(8)</sup></b> | <b>\$8,680,406</b>  | <b>\$9,152,554</b>  | <b>\$8,250,030</b>  | <b>\$6,347,326</b>  | <b>\$8,642,211</b>  | <b>\$44.23</b>  | <b>60.9%</b>     |
| Total TI/LC, Capex/RR                     | 0                   | 0                   | 0                   | 0                   | 490,267             | 2.51            | 3.5              |
| <b>Net Cash Flow<sup>(8)</sup></b>        | <b>\$8,680,406</b>  | <b>\$9,152,554</b>  | <b>\$8,250,030</b>  | <b>\$6,347,326</b>  | <b>\$8,151,944</b>  | <b>\$41.72</b>  | <b>57.4%</b>     |

(1) TTM reflects the trailing 12-month period ending October 31, 2016.

(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 decrease in TTM Rents in Place from 2015 Rents in Place is primarily due to CT Partners vacating their space on the third floor for corporate issues including bankruptcy.

(4) The increase in Underwritten Rents in Place from TTM Rents in Place is primarily due to (i) the sponsor executing a master lease for 22,500 square feet of space on the third floor and (ii) underwriting the renewal base rent for D.E. Shaw, Sprint and Arcesium.

(5) Total Reimbursements are inclusive of CAM recoveries, tax recoveries and tenant services.

(6) Underwritten Total Reimbursements do not include CAM recoveries and tax recoveries due to 2017 base year resets for all tenants.

(7) Other Income is comprised of storage income and other miscellaneous income.

(8) Underwritten Net Operating Income and Underwritten Net Cash Flow excluding the master lease rental income are \$7,179,711 and \$6,689,444, respectively.

**The Market.** The property is located in midtown Manhattan and is situated between West 45<sup>th</sup> Street and West 46<sup>th</sup> Street facing Sixth Avenue. 1166 Avenue of the Americas is in close proximity to Manhattan's transportation hubs, Grand Central Terminal, Penn Station and Port Authority and all the major subway lines, A, B, C, D, E, F, N, Q, R, S, W, 1, 2, 3 and 7. Midtown Manhattan's attractions include Times Square, Rockefeller Center, Bryant Park and the Museum of Modern Art, amongst others. Some of 1166 Avenue of the America's neighbors include, Bank of America, MetLife, Barclays, UBS and JP Morgan Chase.

According to the appraisal, the property is located in the Sixth Avenue/Rockefeller Center submarket of Manhattan, which is part of the larger Plaza District Office submarket. As of the third quarter of 2016, the Sixth Avenue/Rockefeller Center submarket comprised approximately 38.8 million square feet of office space with a direct vacancy rate of 7.2% and average Class A office rents of \$91.33 per square foot. This compares to 9.0% and \$86.79 per square foot respectively, as of the third quarter of 2015. The appraisal identified eight directly competitive properties built between 1959 and 1992 and ranging in size from approximately 960,050 to 2,200,000 square feet. The comparable properties reported occupancies ranging from 86.3% to 99.3% with a weighted average of 91.0%. Asking rents for the comparable properties range from \$69.00 to \$110.00 per square foot. The weighted average in-place office rental rate at 1166 Avenue of the Americas is \$75.16 per square foot, which is below the appraisal concluded market rent of \$80.00 per square foot.

**The Borrower.** The borrowing entity for the 1166 Avenue of the Americas Whole Loan is 1166 EJM LLC, a Delaware limited liability company and special purpose entity with two independent directors. Legal counsel to the borrower delivered a non-consolidation opinion in connection with the origination of the 1166 Avenue of the Americas Whole Loan. The borrowing entity is currently in litigation with JPMorgan Chase Bank, N.A., who provided a letter of credit to CT Partners, a former tenant at the Property, in regards to such letter of credit. See "Description of the Mortgage Pool — Litigation and Other Considerations" in the Prospectus.

**The Loan Sponsor.** The loan sponsor and nonrecourse carve-out guarantor is Edward J. Minskoff Equities, Inc., a Delaware corporation. Edward J. Minskoff Equities, Inc. ("**EJME**") is a New York real estate acquisition and development company founded by Edward J. Minskoff in 1987. Currently, EJME owns an interest in, leases and/or manages approximately four million square feet of commercial space. EJME's current New York City portfolio includes 1166 Avenue of the Americas, 500-512 Seventh Avenue, 590 Madison, 101 Avenue of the Americas, the FAA Office Building, 270 Greenwich Street, 101 Warren Street, 89 Murray Street and 825 Seventh Avenue.

## 1166 Avenue of the Americas

**Property Management.** The 1166 Avenue of the Americas Property is managed by Edward J. Minskoff Equities, Inc., an affiliate of the borrower.

**Escrows and Reserves.** At origination, the borrower was required to deposit into escrow \$7,539,492 for an unfunded obligations reserve, \$5,742,179 for unfunded free rent and gap rent, \$4,058,916 for third floor leasing costs and \$488,422 for the borrower's share of the lobby renovation.

**Tax Escrows** – The requirement for the borrower to make monthly deposits into the tax escrow is waived so long as no Reserve Trigger Period (as defined below) has occurred and is continuing. Upon the expiration of a Reserve Trigger Period, any remaining funds in the tax escrow account will be disbursed back to the borrower, except during the Arcesium/D.E. Shaw Rollover Reserve Sweep Period (as defined below) if the Arcesium/D.E. Shaw Rollover Reserve Deposit Cap (as defined below) has not been satisfied, such funds will be transferred to the Arcesium/D.E. Shaw Rollover Reserve account up to the Arcesium/D.E. Shaw Rollover Reserve Deposit Cap and then any excess to the borrower.

**Insurance Escrows** – The requirement for the borrower to make deposits to the insurance escrow is waived so long as (i) no Reserve Trigger Period has occurred and is continuing and (ii) the property is insured under a blanket insurance policy in accordance with the loan documents. Upon the expiration of a Reserve Trigger Period, any remaining funds in the insurance escrow account will be disbursed back to the borrower, except during the Arcesium/D.E. Shaw Rollover Reserve Sweep Period if the Arcesium/D.E. Shaw Rollover Reserve Deposit Cap has not been satisfied, such funds will be transferred to the Arcesium/D.E. Shaw Rollover Reserve account up to the Arcesium/D.E. Shaw Rollover Reserve Deposit Cap and then any excess to the borrower.

**Replacement Reserves** – The requirement for the borrower to make monthly deposits to the replacement reserve account is waived so long as no Reserve Trigger Period has occurred and is continuing. Following the occurrence and during the continuance of a Reserve Trigger Period, the borrower is required to deposit \$1,628 per month (approximately \$0.10 per square foot annually) for replacement reserves.

**TI/LC Reserves** – The requirement for the borrower to make monthly deposits to the TI/LC reserve account is waived so long as no Reserve Trigger Period has occurred and is continuing. Following the occurrence and during the continuance of a Reserve Trigger Period, the borrower is required to deposit approximately \$20,352 per month (approximately \$1.25 per square foot annually) for TI/LC reserves. The borrower is also required to deposit any lease termination payments into the TI/LC reserve, unless such termination payments are in connection with the Arcesium lease or the D.E. Shaw lease, in which case, the payments will be deposited into the Arcesium/D.E. Shaw Rollover Reserve account. Upon the expiration of any Reserve Trigger Period and provided no other Reserve Trigger Period exists, any leasing reserve funds remaining in the reserve account will be disbursed to the borrower, except, during the Arcesium/D.E. Shaw Rollover Reserve Sweep Period if the Arcesium/D.E. Shaw Rollover Reserve Deposit Cap has not been satisfied, such funds that are not lease termination payments will be transferred to the Arcesium/D.E. Shaw Rollover Reserve account up to the Arcesium/D.E. Shaw Rollover Reserve Deposit Cap and then any excess to the borrower.

**Condominium Assessment Reserves** – The requirement for the borrower to make monthly deposits to the condominium assessment reserve account is waived so long as no Reserve Trigger Period has occurred and is continuing. Following the occurrence and during the continuance of a Reserve Trigger Period, the borrower is required to deposit an amount in order to pay assessment fees as determined in accordance with the loan documents into the condominium assessment reserve. Upon the expiration of any Reserve Trigger Period and provided no other Reserve Trigger Period exists, any condominium assessment reserve funds remaining in the reserve account will be disbursed to the borrower, except during the Arcesium/D.E. Shaw Rollover Reserve Sweep Period if the Arcesium/D.E. Shaw Rollover Reserve Deposit Cap has not been satisfied, such funds will be transferred to the Arcesium/D.E. Shaw Rollover Reserve account up to the Arcesium/D.E. Shaw Rollover Reserve Deposit Cap and then any excess to the borrower.

**Arcesium/D.E. Shaw Rollover Reserve** – Following the occurrence and the continuation of an Arcesium/D.E. Shaw Rollover Reserve Sweep Period, the borrower will be required to make monthly deposits to the Arcesium/D.E. Shaw escrow of the amounts remaining after having paid certain items in the cash management waterfall. The borrower will be required to deposit funds into the reserve until the aggregate amount of funds on deposit in the Arcesium/D.E. Shaw reserve account equals or exceeds the sum of the product of (i) \$75.00 and (ii) the aggregate square footage leased by Arcesium and D.E. Shaw scheduled to expire on June 30, 2024 ("**Arcesium/D.E. Shaw Rollover Reserve Deposit Cap**"). However, if any of the Arcesium or D.E. Shaw space is leased pursuant to a new lease or any of the aforementioned tenants renew their lease in accordance with the loan documents, the Arcesium/D.E. Shaw Rollover Reserve Deposit Cap will be reduced by the sum of the product of (i) the positive difference between \$75.00 and the amount per square foot of approved leasing expenses constituting TI/LCs under the new lease or lease renewal and (ii) the square footage of the space subject to the new lease or lease renewal.

## 1166 Avenue of the Americas

A “**Reserve Trigger Period**” will commence upon (i) an event of default, (ii) the total loan debt service coverage ratio is less than 1.10x or (iii) a mezzanine loan event of default and expire upon, with regard to clause (i), a cure of the event of default, with regard to clause (ii), the total loan debt service coverage ratio being equal to or greater than 1.10x for two consecutive calendar quarters, with regard to clause (iii), the cure of the mezzanine loan event of default. In the event a tenant exercises a termination option, the tenant’s rental income and termination payments will be excluded from the underwritten cash flow utilized to calculate the total loan debt service coverage ratio; however, the termination payments will be included in such calculation if the amounts deposited in the TI/LC reserve with respect to such space equal or exceed the product of (i) \$75.00 and (ii) the square footage of the Property subject to termination.

**Lockbox / Cash Management.** The loan is structured with a hard lockbox and springing cash management. The borrower was required to send direction letters to all tenants instructing them to deposit all rents into a clearing account controlled by the lender. In the absence of a Trigger Period (as defined below), the funds in the clearing account will be subject to the direction of the borrower. During a Trigger Period, any transfers to the borrower’s operating account are required to cease and sums on deposit in the clearing account will be transferred on a daily basis to a deposit account controlled by the lender and applied to payment of all monthly amounts due under the loan documents. To the extent there is a Reserve Trigger Period continuing, all excess cash flow after payment of the mortgage loan debt service, required reserves, operating expenses and mezzanine debt service will be swept into an excess cash flow reserve to be held in a lender controlled account. Upon the expiration of a Reserve Trigger Period, any remaining excess cash flow funds will be disbursed to the borrower except during an Arcesium/D.E. Shaw Rollover Reserve Sweep Period, during which time, all excess cash flow will be swept into the Arcesium/D.E. Shaw Rollover Reserve up to the Arcesium/D.E. Shaw Rollover Reserve Deposit Cap, and then any excess to the borrower.

A “**Trigger Period**” means the occurrence of (i) an event of default, (ii) the total loan debt service coverage ratio is less than 1.10x, (iii) a mezzanine loan event of default or (iv) the occurrence of an Arcesium/D.E. Shaw Rollover Reserve Sweep Period and expiring upon, with regard to clause (i), a cure of the event of default, with regard to clause (ii), the total loan debt service coverage ratio being equal to or greater than 1.10x for two consecutive calendar quarters, with regard to clause (iii), the cure of the mezzanine loan event of default and with regard to clause (iv), the first date on which the aggregate amounts deposited in the Arcesium/D.E. Shaw Rollover Reserve account equal or exceed the Arcesium/D.E. Shaw Rollover Reserve Deposit Cap.

An “**Arcesium/D.E. Shaw Rollover Reserve Sweep Period**” means the period commencing on the monthly payment date in December 2022.

**Subordinate and Mezzanine Debt.** The 1166 Avenue of the Americas Whole Loan includes a 1166 Avenue of the Americas Subordinate Companion Loan with an aggregate original principal balance of \$25,000,000 that is currently held by Barclays, but is anticipated to be sold to a third party investor. Additionally, a \$20,000,000 mezzanine loan was funded concurrently with the origination of the 1166 Avenue of the Americas Whole Loan and is anticipated to be sold to the same third party as the holder of the 1166 Avenue of the Americas Subordinate Companion Loan. The mezzanine loan is coterminous with the 1166 Avenue of the Americas Whole Loan and accrues interest at a fixed *per annum* rate equal to 5.56000%. The UW NCF DSCR and UW NOI debt yield on the 1166 Avenue of the Americas total debt is 1.15x and 6.6%, respectively. An intercreditor agreement is in place with respect to the 1166 Avenue of the Americas Whole Loan and the related mezzanine loan.

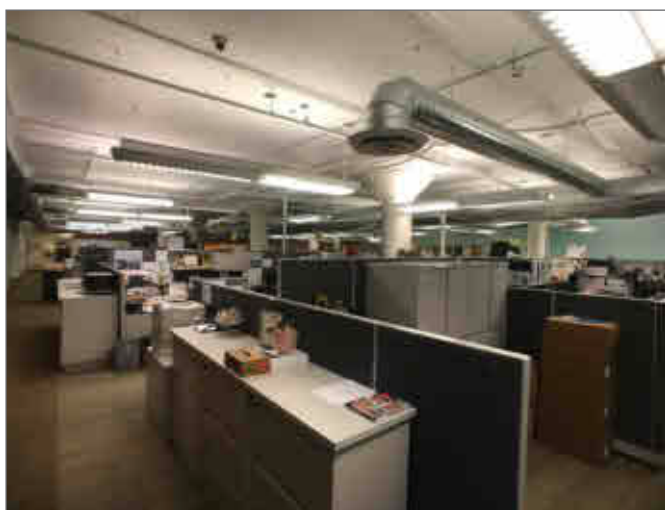
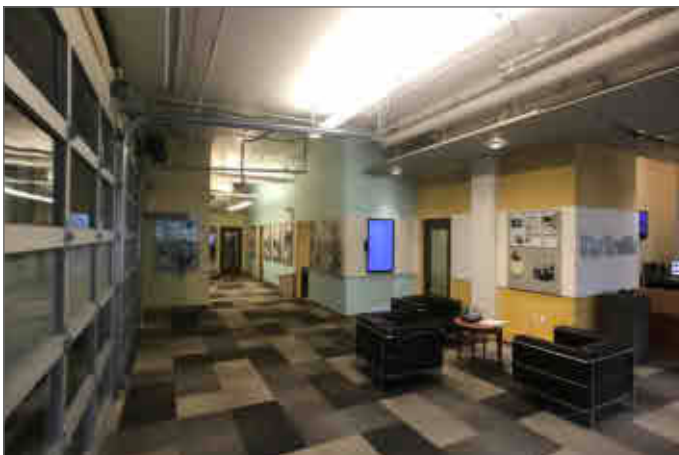
**Partial Release.** Not Permitted.

**Ground Lease.** None.

**Condominium.** The 1166 Avenue of the Americas Property is subject to a condominium regime. The building consists of a 46-unit condominium; five units are owned by the borrower as collateral for the 1166 Avenue of the Americas Whole Loan. The remaining 41 units are not owned by the 1166 Avenue of the Americas borrower and are not collateral for the 1166 Avenue of the Americas Whole Loan. The 1166 Avenue of the Americas Property comprises approximately an 11.1% interest in the common elements of the condominium. An affiliate of the sponsor owns an additional 15 units in the condominium (which are not collateral for the 1166 Avenue of the Americas Whole Loan), bringing the sponsor’s total current interest in the condominium to approximately 41.8%. See “*Description of the Mortgage Pool — Mortgage Pool Characteristics — Condominium Interest*” in the Prospectus.

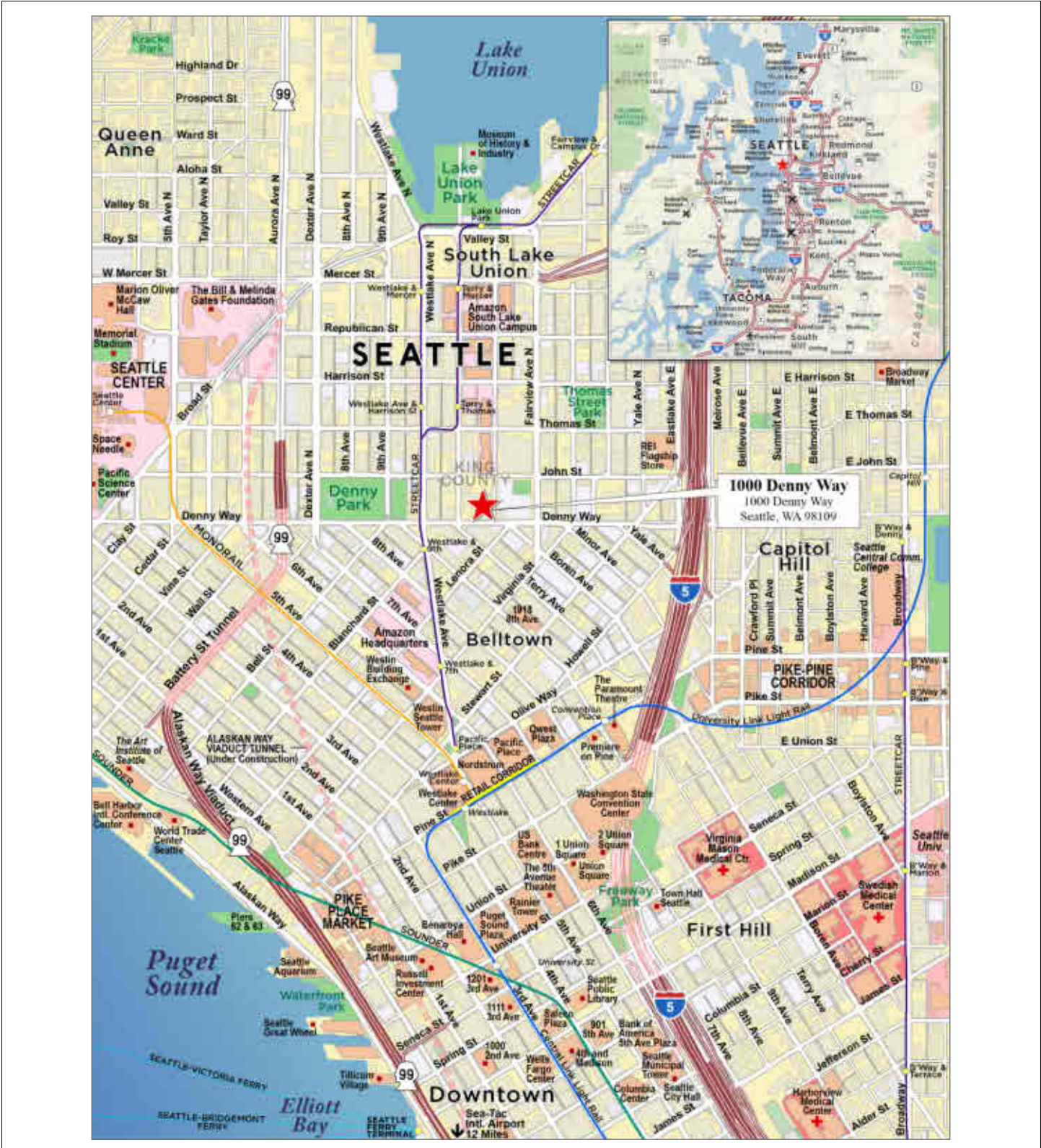


## 1000 Denny Way

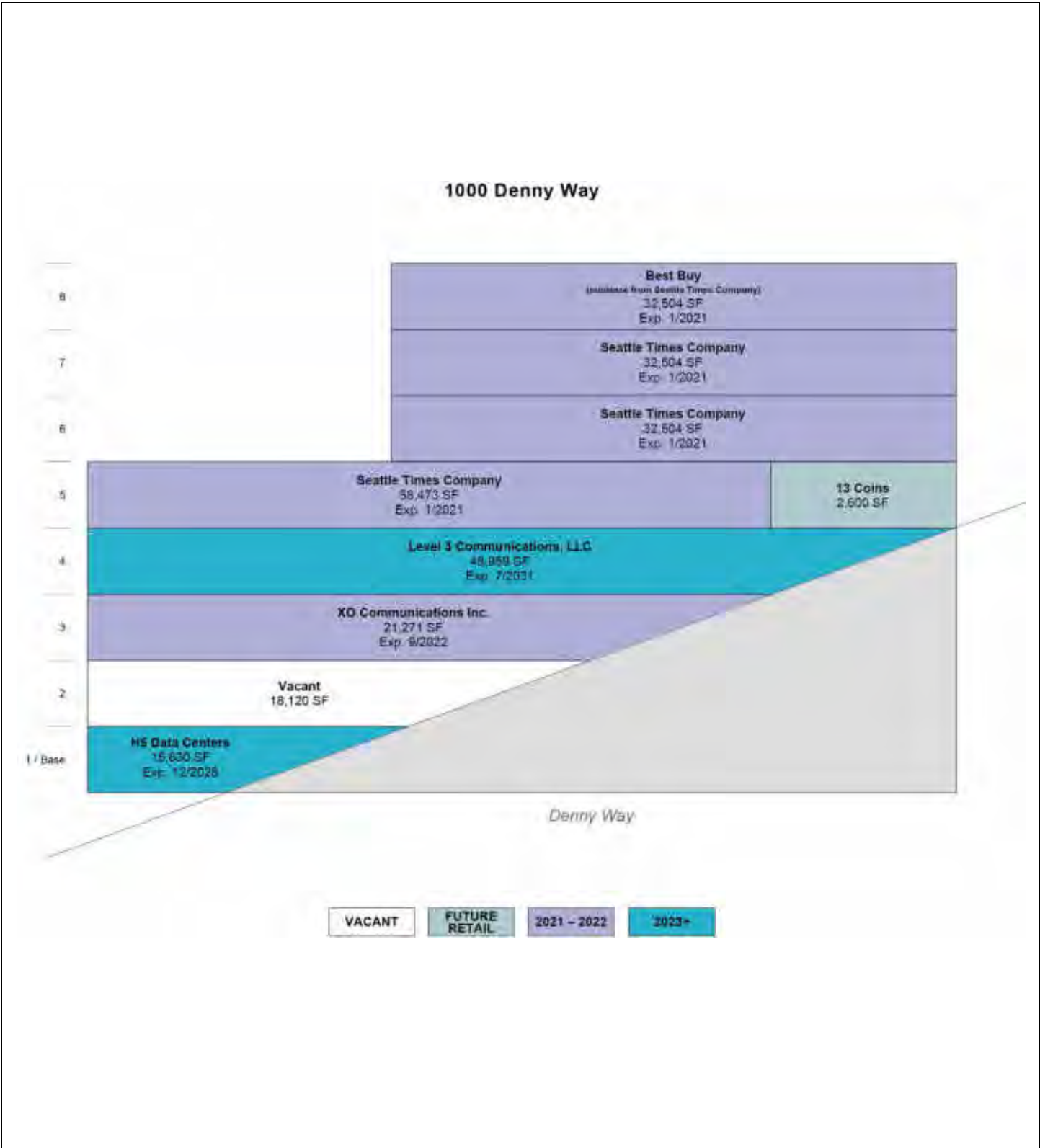




1000 Denny Way



1000 Denny Way



## 1000 Denny Way

## Mortgage Loan Information

|  |  |
|--|--|
| <b>Mortgage Loan Seller:</b>           | Barclays                                 |
| <b>Original Principal Balance:</b>     | \$56,000,000                             |
| <b>Cut-off Date Principal Balance:</b> | \$56,000,000                             |
| <b>% of IPB:</b>                       | 6.5%                                     |
| <b>Loan Purpose:</b>                   | Refinance                                |
| <b>Borrower:</b>                       | H5 Capital - Seattle Real Estate II, LLC |
| <b>Sponsor:</b>                        | Josh Simms                               |
| <b>Interest Rate:</b>                  | 5.10700%                                 |
| <b>Note Date:</b>                      | 1/24/2017                                |
| <b>Maturity Date:</b>                  | 2/6/2027                                 |
| <b>Interest-only Period:</b>           | 120 months                               |
| <b>Original Term:</b>                  | 120 months                               |
| <b>Original Amortization Term:</b>     | None                                     |
| <b>Amortization Type:</b>              | Interest Only                            |
| <b>Call Protection:</b>                | L(24),Def(92),O(4)                       |
| <b>Lockbox / Cash Management:</b>      | Hard / Springing                         |
| <b>Additional Debt:</b>                | N/A                                      |
| <b>Additional Debt Balance:</b>        | N/A                                      |
| <b>Additional Debt Type:</b>           | N/A                                      |

## Property Information

|  |                              |
|--|------------------------------|
| <b>Single Asset / Portfolio:</b>                             | Single Asset                 |
| <b>Title:</b>  | Fee                          |
| <b>Property Type – Subtype:</b>                              | Office – CBD                 |
| <b>Net Rentable Area (SF):</b>                               | 262,565                      |
| <b>Location:</b>   | Seattle, WA                  |
| <b>Year Built / Renovated:</b>                               | 1929, 1965 / 2016            |
| <b>Occupancy<sup>(1)</sup>:</b>                              | 92.1%                        |
| <b>Occupancy Date:</b>                                       | 2/1/2017                     |
| <b>4<sup>th</sup> Most Recent NOI (As of):</b>               | \$4,633,884 (12/31/2013)     |
| <b>3<sup>rd</sup> Most Recent NOI (As of):</b>               | \$5,216,913 (12/31/2014)     |
| <b>2<sup>nd</sup> Most Recent NOI (As of)<sup>(2)</sup>:</b> | \$5,551,193 (12/31/2015)     |
| <b>Most Recent NOI (As of)<sup>(2)(3)</sup>:</b>             | \$5,066,012 (TTM 11/30/2016) |
| <b>UW Economic Occupancy:</b>                                | 90.1%                        |
| <b>UW Revenues:</b>  | \$6,834,905                  |
| <b>UW Expenses:</b>  | \$1,111,248                  |
| <b>UW NOI<sup>(3)</sup>:</b>                                 | \$5,723,657                  |
| <b>UW NCF:</b>   | \$5,131,826                  |
| <b>Appraised Value / Per SF<sup>(4)</sup>:</b>               | \$108,000,000 / \$411        |
| <b>Appraisal Date:</b>                                       | 12/19/2016                   |

Escrows and Reserves<sup>(5)</sup>

|                              | Initial     | Monthly   | Initial Cap |
|------------------------------|-------------|-----------|-------------|
| <b>Taxes:</b>                | \$134,386   | \$33,596  | N/A         |
| <b>Insurance:</b>            | \$0         | Springing | N/A         |
| <b>Replacement Reserves:</b> | \$0         | \$4,376   | N/A         |
| <b>TI/LC<sup>(6)</sup>:</b>  | \$2,200,000 | Springing | \$2,200,000 |
| <b>Other<sup>(7)</sup>:</b>  | \$1,970,000 | \$0       | N/A         |

## Financial Information

|                                 |       |
|---------------------------------|-------|
| <b>Cut-off Date Loan / SF:</b>  | \$213 |
| <b>Maturity Date Loan / SF:</b> | \$213 |
| <b>Cut-off Date LTV:</b>        | 51.9% |
| <b>Maturity Date LTV:</b>       | 51.9% |
| <b>UW NCF DSCR:</b>             | 1.77x |
| <b>UW NOI Debt Yield:</b>       | 10.2% |

## Sources and Uses

| Sources              | Proceeds            | % of Total    | Uses                 | Proceeds            | % of Total    |
|----------------------|---------------------|---------------|----------------------|---------------------|---------------|
| Mortgage Loan        | \$56,000,000        | 100.0%        | Return of Equity     | \$27,172,602        | 48.5%         |
|                      |                     |               | Payoff Existing Debt | 23,680,650          | 42.3          |
|                      |                     |               | Upfront Reserves     | 4,304,386           | 7.7           |
|                      |                     |               | Closing Costs        | 842,362             | 1.5           |
| <b>Total Sources</b> | <b>\$56,000,000</b> | <b>100.0%</b> | <b>Total Uses</b>    | <b>\$56,000,000</b> | <b>100.0%</b> |

(1) Occupancy excludes 2,600 square feet of retail space currently occupied by 13 Coins. 13 Coins is not currently paying rent and is vacating its space in July 2017 coinciding with the termination of a separate 12,390 square foot 13 Coins restaurant adjacent to the property.

(2) The decrease in Most Recent NOI from 2<sup>nd</sup> Most Recent NOI is the result of XO Communications vacating 18,120 square feet of space in September 2015.

(3) The increase in UW NOI from Most Recent NOI is the result of an increase in occupancy due to H5 Data Centers, which executed a lease for 15,630 square feet in January 2017.

(4) The land appraised value of 1000 Denny Way as of December 19, 2016 is \$61,500,000 which represents a 91.1% loan-to-land ratio as of the Cut-off Date.

(5) For a full description of Escrows and Reserves, please refer to "Escrows and Reserves" below.

(6) The borrower delivered a letter of credit in lieu of future tenant improvements and leasing commissions reserves in the amount of \$2,200,000.

(7) Other Initial Escrows and Reserves include a \$1,500,000 letter of credit in lieu of the requirement for debt service reserves and a \$470,000 reserve for costs to improve the H5 Data Centers space.



## 1000 Denny Way

**The Loan.** The 1000 Denny Way mortgage loan has an outstanding principal balance as of the Cut-off Date of \$56.0 million and is secured by a first mortgage lien on an eight-story, 262,565 square foot, Class B office building located in Seattle, Washington. The mortgage loan has a 10-year term and is interest-only for the full term of the mortgage loan. The previously existing debt secured by the property was securitized in the WFRBS 2011-C3 transaction.

**The Property.** 1000 Denny Way is an eight-story, 262,565 square foot, Class B office building located on a 1.41-acre parcel in the South Lake Union area of Seattle, Washington. The original eight-story portion of the property was built by the Seattle Times in 1929 and the five-story portion on the south side of the property was built in 1965. The property was acquired by the sponsor in January 2011 through a sale/leaseback transaction with the Seattle Times Company for \$40.7 million. Following the sponsor's acquisition, Amazon continued their expansion in 2012 of their world headquarters, which is currently situated immediately to the north and to the south of 1000 Denny Way. Adjacent to 1000 Denny Way is a newly constructed, Amazon-occupied 340,400 square foot Class A office building, which is also part of Amazon's urban campus. In addition, approximately four blocks from the property are two 1.1 million square foot office towers occupied by Amazon and an additional 1.1 million square foot office tower under construction. As of August 2016, Amazon reportedly occupied 34 buildings consisting of approximately 8.5 million square feet in Seattle, most of which is located in the South Lake Union neighborhood, which collectively serves as their world headquarters. Between 2013 and 2016, approximately \$778,554 has been invested in the 1000 Denny Way property, including a new roof, elevator upgrades and security improvements.

As of February 1, 2017, the property was 92.1% occupied by five tenants and four ancillary tenants and has averaged 94.9% occupancy since 2011. The largest tenant, Seattle Times Company ("Seattle Times"), leases 47.0% of net rentable area (59.4% when including its space subleased to Best Buy) of the net rentable area through January 2021, comprising the entirety of the fifth, sixth, seventh and eighth floors, and has been at the property since it was built in 1929. Seattle Times' base rent (inclusive of Best Buy sublease) is \$3,073,836 (approximately \$19.71 per square foot) which according to the appraisal, is approximately 22% below market. Seattle Times currently subleases the eighth floor to Best Buy with a coterminous expiration date and the same rental rate, which utilizes its office space for web development. The Seattle Times was founded in 1896 and currently is one of the largest print and digital news media companies in the United States. The Seattle Times has won 10 Pulitzer Prizes and has been a finalist on 14 other occasions since 1982, journalism's highest honor. The property serves as the headquarters and the only office of the Seattle Times. See "*Description of the Mortgage Pool — Tenant Issues/Lease Expirations and Terminations/Other*" in the Prospectus.

The second largest tenant, Level 3 Communications, LLC ("Level 3 Communications"), leases 18.6% of the net rentable area through July 2031, comprising the entirety of the fourth floor, and utilizes its space as a data center. Level 3 Communications has been a tenant at the property since July 1998 and most recently executed an 18-year lease in August 2013. Level 3 Communications is a provider of data, voice, video and managed services, and announced in the third quarter of 2016 that the company will be acquired by CenturyLink, a telecommunications company with over \$17.9 billion in annual revenue as of December 31, 2015. The third largest tenant at the property, XO Communications Inc. ("XO Communications"), occupies 8.1% of the net rentable area through September 2022, comprising the entirety of the third floor utilizing its space as a data center. XO Communications has been a tenant at the property since October 1998 and most recently executed a 10 year lease extension in October 2012. XO Communications owns and operates one of the largest IP and Ethernet networks for private data networking, cloud connectivity, unified communications and voice, internet access, and managed services. XO Communications has signed an agreement with Verizon Communications Inc. to be acquired for approximately \$1.8 billion, expected to close in the first half of 2017. The remaining occupied space is occupied by an owner affiliate, H5 Data Centers ("H5"), which leases 6.0% of the net rentable area through December 2028 and is personally guaranteed by the sponsor. H5 Data Centers operates over one million square feet in nine data centers located in eight states. H5 plans to spend approximately \$7.0 million on HVAC, electrical and other build-outs at the property.

**Environmental.** According to a Phase I environmental assessment dated December 22, 2016, there was no evidence of any recognized environmental conditions at the 1000 Denny Way property.

| Historical and Current Occupancy <sup>(1)</sup> |                     |                     |                     |                           |
|---|---------------------|---------------------|---------------------|---------------------------|
| 2013  | 2014 <sup>(2)</sup> | 2015 <sup>(2)</sup> | 2016 <sup>(2)</sup> | Current <sup>(2)(3)</sup> |
| 100.0%  | 100.0%              | 92.0%               | 92.0%               | 92.1%                     |

(1) Historical Occupancies are the averages of each respective year.

(2) The decrease in Current Occupancy from 2014 Occupancy is a result of XO Communications vacating 18,120 square feet of space in September 2015 after relocating their sales team and the sponsor terminating Seattle Wine Storage's lease on the first and basement level to renovate into owner-occupied space for H5 Data Centers.

(3) Current Occupancy is as of February 1, 2017.

## 1000 Denny Way

| Top Nine Tenant Summary <sup>(1)</sup>    |   |                              |                      |                  |                    |                            |                          |
|---|---|------------------------------|----------------------|------------------|--------------------|----------------------------|--------------------------|
| Tenant                                    | Ratings <sup>(2)</sup><br>Moody's/S&P/Fitch | Net<br>Rentable<br>Area (SF) | % of<br>Total<br>NRA | Base Rent<br>PSF | Base Rent          | % of Total<br>Base<br>Rent | Lease<br>Expiration Date |
| Seattle Times Company <sup>(3)</sup>      | NA / NA / NA                                | 123,481                      | 47.0%                | \$19.71          | \$2,434,157        | 41.0%                      | 1/31/2021                |
| Level 3 Communications, LLC               | B2 / BB / BB-                               | 48,959                       | 18.6                 | \$31.02          | 1,518,708          | 25.6                       | 7/31/2031                |
| Best Buy <sup>(4)</sup>                   | Baa1 / BBB- / BBB-                          | 32,504                       | 12.4                 | \$19.68          | 639,679            | 10.8                       | 1/31/2021                |
| XO Communications Inc.                    | NA / NA / NA                                | 21,271                       | 8.1                  | \$36.52          | 776,760            | 13.1                       | 9/30/2022                |
| H5 Data Centers <sup>(5)</sup>            | NA / NA / NA                                | 15,630                       | 6.0                  | \$30.00          | 468,900            | 7.9                        | 12/31/2028               |
| DirectTV <sup>(6)</sup>                   | NA / BBB+ / NA                              | 0                            | 0.0                  | \$39,792         | 39,792             | 0.7                        | 1/31/2019                |
| Integra/Electric Lightwave <sup>(7)</sup> | NA / NA / NA                                | 0                            | 0.0                  | \$24,312         | 24,312             | 0.4                        | MTM                      |
| AT&T / TCG <sup>(7)</sup>                 | Baa1 / BBB+ / A-                            | 0                            | 0.0                  | \$21,000         | 21,000             | 0.4                        | 6/30/2017                |
| MCI/Verizon <sup>(7)</sup>                | Baa1 / BBB+ / A-                            | 0                            | 0.0                  | \$14,496         | 14,496             | 0.2                        | 7/31/2017                |
| <b>Top Nine Tenants</b>                   |   | <b>241,845</b>               | <b>92.1%</b>         | <b>\$24.55</b>   | <b>\$5,937,804</b> | <b>100.0%</b>              |                          |
| <b>Occupied Collateral Total</b>          |   | <b>241,845</b>               | <b>92.1%</b>         | <b>\$24.55</b>   | <b>\$5,937,804</b> | <b>100.0%</b>              |                          |
| <b>Vacant Space<sup>(8)</sup></b>         |   | <b>20,720</b>                | <b>7.9%</b>          |                  |                    |                            |                          |
| <b>Collateral Total</b>                   |   | <b>262,565</b>               | <b>100.0%</b>        |                  |                    |                            |                          |

(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) Seattle Times Company's net rentable area includes 3,800 square feet subleased to Associated Press at a triple net base rent of \$19.13 per square foot and a Seattle Times Company roof lease for \$3,300 per year.

(4) Best Buy uses the space as office space and subleases its space from Seattle Times Company with a coterminous expiration date and the same rental rate as Seattle Times Company's office space.

(5) H5 Data Centers is owner-occupied space and is personally guaranteed by the sponsor.

(6) DirectTV is a roof tenant and may terminate its license at any time given a 365 day termination notice.

(7) Integra/Electric Lightwave, AT&T / TCG and MCI/Verizon are fiber tenants.

(8) Vacant Space includes 2,600 square feet of space attributable to 13 Coins which is vacating the space in July 2017.

| Lease Rollover Schedule <sup>(1)</sup> |                                    |                                     |                         |                       |                               |   |                                    |                                     |   |
|--|------------------------------------|-------------------------------------|-------------------------|-----------------------|-------------------------------|---|------------------------------------|-------------------------------------|---|
| Year                                   | Number<br>of<br>Leases<br>Expiring | Net<br>Rentable<br>Area<br>Expiring | % of<br>NRA<br>Expiring | Base Rent<br>Expiring | % of Base<br>Rent<br>Expiring | Cumulative<br>Net<br>Rentable<br>Area<br>Expiring | Cumulative<br>% of NRA<br>Expiring | Cumulative<br>Base Rent<br>Expiring | Cumulative<br>% of Base<br>Rent<br>Expiring |
| Vacant <sup>(2)</sup>                  | NAP                                | 20,720                              | 7.9%                    | NAP                   | NAP                           | 20,720  | 7.9%                               | NAP                                 | NAP   |
| 2017 & MTM <sup>(3)</sup>              | 3                                  | 0                                   | 0.0                     | \$59,808              | 1.0%                          | 20,720  | 7.9%                               | \$59,808                            | 1.0%  |
| 2018                                   | 0                                  | 0                                   | 0.0                     | 0                     | 0.0                           | 20,720  | 7.9%                               | \$59,808                            | 1.0%  |
| 2019 <sup>(3)</sup>                    | 1                                  | 0                                   | 0.0                     | 39,792                | 0.7                           | 20,720  | 7.9%                               | \$99,600                            | 1.7%  |
| 2020                                   | 0                                  | 0                                   | 0.0                     | 0                     | 0.0                           | 20,720  | 7.9%                               | \$99,600                            | 1.7%  |
| 2021 <sup>(3)(4)</sup>                 | 2                                  | 155,985                             | 59.4                    | 3,073,836             | 51.8                          | 176,705   | 67.3%                              | \$3,173,436                         | 53.4%                                       |
| 2022                                   | 1                                  | 21,271                              | 8.1                     | 776,760               | 13.1                          | 197,976   | 75.4%                              | \$3,950,196                         | 66.5%                                       |
| 2023                                   | 0                                  | 0                                   | 0.0                     | 0                     | 0.0                           | 197,976   | 75.4%                              | \$3,950,196                         | 66.5%                                       |
| 2024                                   | 0                                  | 0                                   | 0.0                     | 0                     | 0.0                           | 197,976   | 75.4%                              | \$3,950,196                         | 66.5%                                       |
| 2025                                   | 0                                  | 0                                   | 0.0                     | 0                     | 0.0                           | 197,976   | 75.4%                              | \$3,950,196                         | 66.5%                                       |
| 2026                                   | 0                                  | 0                                   | 0.0                     | 0                     | 0.0                           | 197,976   | 75.4%                              | \$3,950,196                         | 66.5%                                       |
| 2027 & Beyond                          | 2                                  | 64,589                              | 24.6                    | 1,987,608             | 33.5                          | 262,565   | 100.0%                             | \$5,937,804                         | 100.0%                                      |
| <b>Total</b>                           | <b>9</b>                           | <b>262,565</b>                      | <b>100.0%</b>           | <b>\$5,937,804</b>    | <b>100.0%</b>                 |   |                                    |                                     |   |

(1) Based on the underwritten rent roll.

(2) Includes one retail tenant, comprising 2,600 square feet, which has a near term lease expiration and was excluded from occupancy and income figures for underwriting purposes.

(3) Includes roof and fiber tenants with no attributable rentable area.

(4) 2021 includes the Seattle Times Company lease and the Best Buy sublease, which are coterminous.

## 1000 Denny Way

| Operating History and Underwritten Net Cash Flow |                    |                    |                    |                    |                    |                 |                  |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|-----------------|------------------|
|  | 2013               | 2014               | 2015               | TTM <sup>(1)</sup> | Underwritten       | Per Square Foot | % <sup>(2)</sup> |
| Rents in Place <sup>(3)</sup>                    | \$4,813,854        | \$5,456,355        | \$5,559,638        | \$5,197,188        | \$5,937,804        | \$22.61         | 78.3%            |
| Vacant Income                                    | 0                  | 0                  | 0                  | 0                  | 652,640            | 2.49            | 8.6              |
| <b>Gross Potential Rent</b>                      | <b>\$4,813,854</b> | <b>\$5,456,355</b> | <b>\$5,559,638</b> | <b>\$5,197,188</b> | <b>\$6,590,444</b> | <b>\$25.10</b>  | <b>86.9%</b>     |
| Total Reimbursements                             | 1,123,642          | 1,109,678          | 1,080,771          | 981,649            | 995,704            | 3.79            | 13.1             |
| <b>Net Rental Income</b>                         | <b>\$5,937,496</b> | <b>\$6,566,033</b> | <b>\$6,640,409</b> | <b>\$6,178,837</b> | <b>\$7,586,148</b> | <b>\$28.89</b>  | <b>100.0%</b>    |
| (Vacancy/Credit Loss)                            | 0                  | 0                  | 0                  | 0                  | (751,243)          | (2.86)          | (9.9)            |
| <b>Effective Gross Income</b>                    | <b>\$5,937,496</b> | <b>\$6,566,033</b> | <b>\$6,640,409</b> | <b>\$6,178,837</b> | <b>\$6,834,905</b> | <b>\$26.03</b>  | <b>90.1%</b>     |
| <b>Total Expenses</b>                            | <b>\$1,303,612</b> | <b>\$1,349,120</b> | <b>\$1,089,216</b> | <b>\$1,112,825</b> | <b>\$1,111,248</b> | <b>\$4.23</b>   | <b>16.3%</b>     |
| <b>Net Operating Income<sup>(4)</sup></b>        | <b>\$4,633,884</b> | <b>\$5,216,913</b> | <b>\$5,551,193</b> | <b>\$5,066,012</b> | <b>\$5,723,657</b> | <b>\$21.80</b>  | <b>83.7%</b>     |
| Total TI/LC, Capex/RR                            | 0                  | 0                  | 0                  | 0                  | 591,831            | 2.25            | 8.7              |
| <b>Net Cash Flow</b>                             | <b>\$4,633,884</b> | <b>\$5,216,913</b> | <b>\$5,551,193</b> | <b>\$5,066,012</b> | <b>\$5,131,826</b> | <b>\$19.54</b>  | <b>75.1%</b>     |

(1) TTM reflects the trailing 12-month period ending November 30, 2016.

(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) Underwritten Rents in Place consist of in-place rents as of February 1, 2017 including underwritten contractual rent increases of \$174,660 through February 2018.

(4) The increase in Underwritten Net Operating Income from Most Recent Net Operating Income is the result of an increase in occupancy due to H5 Data Centers, which executed a lease in January 2017.

**The Market.** The 1000 Denny Way property is located in the South Lake Union / Denny Triangle area of the Seattle central business district. The Lower Queen Anne/Lake Union submarket recorded a net absorption of approximately 592,705 square feet over the first three quarters of 2016, the greatest absorption among the twenty submarkets that comprise the Seattle-Bellevue office market. According to the appraisal, the downtown Seattle area has seen growth with companies such as Amazon, Microsoft, Google, IBM, Oracle and CenturyLink opening cloud development offices in the area. Amazon, the second largest office employer with its headquarters immediately to the north and south of the 1000 Denny Way property, employs more than 25,000 people in Seattle and reports that approximately 20% of its employees walk to work. According to the appraisal, there are two 41-story residential apartment towers planned to be constructed commencing in early 2017 immediately to the east of the property and a 40-story residential apartment tower currently under construction immediately to the west. In addition, a 208-unit Class A residential apartment building was constructed in 2009, immediately northeast of the property.

According to the appraisal, the 1000 Denny Way property is located in the central business district submarket of Seattle. The Seattle central business district has the largest inventory of office space in the greater Seattle area and currently has approximately 3.8 million square feet of office space under construction. As of the third quarter of 2016, the submarket comprised approximately 47.3 million square feet of office space with an overall vacancy rate of 6.7% and average Class B office rents of \$34.70 per square foot. This compares to 10.4% and \$28.15 per square foot respectively, as of 2014.

**The Borrower.** The borrowing entity for the 1000 Denny Way mortgage loan is H5 Capital – Seattle Real Estate II, LLC, a Delaware limited liability company and special purpose entity with two independent directors. Legal counsel to the borrower delivered a non-consolidation opinion in connection with the origination of the 1000 Denny Way mortgage loan. Josh Simms is the guarantor of certain nonrecourse carve-outs under the 1000 Denny Way mortgage loan.

**The Loan Sponsor.** The mortgage loan sponsor is Josh Simms, the CEO of H5 Data Centers, one of the largest, privately-held data center companies in the US. H5 Data Centers has over one million square feet under management and owns data centers across the U.S.

**Property Management.** The 1000 Denny Way property is managed by H5 Management Company, Inc., an affiliate of the mortgage loan sponsor.

## 1000 Denny Way

**Escrows and Reserves.** At origination, the borrower was required to escrow \$470,000 for tenant improvements and leasing commissions for the H5 Data Centers space and \$134,386 for real estate taxes. The borrower delivered a letter of credit in the amount of \$2,200,000 in lieu of future tenant improvements and leasing commissions reserves and a letter of credit in the amount of \$1,500,000 in lieu of debt service reserves. If the borrower has replaced the Seattle Times lease with an acceptable tenant under the mortgage loan documents, and no Tenant Trigger Period (as defined below) is then continuing, the \$1,500,000 letter of credit will be reduced on a pro rata basis based on income the replacement tenant derives from the space demised under the Seattle Times lease.

Additionally, the borrower assigned the Seattle Times security deposit of \$2,495,760 in the form of a letter of credit to the lender. The borrower is required to provide lender with notice of the occurrence of any event which permits a draw under the Seattle Times security deposit letter of credit, and upon receipt of such notice (or if lender has otherwise determined that a draw is permitted under the terms of the Seattle Times lease) the lender may submit a draw thereunder. Any amounts held in the Seattle Times security deposit reserve account will be released by the lender upon notice from the borrower together with supporting evidence that such security deposit is required to be returned to Seattle Times pursuant to the terms of the Seattle Times lease.

**Tax Escrows** – On a monthly basis, the borrower is required to escrow 1/12 of the annual estimated tax payments, which currently equates to \$33,596.

**Insurance Escrows** – The requirement for the borrower to make monthly deposits to the insurance escrow is waived so long as no event of default has occurred and is continuing and the property is insured under a blanket insurance policy in accordance with the mortgage loan documents.

**Replacement Reserves** – On a monthly basis, the borrower is required to escrow \$4,376 (approximately \$0.20 per square foot annually) for ongoing replacement reserves.

**TI/LC Reserves** – On a monthly basis, when the balance of the reserve is less than the cap, the borrower is required to escrow \$21,881 (approximately \$1.00 per square foot annually) for future tenant improvements and leasing commissions. The reserve is subject to a cap of \$2,200,000 (approximately \$8.38 per square foot). However, if the borrower has replaced the Seattle Times lease with an acceptable replacement tenant under the mortgage loan documents, the cap will be reduced on a *pro rata* basis based on income the replacement tenant derives from the space demised under the Seattle Times lease but in no event shall the TI/LC cap be reduced to below \$1,500,000.

**Lockbox / Cash Management.** The mortgage loan is structured with a hard lockbox and springing cash management. The borrower was required to send direction letters to all tenants instructing them to deposit all rents into a clearing account controlled by the lender. In the absence of a Trigger Period (as defined below), the funds in the clearing account will be swept on each business day into an account controlled by the borrower. During a Trigger Period, any transfers to the borrower's operating account are required to cease and sums on deposit in the clearing account will be transferred on each business day to a deposit account controlled by the lender and applied to payment of all monthly amounts due under the mortgage loan documents. If the Trigger Period is caused solely by a Tenant Trigger Period (as defined below), all excess cash flow in the cash management will be held as additional security for the mortgage loan in a cash sweep lease reserve account unless the borrower deposits with lender \$2,100,000 in the form of a cash deposit or letter of credit. If the Trigger Period is not caused solely by a Tenant Trigger Period, all excess cash flow in the cash management account will be held as additional security for the mortgage loan in an excess cash reserve account.

A "**Trigger Period**" will commence upon the earliest to occur of (i) an event of default, (ii) a Low DSCR Period (as defined below) or (iii) a Tenant Trigger Period (as defined below) and will cease to exist when (i) a cure of the event of default, (ii) a Low DSCR Period ceases to exist or (iii) a Tenant Trigger Period ceases to exist.

A "**Low DSCR Period**" means any period commencing on the last day of any two consecutive calendar quarters that the debt service coverage ratio as calculated in the mortgage loan documents based on the trailing 12-month period is less than 1.20x and ending on the last day of any two consecutive calendar quarters thereafter that the debt service coverage as calculated in the mortgage loan documents based on the trailing 12-month period is greater than or equal to 1.25x.



**1000 Denny Way**

A "**Tenant Trigger Period**" will occur if any of the following occur with respect to Seattle Times, Level 3 Communications or a replacement tenant as permitted under the mortgage loan documents: (i) tenant fails to renew or extend its lease under the conditions set forth in the mortgage loan documents within 12 months prior to expiration for a term of not less than three years, (ii) tenant gives the borrower notice of its intent to terminate or cancel its lease, (iii) tenant goes dark, vacates or otherwise fails to occupy its premises or (iv) tenant undergoes an event of default or becomes involved in an insolvency proceeding. A Tenant Trigger Period will expire upon with regards to, (i) tenant renews or extends its lease as required under the mortgage loan documents, or if such Tenant Trigger Period solely occurred due to Seattle Times failing to renew or extend its lease, the borrower deposits \$2,100,000 in the form of a cash deposit or letter of credit with the lender which shall be held in the cash sweep lease reserve account, (i) or (ii) if excess cash flow deposited into the cash sweep lease reserve account equals to or exceeds \$2,100,000, (ii) or (iii) tenant has been replaced with an acceptable replacement tenant under the mortgage loan documents or (iv) the event of default or insolvency proceeding has been cured as determined under the mortgage loan documents.

**Subordinate and Mezzanine Debt.** None.

**Partial Release.** Not Permitted.

**Ground Lease.** None.

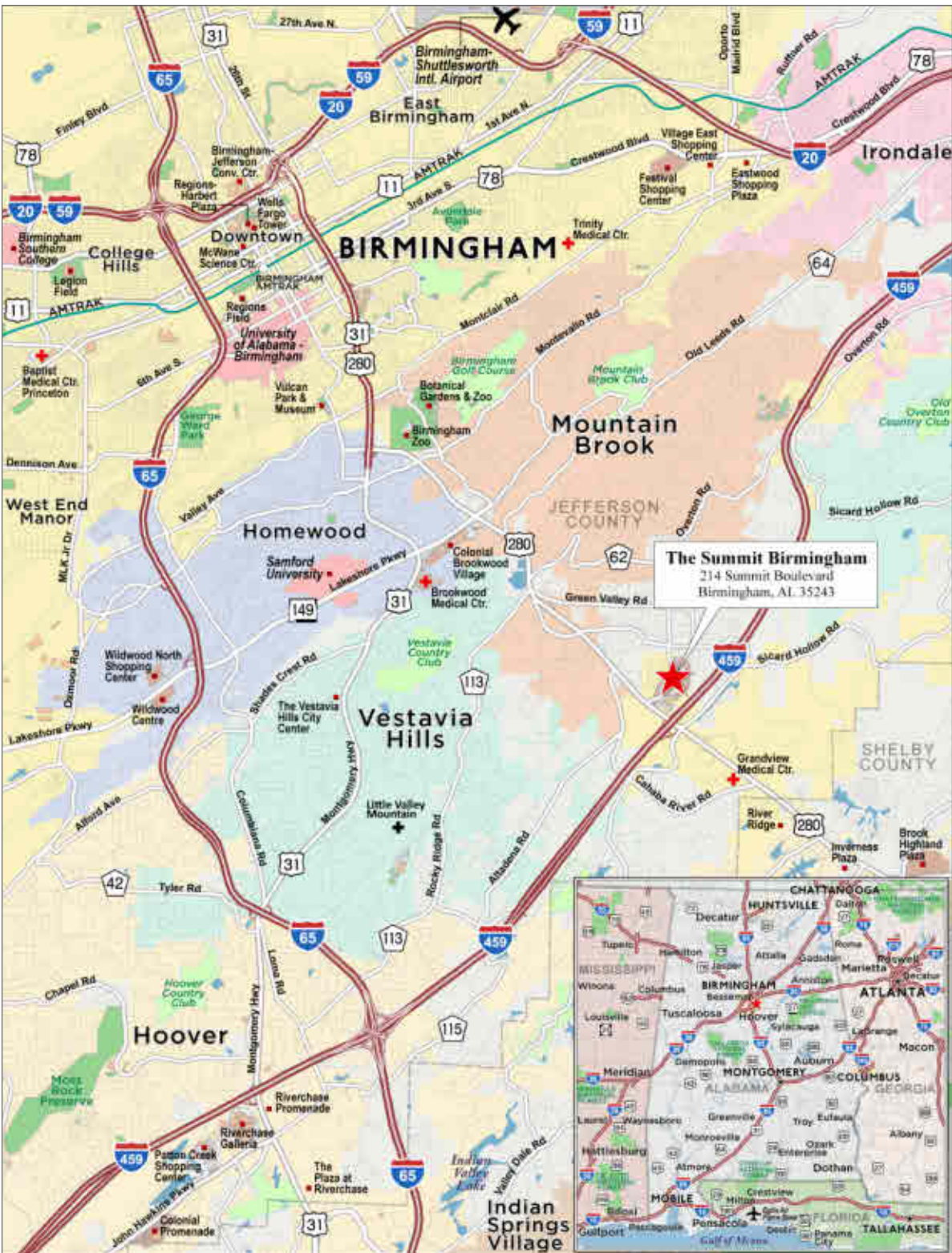
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## The Summit Birmingham





The Summit Birmingham





The Summit Birmingham



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## The Summit Birmingham

### Mortgage Loan Information

|  |                             |
|--|-----------------------------|
| <b>Mortgage Loan Seller<sup>(1)</sup>:</b>           | Barclays                    |
| <b>Original Principal Balance<sup>(2)</sup>:</b>     | \$50,000,000                |
| <b>Cut-off Date Principal Balance<sup>(2)</sup>:</b> | \$50,000,000                |
| <b>% of IPB:</b>                                     | 5.8%                        |
| <b>Loan Purpose:</b>                                 | Refinance                   |
| <b>Borrower:</b>                                     | BRC Holding Company, L.L.C. |
| <b>Sponsors<sup>(3)</sup>:</b>                       | Various                     |
| <b>Interest Rate:</b>                                | 4.76200%                    |
| <b>Note Date:</b>                                    | 12/20/2016                  |
| <b>Maturity Date:</b>                                | 1/1/2027                    |
| <b>Interest-only Period:</b>                         | 120 months                  |
| <b>Original Term:</b>                                | 120 months                  |
| <b>Original Amortization Term:</b>                   | None                        |
| <b>Amortization Type:</b>                            | Interest Only               |
| <b>Call Protection<sup>(4)</sup>:</b>                | L(25),Def(88),O(7)          |
| <b>Lockbox / Cash Management:</b>                    | Hard / Springing            |
| <b>Additional Debt:</b>                              | Yes                         |
| <b>Additional Debt Balance:</b>                      | \$158,000,000               |
| <b>Additional Debt Type:</b>                         | Pari Passu                  |

### Property Information

|  |                              |
|--|------------------------------|
| <b>Single Asset / Portfolio:</b>                             | Single Asset                 |
| <b>Title:</b>  | Fee                          |
| <b>Property Type – Subtype:</b>                              | Retail – Lifestyle Center    |
| <b>Net Rentable Area (SF):</b>                               | 681,245                      |
| <b>Location:</b>   | Birmingham, AL               |
| <b>Year Built / Renovated:</b>                               | 1997, 2000, 2001, 2009 / N/A |
| <b>Occupancy<sup>(5)</sup>:</b>                              | 98.5%                        |
| <b>Occupancy Date:</b>                                       | 12/14/2016                   |
| <b>4<sup>th</sup> Most Recent NOI (As of)<sup>(6)</sup>:</b> | \$19,160,180 (12/31/2013)    |
| <b>3<sup>rd</sup> Most Recent NOI (As of)<sup>(6)</sup>:</b> | \$19,415,128 (12/31/2014)    |
| <b>2<sup>nd</sup> Most Recent NOI (As of)<sup>(6)</sup>:</b> | \$19,589,779 (12/31/2015)    |
| <b>Most Recent NOI (As of):</b>                              | \$17,296,891 (12/31/2016)    |
| <b>UW Economic Occupancy:</b>                                | 95.0%                        |
| <b>UW Revenues:</b>  | \$24,205,097                 |
| <b>UW Expenses:</b>  | \$6,134,767                  |
| <b>UW NOI:</b>   | \$18,070,330                 |
| <b>UW NCF:</b>   | \$16,883,902                 |
| <b>Appraised Value / Per SF:</b>                             | \$383,000,000 / \$562        |
| <b>Appraisal Date:</b>                                       | 11/7/2016                    |

### Escrows and Reserves<sup>(7)</sup>

|                              | Initial     | Monthly   | Initial Cap |
|------------------------------|-------------|-----------|-------------|
| <b>Taxes:</b>                | \$0         | Springing | N/A         |
| <b>Insurance:</b>            | \$0         | Springing | N/A         |
| <b>Replacement Reserves:</b> | \$0         | Springing | \$225,984   |
| <b>TI/LC:</b>                | \$0         | Springing | \$2,146,872 |
| <b>Other:</b>                | \$2,842,135 | \$0       | N/A         |

### Financial Information<sup>(2)</sup>

|                                 |       |
|---------------------------------|-------|
| <b>Cut-off Date Loan / SF:</b>  | \$305 |
| <b>Maturity Date Loan / SF:</b> | \$305 |
| <b>Cut-off Date LTV:</b>        | 54.3% |
| <b>Maturity Date LTV:</b>       | 54.3% |
| <b>UW NCF DSCR:</b>             | 1.68x |
| <b>UW NOI Debt Yield:</b>       | 8.7%  |

### Sources and Uses

| Sources                      | Proceeds             | % of Total    | Uses                 | Proceeds             | % of Total    |
|------------------------------|----------------------|---------------|----------------------|----------------------|---------------|
| Mortgage Loan <sup>(2)</sup> | \$208,000,000        | 100.0%        | Payoff Existing Debt | \$155,905,651        | 75.0%         |
|                              |                      |               | Return of Equity     | 46,991,895           | 22.6          |
|                              |                      |               | Upfront Reserves     | 2,842,135            | 1.4           |
|                              |                      |               | Closing Costs        | 2,260,319            | 1.1           |
| <b>Total Sources</b>         | <b>\$208,000,000</b> | <b>100.0%</b> | <b>Total Uses</b>    | <b>\$208,000,000</b> | <b>100.0%</b> |

(1) The Summit Birmingham Whole Loan, as defined in "The Loan" below, was co-originated by Barclays and Bank of America, N.A.

(2) The Summit Birmingham mortgage loan is part of a whole loan evidenced by four *pari passu* notes with an aggregate original principal balance of \$208.0 million. The financial information presented in the chart above reflects the Cut-off Date balance of the \$208.0 million The Summit Birmingham Whole Loan.

(3) The loan sponsors are Bayer Properties, LLC and Institutional Mall Investors LLC. See "Loan Sponsors" below for additional information.

(4) The lockout period will be at least 25 payments beginning with and including the first payment date in February 2017. Defeasance of the full \$208.0 million The Summit Birmingham Whole Loan is permitted after the date that is the earlier to occur of (i) two years from the closing date of the securitization that includes the last *pari passu* note to be securitized (the "REMIC Prohibition Period") and (ii) February 1, 2020. If the REMIC Prohibition Period has not expired by February 1, 2020, the borrower is permitted to prepay the Summit Birmingham Whole Loan in whole, but not in part, with the payment of a yield maintenance premium.

(5) Occupancy includes Altar'd State, The Cowfish and Hanna Andersson, each of which has an executed lease but is not yet in occupancy as of the Cut-off Date. The lender has reserved 100.0% of the rent associated with each tenant from the loan origination date through each lease's scheduled commencement date. See "Escrows and Reserves" below.

(6) 4<sup>th</sup> Most Recent NOI, 3<sup>rd</sup> Most Recent NOI and 2<sup>nd</sup> Most Recent NOI include income and expenses from Phase IB, a portion of The Summit that is not collateral for The Summit Birmingham Whole Loan.

(7) For a full description of Escrows and Reserves, please refer to "Escrows and Reserves" below.



## The Summit Birmingham

**The Loan.** The Summit Birmingham loan is secured by a first mortgage lien on the borrower's fee interest in a 681,245 square foot portion ("**The Summit Birmingham Property**") of an upscale mixed-use development located in Birmingham, Alabama ("**The Summit**"). The whole loan was co-originated by Barclays and Bank of America, N.A. and has an outstanding principal balance as of the Cut-off Date of \$208.0 million ("**The Summit Birmingham Whole Loan**"), and is comprised of four *pari passu* notes, Note A-1, Note A-2, Note A-3 and Note A-4 (other than Note A-3, the "**Companion Loans**"). Note A-3, with an outstanding principal balance as of the Cut-off Date of \$50.0 million, is being contributed to the BBCMS 2017-C1 Trust. Note A-1 is held by Bank of America, N.A., has an outstanding principal balance as of the Cut-off Date of approximately \$61.9 million and is expected to be contributed to a future securitization trust. Note A-2 was contributed to the BACM 2017-BNK3 trust and has an outstanding principal balance as of the Cut-off Date of approximately \$73.3 million. Note A-4 is held by Barclays, has an outstanding principal balance as of the Cut-off Date of \$22.8 million and is expected to be contributed to a future securitization trust. The holder of Note A-2 (the "**Controlling Noteholder**") is the trustee of the BACM 2017-BNK3 trust. The trustee of the BACM 2017-BNK3 trust (or, prior to the occurrence and continuance of a control event under the related pooling and servicing agreement, the directing certificateholder for that securitization ) will be entitled to exercise all of the rights of the Controlling Noteholder with respect to The Summit Birmingham Whole Loan; provided, however, that the holders of Note A-3 and the Companion Notes (other than Note A-2) will be entitled, under certain circumstances, to be consulted with respect to certain major decisions. The Summit Birmingham Whole Loan has a 10-year term and is interest-only for the full term of the loan.

| Whole Loan Summary |                      |                       |                   |
|--------------------|----------------------|-----------------------|-------------------|
| Note               | Original Balance     | Note Holder           | Controlling Piece |
| A-1                | \$61,875,000         | Bank of America, N.A. | No                |
| A-2                | \$73,325,000         | BACM 2017-BNK3        | Yes               |
| A-3                | \$50,000,000         | BBCMS 2017-C1         | No                |
| A-4                | \$22,800,000         | Barclays              | No                |
| <b>Total</b>       | <b>\$208,000,000</b> |                       |                   |

**The Property.** The Summit Birmingham Property consists of a 681,245 square foot portion of The Summit. The Summit is an upscale mixed-use development comprised of a total of 1,036,240 square feet of retail and office space. The loan sponsor acquired a large portion of the property as vacant land in 1996 and developed that land in phases between 1997 and 2009. Phases IA and IB (non-collateral) were opened in 1997 with over 400,000 square feet featuring tenants including Barnes & Noble, Banana Republic, Williams-Sonoma, Ann Taylor, Victoria's Secret, P.F. Chang's and Macaroni Grill. Phase II was opened in 2000 and brought new-to-the-market retailers including California Pizza Kitchen, Everything But Water, Pottery Barn and Pottery Barn Kids and also allowed Gap to relocate and add Gap Kids and Gap Body to its offerings. Phase III opened in 2001, bringing Saks Fifth Avenue to open its first and only store in the state of Alabama, adding J. Crew, Fleming's and Panera Bread, and allowing Chico's and Talbots to expand their stores. Phase IV opened in 2005 bringing The Cheesecake Factory, Anthropologie, Vera Bradley and Swizzle's as first-time retailers in the state of Alabama. Phase VI opened in 2009 with 50,000 square feet of office and 50,000 square feet of retail space including tenants Banana Republic, Charming Charlie and Michael Kors. Phase V (non-collateral) is an unimproved 2.1 acre parcel which as with Phase IB (non-collateral) may be developed or redeveloped in the future by the sponsors.

The Summit Birmingham Property is contained across 19 buildings. The Summit Birmingham Property is situated on approximately 71.9 acres and is comprised of 630,395 square feet of retail space (inclusive of retail tenant storage space) and 50,850 square feet of office space. The Summit Birmingham Property contains 3,474 parking spaces with an overall parking ratio of approximately 5.1 spaces per 1,000 square feet of net rentable area.

As of December 14, 2016, the property was 98.5% occupied by 100 retail tenants and two office tenants. Anchor tenants at the property include Saks Fifth Avenue (not collateral) and Belk. The property benefits both from institutional quality anchor tenants, as well as a diverse tenant roster, with no individual tenant accounting for greater than 5.3% of net rentable area or 6.2% of underwritten base rent outside of Belk. Belk leases 163,480 square feet (24.0% of the net rentable area) through January 2018 (refer to Belk Trigger Event below) and has occupied its space since the property was developed in 1997. For the trailing 12-months ending August 31, 2016, Belk reported approximately \$40.0 million in total sales (approximately \$245 per square foot) resulting in an occupancy cost of 3.2%. Belk's sales at the property are over 3.0 times greater than Belk's national average sales per store of approximately \$13.3 million as of June 2016. Belk expanded its space by approximately 53,480 square feet in 2007 and has six five-year extension options remaining. Other national tenants located at the property include Allen Edmonds Shoes, Barnes & Noble, Brooks Brothers, The Cheesecake Factory, J. Crew, Panera Bread, Urban Outfitters, Victoria's Secret, Vineyard Vines and West Elm. Approximately 50 of The Summit's retailers are exclusive to the property in Alabama or Birmingham including Saks Fifth Avenue, Trader Joe's, Art of Shaving, Apple, Pottery Barn, Restoration Hardware and lululemon athletica.



## The Summit Birmingham

The Summit Birmingham Property has generated approximately \$213.8 million in overall gross sales for the trailing 12-months ending August 31, 2016, with comparable in-line sales of approximately \$603 per square foot and occupancy costs of 8.0%. For the same time period and excluding Apple, the property has generated approximately \$178.4 million in overall gross sales, with comparable in-line sales of approximately \$513 per square foot and occupancy costs of 9.4%. The Summit has demonstrated consistent performance with overall occupancy having averaged 97.6% for the period 2012 to 2015.

RSM US LLP and Brownell Travel account for office tenancy at The Summit Birmingham Property. RSM US LLP leases 35,724 square feet (5.2% of the net rentable area) through October 2021 and has occupied its space in the Phase VI portion of the property since its development in 2009. RSM US LLP is a leading provider of audit, tax and consulting services with approximately 9,000 professionals and associates in 86 cities nationwide. Brownell Travel leases 15,126 square feet (2.2% of the net rentable area) through March 2018, has been located at the property since 2011 and expanded its space in 2013. Brownell Travel is a travel agency with over 128 years of experience and is headquartered at the property.

**Environmental.** According to a Phase I environmental assessment dated November 10, 2016, there is no evidence of any recognized environmental conditions at The Summit Birmingham Property.

| Historical and Current Occupancy <sup>(1)</sup> |                     |                     |                        |
|---|---------------------|---------------------|------------------------|
| 2013 <sup>(2)</sup>                             | 2014 <sup>(2)</sup> | 2015 <sup>(2)</sup> | Current <sup>(3)</sup> |
| 98.9%   | 96.4%               | 97.8%               | 98.5%                  |

(1) Historical Occupancies are as of December 31 of each respective year.

(2) Historical Occupancy includes tenants at Phase IB (not collateral) of The Summit.

(3) Current Occupancy is as of December 14, 2016 and includes Altar'd State, The Cowfish and Hanna Andersson, each of which has an executed lease but is not yet in occupancy as of the Cut-off Date. The lender has reserved 100.0% of the rent associated with each tenant from the mortgage loan origination date through each lease's scheduled commencement date. See "Escrows and Reserves" below.

| Historical Sales <sup>(1)</sup> |               |               |                    |
|---------------------------------|---------------|---------------|--------------------|
|                                 | 2014          | 2015          | TTM <sup>(2)</sup> |
| Total In-line sales             | \$200,392,424 | \$215,735,275 | \$213,766,482      |
| Sales PSF w/ Apple              | \$601         | \$604         | \$603              |
| Sales PSF w/o Apple             | \$516         | \$518         | \$513              |

(1) Information as provided by the sponsors and only includes tenants reporting comparable sales for The Summit Birmingham Property.

(2) TTM Historical Sales are as of the trailing 12-month period ending August 31, 2016.

## The Summit Birmingham

| Top Ten Tenant Summary <sup>(1)</sup> |  |  |                      |                     |                     |                         |                             |               |                             |
|---------------------------------------|--|--|----------------------|---------------------|---------------------|-------------------------|-----------------------------|---------------|-----------------------------|
| Tenant                                | Ratings <sup>(2)</sup><br>Moody's/S&P<br>/ Fitch | Net<br>Rentable Area<br>(SF) <sup>(3)(4)</sup> | % of<br>Total<br>NRA | Base<br>Rent<br>PSF | Base Rent           | % of Total<br>Base Rent | Sales<br>PSF <sup>(4)</sup> | Occ.<br>Costs | Lease<br>Expiration<br>Date |
| Belk                                  | B2 / B / NA                                      | 163,480  | 24.0%                | \$6.41              | \$1,047,986         | 5.3%                    | \$245                       | 3.2%          | 1/31/2018                   |
| RSM US LLP                            | NA / NA / NA                                     | 35,724   | 5.2                  | \$33.84             | 1,208,900           | 6.2                     | NAP                         | NAP           | 10/31/2021                  |
| Barnes & Noble                        | NA / NA / NA                                     | 25,397   | 3.7                  | \$20.97             | 532,575             | 2.7                     | NAV                         | NAV           | 2/1/2018                    |
| Gap                                   | Baa2 / BB+ / BB+                                 | 17,522   | 2.6                  | \$40.09             | 702,507             | 3.6                     | \$267                       | 17.5%         | 3/31/2020                   |
| Gus Mayer <sup>(5)</sup>              | NA / NA / NA                                     | 16,410   | 2.4                  | \$23.39             | 383,760             | 2.0                     | \$711                       | 5.2%          | 1/31/2019                   |
| Brownell Travel                       | NA / NA / NA                                     | 15,126   | 2.2                  | \$26.00             | 393,276             | 2.0                     | NAP                         | NAP           | 3/31/2018                   |
| Trader Joe's                          | NA / NA / NA                                     | 12,922   | 1.9                  | \$36.00             | 465,192             | 2.4                     | NAV                         | NAV           | 9/30/2025                   |
| Urban Outfitters                      | NA / NA / NA                                     | 12,503   | 1.8                  | \$26.00             | 325,078             | 1.7                     | \$292                       | 11.3%         | 1/31/2027                   |
| Pottery Barn                          | NA / NA / NA                                     | 10,810   | 1.6                  | \$33.79             | 365,270             | 1.9                     | \$441                       | 9.5%          | 1/31/2023                   |
| The Cheesecake Factory                | NA / NA / NA                                     | 10,057   | 1.5                  | \$36.00             | 362,052             | 1.8                     | \$1,260                     | 5.6%          | 1/31/2024                   |
| <b>Top Ten Tenants</b>                |  | <b>319,951</b>                                 | <b>47.0%</b>         | <b>\$18.09</b>      | <b>\$5,786,596</b>  | <b>29.4%</b>            |                             |               |                             |
| <b>Non Top Ten Tenants</b>            |  | <b>350,866</b>                                 | <b>51.5%</b>         | <b>\$39.53</b>      | <b>\$13,868,210</b> | <b>70.6%</b>            |                             |               |                             |
| <b>Occupied Collateral Total</b>      |  | <b>670,817</b>                                 | <b>98.5%</b>         | <b>\$29.30</b>      | <b>\$19,654,807</b> | <b>100.0%</b>           |                             |               |                             |
| <b>Vacant Space</b>                   |  | <b>10,428</b>                                  | <b>1.5%</b>          |                     |                     |                         |                             |               |                             |
| <b>Collateral Total</b>               |  | <b>681,245</b>                                 | <b>100.0%</b>        |                     |                     |                         |                             |               |                             |

(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) Net Rentable Area includes storage space.

(4) Sales PSF represents trailing 12-month period ending August 31, 2016 as provided by the sponsors and only include tenants reporting comparable sales. Sales PSF excludes storage space.

(5) Gus Mayer's net rentable area includes 1,650 square feet of storage space which was excluded from the Sales PSF and Occ. Costs calculation.

| Lease Rollover Schedule <sup>(1)(2)</sup> |                                    |                                     |                         |                       |                               |   |                                    |                                     |   |
|---|------------------------------------|-------------------------------------|-------------------------|-----------------------|-------------------------------|---|------------------------------------|-------------------------------------|---|
| Year                                      | Number<br>of<br>Leases<br>Expiring | Net<br>Rentable<br>Area<br>Expiring | % of<br>NRA<br>Expiring | Base Rent<br>Expiring | % of Base<br>Rent<br>Expiring | Cumulative<br>Net<br>Rentable<br>Area<br>Expiring | Cumulative<br>% of NRA<br>Expiring | Cumulative<br>Base Rent<br>Expiring | Cumulative<br>% of Base<br>Rent<br>Expiring |
| Vacant                                    | NAP                                | 10,428                              | 1.5%                    | NAP                   | NAP                           | 10,428  | 1.5%                               | NAP                                 | NAP   |
| 2017 & MTM                                | 16                                 | 50,727                              | 7.4                     | \$1,661,387           | 8.5%                          | 61,155  | 9.0%                               | \$1,661,387                         | 8.5%  |
| 2018                                      | 12                                 | 235,982                             | 34.6                    | 3,159,659             | 16.1                          | 297,137   | 43.6%                              | \$4,821,047                         | 24.5%                                       |
| 2019                                      | 12                                 | 65,570                              | 9.6                     | 2,301,694             | 11.7                          | 362,707   | 53.2%                              | \$7,122,741                         | 36.2%                                       |
| 2020                                      | 6                                  | 40,535                              | 6.0                     | 1,612,627             | 8.2                           | 403,242   | 59.2%                              | \$8,735,368                         | 44.4%                                       |
| 2021                                      | 9                                  | 78,078                              | 11.5                    | 2,825,302             | 14.4                          | 481,320   | 70.7%                              | \$11,560,670                        | 58.8%                                       |
| 2022                                      | 7                                  | 25,290                              | 3.7                     | 1,067,334             | 5.4                           | 506,610   | 74.4%                              | \$12,628,004                        | 64.2%                                       |
| 2023                                      | 11                                 | 55,727                              | 8.2                     | 2,060,614             | 10.5                          | 562,337   | 82.5%                              | \$14,688,618                        | 74.7%                                       |
| 2024                                      | 10                                 | 39,789                              | 5.8                     | 1,651,661             | 8.4                           | 602,126   | 88.4%                              | \$16,340,279                        | 83.1%                                       |
| 2025                                      | 8                                  | 37,072                              | 5.4                     | 1,586,300             | 8.1                           | 639,198   | 93.8%                              | \$17,926,580                        | 91.2%                                       |
| 2026                                      | 4                                  | 7,295                               | 1.1                     | 392,140               | 2.0                           | 646,493   | 94.9%                              | \$18,318,720                        | 93.2%                                       |
| 2027 & Beyond                             | 7                                  | 34,752                              | 5.1                     | 1,336,087             | 6.8                           | 681,245   | 100.0%                             | \$19,654,807                        | 100.0%                                      |
| <b>Total</b>                              | <b>102</b>                         | <b>681,245</b>                      | <b>100.0%</b>           | <b>\$19,654,807</b>   | <b>100.0%</b>                 |   |                                    |                                     |   |

(1) Based on the underwritten rent roll.

(2) Certain tenants may have lease termination options that are exercisable prior to the originally stated expiration date of the subject lease that are not considered in the lease rollover schedule.

## The Summit Birmingham

### Operating History and Underwritten Net Cash Flow

|                               | 2013 <sup>(1)</sup> | 2014 <sup>(1)</sup> | 2015 <sup>(1)</sup> | 2016                | Underwritten        | Per Square Foot | % <sup>(2)</sup> |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-----------------|------------------|
| Rents in Place <sup>(3)</sup> | \$20,183,299        | \$20,629,285        | \$21,131,879        | \$18,703,522        | \$19,654,807        | \$28.85         | 78.7%            |
| Vacant Income                 | 0                   | 0                   | 0                   | 0                   | 557,813             | 0.82            | 2.2              |
| <b>Gross Potential Rent</b>   | <b>\$20,183,299</b> | <b>\$20,629,285</b> | <b>\$21,131,879</b> | <b>\$18,703,522</b> | <b>\$20,212,620</b> | <b>\$29.67</b>  | <b>81.0%</b>     |
| Total Reimbursements          | 4,613,871           | 4,492,764           | 4,656,167           | 3,878,724           | 4,075,464           | 5.98            | 16.3             |
| Percentage Rent               | 632,464             | 663,574             | 754,191             | 666,761             | 678,386             | 1.00            | 2.7              |
| <b>Net Rental Income</b>      | <b>\$25,429,634</b> | <b>\$25,785,623</b> | <b>\$26,542,237</b> | <b>\$23,249,007</b> | <b>\$24,966,470</b> | <b>\$36.65</b>  | <b>100.0%</b>    |
| (Vacancy/Credit Loss)         | (79,446)            | 15,402              | (191,313)           | (479,711)           | (1,248,324)         | (1.83)          | (5.0)            |
| Other Income <sup>(4)</sup>   | 623,952             | 580,232             | 583,742             | 526,344             | 486,950             | 0.71            | 2.0              |
| <b>Effective Gross Income</b> | <b>\$25,974,140</b> | <b>\$26,381,257</b> | <b>\$26,934,666</b> | <b>\$23,295,640</b> | <b>\$24,205,097</b> | <b>\$35.53</b>  | <b>97.0%</b>     |
| <b>Total Expenses</b>         | <b>\$6,813,961</b>  | <b>\$6,966,130</b>  | <b>\$7,344,888</b>  | <b>\$5,998,750</b>  | <b>\$6,134,767</b>  | <b>\$9.01</b>   | <b>25.3%</b>     |
| <b>Net Operating Income</b>   | <b>\$19,160,180</b> | <b>\$19,415,128</b> | <b>\$19,589,779</b> | <b>\$17,296,891</b> | <b>\$18,070,330</b> | <b>\$26.53</b>  | <b>74.7%</b>     |
| Total TI/LC, Capex/RR         | 0                   | 0                   | 0                   | 0                   | 1,186,428           | 1.74            | 4.9              |
| <b>Net Cash Flow</b>          | <b>\$19,160,180</b> | <b>\$19,415,128</b> | <b>\$19,589,779</b> | <b>\$17,296,891</b> | <b>\$16,883,902</b> | <b>\$24.78</b>  | <b>69.8%</b>     |

(1) 2013, 2014 and 2015 financial statements include the Phase IB portion of The Summit which is not collateral for the loan.

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

(3) Underwritten Rents in Place consist of in-place rents as of December 14, 2016, including (i) three tenants that have executed leases but not yet taken occupancy, representing 13,818 square feet and approximately \$566,720 of underwritten base rent, and (ii) underwritten contractual rent increases of \$393,165 through January 2018.

(4) Other Income consists of specialty leasing income related to temporary tenants, storage and ATM tenants, media, event and sponsorship income and other miscellaneous income.

## The Summit Birmingham

**The Market.** The Summit is located in the city of Birmingham, approximately five miles southeast of the Birmingham central business district. The property is situated at the center of four of the most affluent suburbs of Birmingham: Mountain Brook, Homewood, Vestavia Hills and Hoover. According to the appraisal, The Summit's location at the intersection of Highway 280 and Interstate 459, two of the most heavily traveled road ways in Birmingham, put the property in the center of the growth corridor of the Birmingham metropolitan area. Highway 280 connects directly to the Birmingham central business districts and has average daily traffic counts of over 73,000. Interstate 459 connects to other major interstates including Interstate 20, Interstate 65 and Interstate 59, and has average daily traffic counts of over 101,000.

According to the Birmingham business alliance, the Birmingham metropolitan area has a currently reported population of over 1.1 million and contains over 70.0% of the total jobs in North Central Alabama. Corporations headquartered in the Birmingham metropolitan area include Alabama Power, Associated Grocers of the South, Inc., BBVA Compass, Books-A-Million, Cadence Bank, Hibbett Sports, Liberty National Life Insurance Company, Ready Mix USA, Regions and Thompson/CAT. There are over 23 universities, colleges, technical and professional schools in the Birmingham metropolitan area employing nearly 20,000 and enrolling nearly 100,000 people, with higher education generating an economic impact of more than \$1 billion annually to the area. The 2015 unemployment rate for the Birmingham metropolitan area was 5.5%, the lowest rate since 2008.

The Birmingham metropolitan statistical area is home to the four largest area employers including the University of Alabama at Birmingham (23,000 employees), Regions Bank (7,000 employees), St. Vincent's Health System (4,644 employees) and Children's of Alabama (4,578 employees).

According to the appraisal, the property's 2016 estimated population within a one-, five-, and 10-mile radius is 3,615, 134,309, and 403,058 people, respectively, with average household income of \$83,934, \$114,008, and \$81,258, respectively. The appraisal notes a primary trade area within a 10-mile to 15-mile radius of the property, with an upper-middle and high-income demographic profile within the submarket. According to the loan sponsors, The Summit Birmingham Property attracts a large segment of shoppers from outside the primary trade area and estimates that up to 35.0% of the property's sales are from shoppers who live 30-150 miles away.

As of third quarter 2016, the Birmingham retail market contained approximately 100.2 million square feet of retail space with an average vacancy rate of 5.5%, the lowest rate in the last 10 years. In general, the weighted average in-place rents for each retail category are either in-line with or below the appraisal's concluded market rents.

The appraisal identified five directly competitive retail properties built between 1973 and 2014 and ranging in size from 431,635 square feet to 762,541 square feet. The comparable retail properties reported occupancies ranging from 89.0% to 99.0% with a weighted average occupancy of 94.6%. Available sales per square foot data for the competitive properties range from \$245 to \$565. There is no proposed new competitive supply noted by the appraisal.

**Competitive Set Summary<sup>(1)</sup>**

| Property/Location  | Year Built / Renovated | Total GLA (SF) | Est. Sales PSF | Est. Occ. | Proximity (miles) | Anchor Tenants   |
|--|------------------------|----------------|----------------|-----------|-------------------|--|
| Riverchase Galleria<br>Hoover, AL                          | 1986 / 2014            | 762,541        | \$450          | 92.0%     | 8.0               | Belk, JCPenney, Macy's, Sears                                    |
| Colonial Brookwood Village<br>Birmingham, AL               | 1973 / 2002            | 688,000        | NAV            | 89.0%     | 4.2               | Macy's, Belk, Books-A-Million                                    |
| Shoppes at East Chase<br>Montgomery, AL                    | 2002 / NAP             | 431,635        | \$245          | 98.0%     | 93.6              | Dillard's, Target, Kohl's, Ross Dress for Less                   |
| Bridge Street Town Centre <sup>(2)</sup><br>Huntsville, AL | 2007 / NAP             | 622,862        | \$565          | 98.0%     | 105.0             | Belk, Barnes & Noble, Apple, Bed, Bath and Beyond                |
| Avalon<br>Alpharetta, GA                                   | 2014 / 2017            | 495,907        | \$490          | 99.0%     | 169.0             | Regal Cinemas, Whole Foods Market, Crate & Barrel, Anthropologie |

(1) Based on the appraisal.

(2) Bridge Street Town Centre is also owned by Bayer Properties, one of The Summit Birmingham Whole Loan sponsors.

**The Borrower.** The borrowing entity for The Summit Birmingham Whole Loan is BRC Holding Company, L.L.C., a Delaware limited liability company and special purpose entity with two independent directors. Legal counsel to the borrower delivered a non-consolidation opinion in connection with the origination of The Summit Birmingham Whole Loan. Jeffrey A. Bayer, David L. Silverstein, Jon W. Rotenstreich and Institutional Mall Investors LLC are the guarantors of certain nonrecourse carve-outs under The Summit Birmingham Whole Loan.



## The Summit Birmingham

**The Loan Sponsors.** Equity ownership in the The Summit Birmingham borrower is indirectly held by JDJ Birmingham Company, L.L.C. (51.0%) and Institutional Mall Investors LLC.

JDJ Birmingham Company, L.L.C. is an entity indirectly owned by Jeffery A. Bayer, David L. Silverstein and Jon W. Rotenstreich, and their family trusts. Jeffery A. Bayer, David L. Silverstein and Jon W. Rotenstreich are nonrecourse carve-out guarantors for The Summit Birmingham Whole Loan. Jeffery Bayer is CEO and President and David Silverstein and Jon Rotenstreich are principals of Bayer Properties, LLC. Bayer Properties, LLC is a Birmingham, Alabama based real estate management and development firm with a national portfolio of over 22 properties comprising approximately 10.0 million square feet, with nine properties in Alabama, including The Summit Birmingham Property.

Institutional Mall Investors LLC ("**IMI**") is an additional nonrecourse carve-out guarantor for The Summit Birmingham Whole Loan and is 99% owned by California Public Employees' Retirement System ("**CalPERS**"), the nation's largest public pension fund. IMI is an investment platform focused on high quality, market dominant, fashion oriented retail properties. As of December 2016, IMI's portfolio included approximately 20.2 million square feet of retail space and over 1.1 million square feet of prime office space.

**Property Management.** The Summit Birmingham Property is managed by Bayer Properties, L.L.C., an affiliate of the borrower.

**Escrows and Reserves.** At origination, the borrower was required to deposit into escrow \$1,989,285 for outstanding tenant improvements and leasing commissions related to nine tenants, \$506,123 related to a tenant dispute concerning overpayment of rent and \$346,727 for gap rent related to three tenants.

**Tax Escrows** – The requirement for the borrower to make monthly deposits into the tax escrow is waived so long as no event of default or Collection Reserve Trigger Period (defined below) exists.

**Insurance Escrows** – The requirement for the borrower to make monthly deposits to the insurance escrow is waived so long as The Summit Birmingham Property is insured under a blanket insurance policy in accordance with the loan documents and no event of default or Collection Reserve Trigger Period exists.

**Replacement Reserves** – The requirement for the borrower to make monthly deposits into the replacement reserve is waived so long as no event of default or Collection Reserve Trigger Period exists. Upon an event of default or if a Collection Reserve Trigger Period exists, the borrower is required to escrow \$9,416 (approximately \$0.17 per square foot annually) on a monthly basis for replacement reserves. The reserve is subject to a cap of \$225,984 (approximately \$0.33 per square foot).

**TI/LC Reserves** – The requirement for the borrower to make monthly deposits into the tenant improvements and leasing commissions escrow is waived so long as no event of default or Collection Reserve Trigger Period exists. Upon an event of default or if a Collection Reserve Trigger Period exists, the borrower is required to escrow \$89,453 (approximately \$1.58 per square foot annually) on a monthly basis for tenant improvement and leasing commission reserves. The reserve is subject to a cap of \$2,146,872 (approximately \$3.15 per square foot).

A "**Collection Reserve Trigger Period**" will commence if the debt service coverage ratio (as calculated in the loan documents) is less than 1.50x for two consecutive calendar quarters and will end if the debt service coverage ratio (as calculated in the loan documents) is greater than 1.50x for two consecutive calendar quarters.

**Lockbox / Cash Management.** The loan is structured with a hard lockbox and springing cash management. Tenant direction letters were required to be sent to all tenants upon the origination of the loan instructing them to deposit all rents and payments into the lockbox account controlled by the lender. The funds are then returned to an account controlled by the borrower until the occurrence of a Lockbox Event (as defined below). During a Lockbox Event, all funds in the lockbox account are swept weekly to a segregated cash management account under the control of the lender. To the extent there is a Lockbox Event continuing, all excess cash flow after payment of the mortgage debt service, required reserves and other amounts required by the loan documents will be held as additional collateral for the loan. The lender has a first priority security interest in the cash management account.

A "**Lockbox Event**" means the occurrence of (i) an event of default, (ii) bankruptcy action of the borrower, property owner or property manager (if an affiliate of borrower and provided property manager is not replaced within 60 days) with a qualified manager (as defined in the loan documents), (iii) a DSCR Trigger Event (defined below) or (iv) a Belk Trigger Event (defined below).

A "**DSCR Trigger Event**" means the debt service coverage ratio (as calculated in the loan documents) is less than 1.30x for two consecutive calendar quarters.

## The Summit Birmingham

A “**Belk Trigger Event**” means the earliest of the date Belk (i) vacates or gives notice of its intent to vacate or terminate its lease (a “**Belk Termination Trigger**”), (ii) is required under its lease to exercise its option to extend the term of its lease but has not exercised such option to extend its lease (a “**Belk Extension Option Trigger**”), (iii) defaults in payment of rent under its lease or (iv) files or is the subject of bankruptcy proceedings or has its assets made subject to the jurisdiction of a bankruptcy court (a “**Belk Bankruptcy Trigger**”).

With respect to a Belk Termination Trigger or a Belk Extension Option Trigger, a Belk Trigger Event will be cured if (i) the space leased to Belk is leased to a replacement tenant reasonably acceptable to the lender for a period of time and on terms and conditions reasonably acceptable to the lender or (ii) the aggregate amount on deposit in the excess cash flow reserve account equals or exceeds \$1,634,800 (approximately \$10.00 per square foot of the Belk space).

With respect to a Belk Extension Option Trigger, a Belk Trigger Event will be cured if (i) the exercise by Belk of the extension option under the Belk lease, if after the latest renewal notice date required under the Belk lease but before the expiration of the Belk Lease, or (ii) if after the latest renewal notice date required under the Belk lease but before the expiration of the Belk lease, borrower and Belk enter into an amendment to the Belk lease reasonably acceptable to the lender which extends the term of the Belk lease and Belk remains in possession and occupancy of the space leased to it and is paying rent consistent with the market as of the date of such amendment.

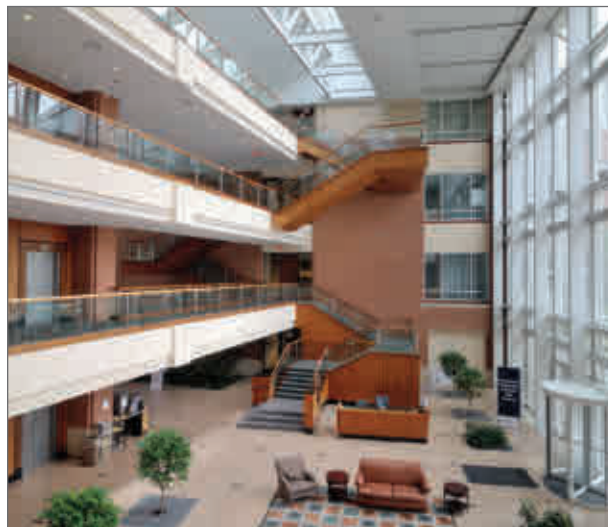
With respect to a Belk Bankruptcy Trigger, a Belk Trigger Event will be cured if the Belk lease is assumed without alteration of any material terms (as ordered by the bankruptcy court), or with respect to any bankruptcy case involving Belk, until the assets of Belk are no longer subject to the jurisdiction of the bankruptcy court and Belk’s obligations under the Belk lease remain unaltered from the date on which Belk’s assets became subject to the jurisdiction of the bankruptcy court.

**Subordinate and Mezzanine Debt.** None.

**Partial Release.** Not permitted.

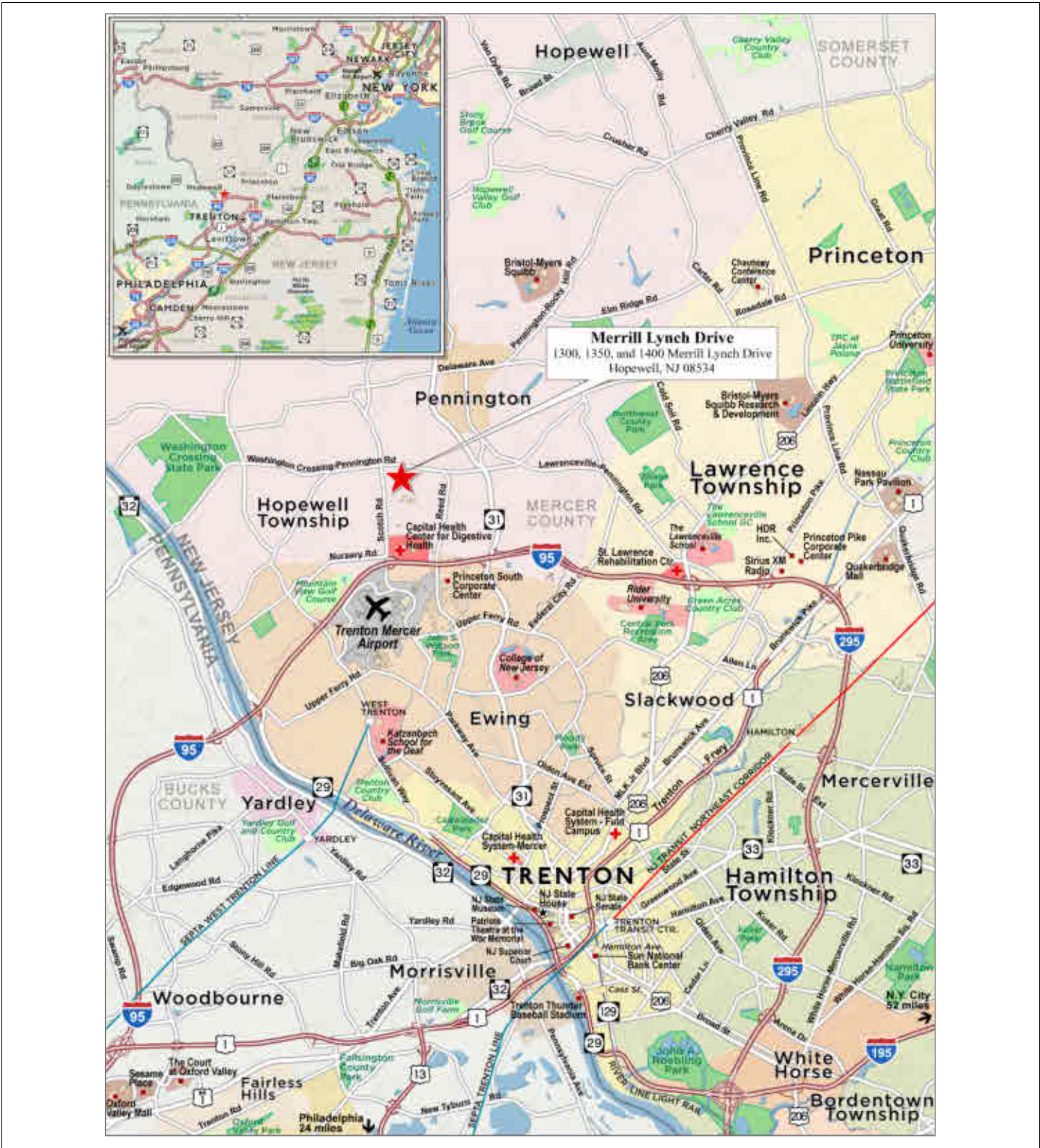
**Ground Lease.** None.

## Merrill Lynch Drive





Merrill Lynch Drive





Merrill Lynch Drive



## Merrill Lynch Drive

## Mortgage Loan Information

|   |                       |
|---|-----------------------|
| Mortgage Loan Seller <sup>(1)</sup> :           | Barclays              |
| Original Principal Balance <sup>(2)</sup> :     | \$41,500,000          |
| Cut-off Date Principal Balance <sup>(2)</sup> : | \$41,500,000          |
| % of IPB:                                       | 4.8%                  |
| Loan Purpose:                                   | Acquisition           |
| Borrower:                                       | CCI-Hopewell VI LLC   |
| Sponsors <sup>(3)</sup> :                       | Various               |
| Interest Rate <sup>(4)</sup> :                  | 3.93000%              |
| Note Date:                                      | 1/31/2017             |
| Anticipated Repayment Date <sup>(4)</sup> :     | 2/6/2022              |
| Interest-only Period <sup>(4)</sup> :           | 60 months             |
| Original Term <sup>(4)</sup> :                  | 60 months             |
| Original Amortization Term <sup>(4)</sup> :     | None                  |
| Amortization Type <sup>(4)</sup> :              | ARD-Interest Only     |
| Call Protection:                                | Grtr0.5%orYM(56),O(4) |
| Lockbox / Cash Management:                      | Hard / In-Place       |
| Additional Debt:                                | Yes                   |
| Additional Debt Balance:                        | \$62,100,000          |
| Additional Debt Type:                           | Pari Passu            |

## Property Information

|  |                       |
|--|-----------------------|
| Single Asset / Portfolio:                                | Single Asset          |
| Title:   | Fee                   |
| Property Type – Subtype:                                 | Office – Suburban     |
| Net Rentable Area (SF):                                  | 553,841               |
| Location:  | Hopewell, NJ          |
| Year Built / Renovated:                                  | 2001 / N/A            |
| Occupancy:   | 100.0%                |
| Occupancy Date:  | 2/6/2017              |
| 4 <sup>th</sup> Most Recent NOI (As of) <sup>(5)</sup> : | NAV                   |
| 3 <sup>rd</sup> Most Recent NOI (As of) <sup>(5)</sup> : | NAV                   |
| 2 <sup>nd</sup> Most Recent NOI (As of) <sup>(5)</sup> : | NAV                   |
| Most Recent NOI (As of) <sup>(5)</sup> :                 | NAV                   |
| UW Economic Occupancy:                                   | 95.0%                 |
| UW Revenues:   | \$12,496,038          |
| UW Expenses:   | \$249,921             |
| UW NOI:  | \$12,246,117          |
| UW NCF:  | \$12,163,041          |
| Appraised Value / Per SF <sup>(6)</sup> :                | \$153,000,000 / \$276 |
| Appraisal Date:  | 1/3/2017              |

Escrows and Reserves<sup>(7)</sup>

|                       | Initial   | Monthly   | Initial Cap |
|-----------------------|-----------|-----------|-------------|
| Taxes:                | \$737,682 | \$122,947 | N/A         |
| Insurance:            | \$124,482 | \$10,374  | N/A         |
| Replacement Reserves: | \$0       | \$6,923   | N/A         |
| TI/LC:                | \$0       | \$0       | N/A         |
| Other:                | \$18,113  | \$0       | N/A         |

Financial Information<sup>(2)</sup>

|  |       |
|--|-------|
| Cut-off Date Loan / SF:                  | \$187 |
| Maturity Date Loan / SF <sup>(8)</sup> : | \$187 |
| Cut-off Date LTV:                        | 67.7% |
| Maturity Date LTV <sup>(8)</sup> :       | 67.7% |
| UW NCF DSCR:                             | 2.95x |
| UW NOI Debt Yield:                       | 11.8% |

## Sources and Uses

| Sources                      | Proceeds             | % of Total    | Uses              | Proceeds             | % of Total    |
|------------------------------|----------------------|---------------|-------------------|----------------------|---------------|
| Mortgage Loan <sup>(2)</sup> | \$103,600,000        | 67.3%         | Purchase Price    | \$148,000,000        | 96.1%         |
| Sponsor Equity               | 48,309,152           | 31.4          | Closing Costs     | 5,152,327            | 3.3           |
| Other Sources <sup>(9)</sup> | 2,123,450            | 1.4           | Upfront Reserves  | 880,276              | 0.6           |
| <b>Total Sources</b>         | <b>\$154,032,603</b> | <b>100.0%</b> | <b>Total Uses</b> | <b>\$154,032,603</b> | <b>100.0%</b> |

(1) The Merrill Lynch Drive Whole Loan (as defined below) was co-originated by Barclays and Morgan Stanley Bank, N.A. ("MSBNA").

(2) The Merrill Lynch Drive mortgage loan is part of a whole loan evidenced by three *pari passu* note with an aggregate original balance of \$103.6 million. The Financial Information presented in the chart above reflects the Cut-off Date balance of the \$103.6 million the Merrill Lynch Drive Whole Loan (as defined below).

(3) Capital Commercial Investments, Inc. and Atalaya Capital Management LP. See "The Loan Sponsors" below.

(4) The Merrill Lynch Drive Whole Loan is structured with an anticipated repayment date of February 6, 2022 (the "ARD"). If the Merrill Lynch Drive Whole Loan is not paid off on or before the ARD, then the Merrill Lynch Drive Whole Loan will accrue interest at a *per annum* rate equal to the greater of (i) the initial interest rate of 3.93000% (the "Initial Interest Rate") plus 3.00000% and (ii) the treasury rate as of the ARD plus 3.00000% (the "Adjusted Interest Rate"); however, interest accrued at the excess of the Adjusted Interest Rate over the Initial Interest Rate ("Accrued Interest") will be deferred. In addition, from and after the ARD, all excess cash flow from the Merrill Lynch Drive Property after the payment of reserves, interest calculated at the Initial Interest Rate and operating expenses will be applied (a) *first*, to repay the outstanding principal balance of the Merrill Lynch Drive Whole Loan and (b) *second*, to the payment of Accrued Interest. The final maturity date of the Merrill Lynch Drive Whole Loan is February 6, 2025.

(5) The Merrill Lynch Drive Property (as defined below) is leased to a single tenant pursuant to a triple-net lease; the single tenant is responsible for the payment of property expenses and as such, historical financial information is not presented.

(6) The appraisal also concluded a "hypothetical-go-dark" value of \$93.2 million (approximately \$168 per square foot) as of January 3, 2017.



## Merrill Lynch Drive

- (7) For a full description of Escrows and Reserves, please refer to "Escrows and Reserves" below.
- (8) Maturity Date Loan / SF and Maturity Date LTV are calculated as of the ARD.
- (9) Other Sources reflects credits to the purchaser for pre-paid rents and pre-paid expense reimbursements collected by the seller from the tenant prior to the origination date of the Merrill Lynch Drive Whole Loan in respect of rents and expenses reimbursements due after the origination date of the Merrill Lynch Drive Whole Loan.

**The Loan.** The Merrill Lynch Drive loan is secured by a first mortgage lien on three Class A office buildings totaling 553,841 square feet located at 1300, 1350 and 1400 Merrill Lynch Drive in Hopewell, New Jersey (the "**Merrill Lynch Drive Property**"). The whole loan was co-originated by Barclays and Morgan Stanley, N.A. and has an outstanding principal balance as of the Cut-off Date of \$103.6 million (the "**Merrill Lynch Drive Whole Loan**"), and is comprised of three *pari passu* notes, Note A-1, Note A-2 and Note A-3. Note A-1, with an outstanding principal balance as of the Cut-off Date of \$41.5 million, is being contributed to the BBCMS 2017-C1 Trust. Note A-2 is held by Barclays, has an outstanding principal balance as of the Cut-off Date of approximately \$20.7 million and is expected to be contributed to a future securitization trust. Note A-3 is held by Morgan Stanley, N.A., has an outstanding principal balance as of the Cut-off Date of approximately \$41.4 million and is expected to be contributed to a future securitization trust. Note A-1 is the controlling note under the related co-lender agreement, the rights of which will be exercised under this securitization (or, prior to the occurrence and continuance of a control termination event under the pooling and servicing agreement, the directing certificateholder); *however*, the holders of Note A-2 and Note A-3 (the "**Merrill Lynch Drive Companion Loans**") will be entitled, under certain circumstances, to be consulted with respect to certain major decisions. The Merrill Lynch Drive Whole Loan is structured with an ARD of February 6, 2022, a final maturity date of February 6, 2025 and is interest-only until the ARD.

| Whole Loan Summary |                      |                      |                   |
|--------------------|----------------------|----------------------|-------------------|
| Note               | Original Balance     | Note Holder          | Controlling Piece |
| Note A-1           | \$41,500,000         | BBCMS 2017-C1        | Yes               |
| Note A-2           | \$20,660,000         | Barclays             | No                |
| Note A-3           | \$41,440,000         | Morgan Stanley, N.A. | No                |
| <b>Total</b>       | <b>\$103,600,000</b> |                      |                   |

**The Property.** The Merrill Lynch Drive Property consists of three Class A office buildings totaling 553,841 square feet within a larger 12-building, approximately 1.8 million square foot office campus (the "**Hopewell Campus**") located in Hopewell, New Jersey, approximately 30 miles northeast of Philadelphia and 50 miles southwest of New York City. The Hopewell Campus was constructed in 2001 on a built-to-suit basis for Merrill Lynch Pierce Fenner & Smith ("**Merrill Lynch**") (S&P: A+; Fitch: A+). The Hopewell Campus is home to Merrill Lynch's Global Wealth Management division including the executive team as well as technology support, credit card processing and the 24/7 Merrill Edge call center, one of the only two in the United States. The 12 LEED®-certified buildings comprising the Hopewell Campus were designed to function and operate as four separate, three-building "pods" each of which includes a dedicated parking garage and surface lot. Common amenities at the Hopewell Campus include a 30,500 square foot day care center, an indoor basketball court, a drop-off dry cleaning service and a hair salon. Pedestrian walkways provide access throughout the Hopewell Campus, connecting to a central plaza which features a landscaped garden with ponds and a waterfall, artwork and outdoor dining areas. Access to the common amenities, pedestrian walkways and public spaces is provided for under perpetual non-exclusive easement agreements. In December 2012, Merrill Lynch completed a sale-leaseback transaction for the Hopewell Campus and simultaneously executed separate leases for each of the four pods. The four pods were each subsequently sold in separate transactions. As of the Cut-off Date, Merrill Lynch was the sole tenant in nine buildings at the Hopewell Campus, representing three of the four pods (one of which is collateral for the Merrill Lynch Drive Whole Loan); Merrill Lynch vacated one of the pods in December 2014 and ownership subsequently leased the buildings to four unique tenants. According to the loan sponsor, approximately 6,200 Merrill Lynch employees currently work on site at the Hopewell Campus.

As of February 6, 2017, the Merrill Lynch Drive Property was 100.0% leased to Merrill Lynch on a triple-net basis through November 30, 2024 with three remaining, five-year renewal options and no termination rights. The Merrill Lynch Drive Property consists of three buildings, 1300 Merrill Lynch Drive (the "**1300 Building**"), 1350 Merrill Lynch Drive (the "**1350 Building**") and 1400 Merrill Lynch Drive (the "**1400 Building**"). The three-story 1300 Building consists of 167,715 square feet of office space which, according to the loan sponsor, is utilized to provide technical and operational support to Merrill Lynch's Global Wealth Management division. The four-story 1400 Building consists of 327,278 square feet which, according to the loan sponsor, is utilized by financial advisors in the Merrill Edge and Global Wealth Management divisions and also includes the 24/7 Merrill Edge call center. The two-story, 58,848-square foot 1350 Building features a cafeteria and meeting/conference room space, and connects to a dedicated 2,469-space parking area with 953 garage spaces and 1,516 surface spaces (parking ratio of approximately 4.46 spaces per 1,000 square feet of net rentable area).

## Merrill Lynch Drive

Merrill Lynch is the wealth management, brokerage, and investment banking subsidiary of the Bank of America Corporation (“**BofA**”) (NYSE: BAC; Moody's: Baa1; S&P: BBB+; Fitch: A). BofA operates through five business segments: Consumer & Business Banking, Consumer Real Estate Services, Global Wealth & Investment Management, Global Banking, Global Markets and Legal Assets & Servicing segments. Merrill Lynch is part of BofA's Global Wealth & Investment Management segment, where it operates as Merrill Lynch Global Wealth Management. Merrill Lynch Global Wealth Management's network of financial advisors focus on serving clients with over \$250,000 in investable assets by offering a full set of investment management, brokerage, banking and retirement products. As of December 31, 2015, client balances held by Merrill Lynch Global Wealth Management totaled approximately \$2.1 trillion.

**Environmental.** According to a Phase I environmental assessment dated December 30, 2016, there was no evidence of any recognized environmental conditions at the Merrill Lynch Drive Property.

| Historical and Current Occupancy <sup>(1)</sup> |        |        |                        |
|---|--------|--------|------------------------|
| 2013  | 2014   | 2015   | Current <sup>(2)</sup> |
| 100.0%  | 100.0% | 100.0% | 100.0%                 |

(1) Historical Occupancies are as of December 31 of each respective year.

(2) Current Occupancy is as of February 6, 2017.

| Top Tenant Summary <sup>(1)</sup> |   |                              |                   |                  |                     |                            |                             |
|-----------------------------------|---|------------------------------|-------------------|------------------|---------------------|----------------------------|-----------------------------|
| Tenant                            | Ratings <sup>(2)</sup><br>Moody's/S&P/Fitch | Net<br>Rentable<br>Area (SF) | % of<br>Total NRA | Base<br>Rent PSF | Base Rent           | % of Total<br>Base<br>Rent | Lease<br>Expiration<br>Date |
| Merrill Lynch                     | NA / A+ / A+                                | 553,841                      | 100.0%            | \$22.00          | \$12,184,502        | 100.0%                     | 11/30/2024                  |
| <b>Occupied Collateral Total</b>  |   | <b>553,841</b>               | <b>100.0%</b>     | <b>\$22.00</b>   | <b>\$12,184,502</b> | <b>100.0%</b>              |                             |
| <b>Vacant Space</b>               |   | <b>0</b>                     | <b>0.0%</b>       |                  |                     |                            |                             |
| <b>Collateral Total</b>           |   | <b>553,841</b>               | <b>100.0%</b>     |                  |                     |                            |                             |

(1) Based on the underwritten rent roll dated.

(2) Ratings provided are for the entity listed in the “Tenant” field.

| Lease Rollover Schedule <sup>(1)</sup> |                                    |                                     |                         |                       |                               |   |                                    |                                     |   |
|--|------------------------------------|-------------------------------------|-------------------------|-----------------------|-------------------------------|---|------------------------------------|-------------------------------------|---|
| Year                                   | Number<br>of<br>Leases<br>Expiring | Net<br>Rentable<br>Area<br>Expiring | % of<br>NRA<br>Expiring | Base Rent<br>Expiring | % of Base<br>Rent<br>Expiring | Cumulative<br>Net<br>Rentable<br>Area<br>Expiring | Cumulative<br>% of NRA<br>Expiring | Cumulative<br>Base Rent<br>Expiring | Cumulative<br>% of Base<br>Rent<br>Expiring |
| Vacant                                 | NAP                                | 0                                   | 0.0%                    | NAP                   | NAP                           | 0   | 0.0%                               | NAP                                 | NAP   |
| 2017 & MTM                             | 0                                  | 0                                   | 0.0                     | \$0                   | 0.0%                          | 0   | 0.0%                               | \$0                                 | 0.0%  |
| 2018                                   | 0                                  | 0                                   | 0.0                     | 0                     | 0.0                           | 0   | 0.0%                               | \$0                                 | 0.0%  |
| 2019                                   | 0                                  | 0                                   | 0.0                     | 0                     | 0.0                           | 0   | 0.0%                               | \$0                                 | 0.0%  |
| 2020                                   | 0                                  | 0                                   | 0.0                     | 0                     | 0.0                           | 0   | 0.0%                               | \$0                                 | 0.0%  |
| 2021                                   | 0                                  | 0                                   | 0.0                     | 0                     | 0.0                           | 0   | 0.0%                               | \$0                                 | 0.0%  |
| 2022                                   | 0                                  | 0                                   | 0.0                     | 0                     | 0.0                           | 0   | 0.0%                               | \$0                                 | 0.0%  |
| 2023                                   | 0                                  | 0                                   | 0.0                     | 0                     | 0.0                           | 0   | 0.0%                               | \$0                                 | 0.0%  |
| 2024                                   | 1                                  | 553,841                             | 100.0                   | 12,184,502            | 100.0                         | 553,841   | 100.0%                             | \$12,184,502                        | 100.0%                                      |
| 2025                                   | 0                                  | 0                                   | 0.0                     | 0                     | 0.0                           | 553,841   | 100.0%                             | \$12,184,502                        | 100.0%                                      |
| 2026                                   | 0                                  | 0                                   | 0.0                     | 0                     | 0.0                           | 553,841   | 100.0%                             | \$12,184,502                        | 100.0%                                      |
| 2027 & Beyond                          | 0                                  | 0                                   | 0.0                     | 0                     | 0.0                           | 553,841   | 100.0%                             | \$12,184,502                        | 100.0%                                      |
| <b>Total</b>                           | <b>1</b>                           | <b>553,841</b>                      | <b>100.0%</b>           | <b>\$12,184,502</b>   | <b>100.0%</b>                 |   |                                    |                                     |   |

(1) Based on the underwritten rent roll.

## Merrill Lynch Drive

| Operating History and Underwritten Net Cash Flow <sup>(1)</sup> |                     |                 |                  |
|---|---------------------|-----------------|------------------|
|   | Underwritten        | Per Square Foot | % <sup>(2)</sup> |
| Rents in Place  | \$12,184,502        | \$22.00         | 92.6%            |
| Straight-Line Rent <sup>(3)</sup>                               | 969,222             | 1.75            | 7.4              |
| <b>Gross Potential Rent</b>                                     | <b>\$13,153,724</b> | <b>\$23.75</b>  | <b>100.0%</b>    |
| Total Reimbursements  | 0                   | 0               | 0                |
| Other Rental Income   | 0                   | 0               | 0                |
| <b>Net Rental Income</b>  | <b>\$13,153,724</b> | <b>\$23.75</b>  | <b>100.0%</b>    |
| (Vacancy/Credit Loss)   | (657,686)           | (1.19)          | (5.0)            |
| Other Income  | 0                   | 0               | 0                |
| <b>Effective Gross Income</b>                                   | <b>\$12,496,038</b> | <b>\$22.56</b>  | <b>95.0%</b>     |
| <b>Total Expenses<sup>(4)</sup></b>                             | <b>\$249,921</b>    | <b>\$0.45</b>   | <b>2.0%</b>      |
| <b>Net Operating Income</b>                                     | <b>\$12,246,117</b> | <b>\$22.11</b>  | <b>98.0%</b>     |
| Total TI/LC, Capex/RR   | 83,076              | 0.15            | 0.7              |
| <b>Net Cash Flow</b>  | <b>\$12,163,041</b> | <b>\$21.96</b>  | <b>97.3%</b>     |

(1) The Merrill Lynch Drive Property is leased to Merrill Lynch pursuant to a triple-net lease; the single tenant, Merrill Lynch is responsible for the payment of property expenses and as such, historical financial information is not presented.

(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) Straight-Line Rent represents \$969,222 in average contractual rent increases for the investment grade tenant Merrill Lynch through the term of its lease.

(4) The Merrill Lynch Drive Property is leased to Merrill Lynch pursuant to a triple-net lease; the single tenant, Merrill Lynch is responsible for the payment of property expenses and as such Underwritten Total Expenses is comprised solely of a 2.0% management fee.

**The Market.** The Merrill Lynch Drive Property is located in Hopewell, New Jersey, in northwest Mercer County, approximately 30 miles northeast of Philadelphia, Pennsylvania and approximately 50 miles southwest of New York City. The Merrill Lynch Drive Property is approximately 14 miles southwest of Princeton University and approximately one mile north of the Trenton Mercer Airport. The Merrill Lynch Drive Property has access to the south by Interstate 95 and Highway 1 is to the east which provides access to the New Jersey Turnpike and the Garden State Parkway. According to the appraisal, the estimated 2015 population within a three- five- and ten-mile radius of the Merrill Lynch Drive Property was 31,406, 96,829, and 444,396, respectively. According to the appraisal, the estimated 2015 average household income within a three- five- and ten-mile radius of the Merrill Lynch Drive Property was \$140,207, \$114,230 and \$105,514, respectively.

According to the appraisal, the Merrill Lynch Drive Property is located within the Princeton submarket of the Central New Jersey office market. As of the third quarter of 2016, the Central New Jersey office market vacancy rate and average asking gross lease rate were 17.7% and \$24.85 per square foot, respectively. The Princeton office submarket vacancy rate and average asking gross lease rate were 16.0% and \$27.48 per square foot, respectively, for the same time period. The appraisal identified eleven leases within nine competitive office buildings built between 1980 and 2001 and ranging in size from approximately 28,269 to 563,469 square feet. The average rental rate for the eleven leases ranged from \$17.50 to \$26.00 per square foot on net lease equivalent basis. The appraisal concluded a market rent of \$21.00 per square foot for the Merrill Lynch Drive Property.

**The Borrower.** The borrowing entity for the Merrill Lynch Drive Whole Loan is CCI-Hopewell VI LLC, a Delaware limited liability company and special purpose entity with two independent directors. Legal counsel to the borrower delivered a non-consolidation opinion in connection with the origination of the Merrill Lynch Drive Whole Loan. The nonrecourse carve-out guarantor under the Merrill Lynch Drive Whole Loan is Paul D. Agarwal.

**The Loan Sponsor.** The loan sponsor is a joint venture between Capital Commercial Investments, Inc. ("**CCI**") and Atalaya Capital Management ("**Atalaya**"). Paul D. Agarwal, the nonrecourse carve-out guarantor under the Merrill Lynch Drive Whole Loan founded CCI in 1992 and serves as president of the company. CCI is a commercial real estate investment firm based in Austin, Texas focused on value-added investment opportunities in class A/B office and industrial properties in the United States. As of the third quarter of 2016, CCI and its partners owned and managed a \$250.0 million real estate portfolio totaling 4.8 million square feet. Atalaya is a privately-held, SEC-registered, alternative investment advisory firm focused on making opportunistic credit and special situations



## Merrill Lynch Drive

investments, primarily via three principal strategies, corporate, real estate and specialty finance. Founded in 2006 and headquartered in New York City, Atalaya deployed has deployed over \$2.0 billion of capital managed on behalf of a client base predominantly comprised of institutional investors including endowments, foundations, family offices, and public and corporate pension plans.

**Property Management.** The Merrill Lynch Drive Property is managed by NREM Hopewell Manager, LLC.

**Escrows and Reserves.** At origination, the borrower was required to deposit into escrow \$737,682 for real estate taxes, \$124,482 for insurance reserves and \$18,113 for required repairs.

**Tax Escrows** – On a monthly basis, the borrower is required to escrow 1/12 of the annual estimated tax payments, which currently equates to \$122,947.

**Insurance Escrows** – On a monthly basis, the borrower is required to escrow 1/12 of the annual insurance premiums, which currently equates to \$10,374.

**Replacement Reserves** – On a monthly basis, the borrower is required to escrow \$6,923 (approximately \$0.15 per square foot annually) for ongoing replacement reserves.

**TI/LC Reserves** – The requirement for the borrower to deposit monthly escrows into the tenant improvements and leasing commissions reserve is waived so long as no Tenant Trigger Period (as defined below) is continuing. During the continuance of a Tenant Trigger Period exists, the borrower is required to sweep all excess cash flow after payment of debt service, required reserves and operating expenses as well as any lease termination payments received, into the tenant improvements and leasing commissions reserve, subject to the TI/LC Reserve Cap (as defined below).

A “**Tenant Trigger Period**” means a period (A) commencing upon the first to occur of (i) the occurrence and continuance of a material monetary default under the Merrill Lynch lease beyond all applicable notice and cure periods, (ii) any bankruptcy or similar insolvency of Merrill Lynch, (iii) Merrill Lynch giving notice that it is terminating its lease for or otherwise abandoning all or any substantial portion of its space at the Merrill Lynch Drive Property (or applicable portion thereof), and (iv) the occurrence of (a) the withdrawal of the credit rating of Merrill Lynch, (b) the downgrade of the credit rating of Merrill Lynch below “BBB-” by S&P and Fitch or (c) the downgrade of the credit rating of Merrill Lynch below “BB” by either S&P or Fitch; and (B) expiring upon the first to occur of (I) (aa) with regard to clause (i) above, the cure (if applicable) of such default, (bb) with regard to clause (ii) above Merrill Lynch is no longer insolvent or subject to any bankruptcy or insolvency proceedings and has affirmed its lease, (cc) with regard to clause (iii) above Merrill Lynch has revoked or rescinded all termination or cancellation or vacation notices, re-affirmed its lease as being in full force and effect and occupies its space and (dd) with regard to clause (iv) above, (1) the credit rating of Merrill Lynch is reinstated by each of the rating agencies that withdrew such rating or increased such rating to at least “BBB-” or “Baa2”, as applicable, by each of the rating agencies that downgraded Merrill Lynch or (2) the credit rating of Merrill Lynch is at least BB+ by both S&P and Fitch and the amount on deposit in the tenant improvements and leasing commissions reserve equals or exceeds \$22,153,640 (the “**TI/LC Reserve Cap**”), or (II) the borrower leasing the Merrill Lynch space at the Merrill Lynch Drive Property to one or more replacement tenants, and each applicable replacement tenant (x) has accepted the premises demised under its lease and paying the full amount of the rent due thereunder (unless any such free rent is reserved with the lender) and (y) has the credit rating of at least the “BBB-” by S&P or Fitch.

**Lockbox / Cash Management.** The Merrill Lynch Drive Whole Loan is structured with a hard lockbox and in-place cash management. The borrower was required to send a direction letter to the tenant instructing them to deposit all rents into a lockbox account controlled by the lender. All funds in the lockbox account are swept weekly to a cash management account under the control of the lender and disbursed on each monthly payment date during the term of the Merrill Lynch Drive Whole Loan in accordance with the loan documents. In the absence of a Cash Sweep Period (as defined below), all excess cash flow after payment of debt service, required reserves and operating expenses will be disbursed to the borrower. During a Cash Sweep Period, all excess cash flow after payment of debt service, required reserves and operating expenses will be held as additional collateral for the Merrill Lynch Drive Whole Loan.

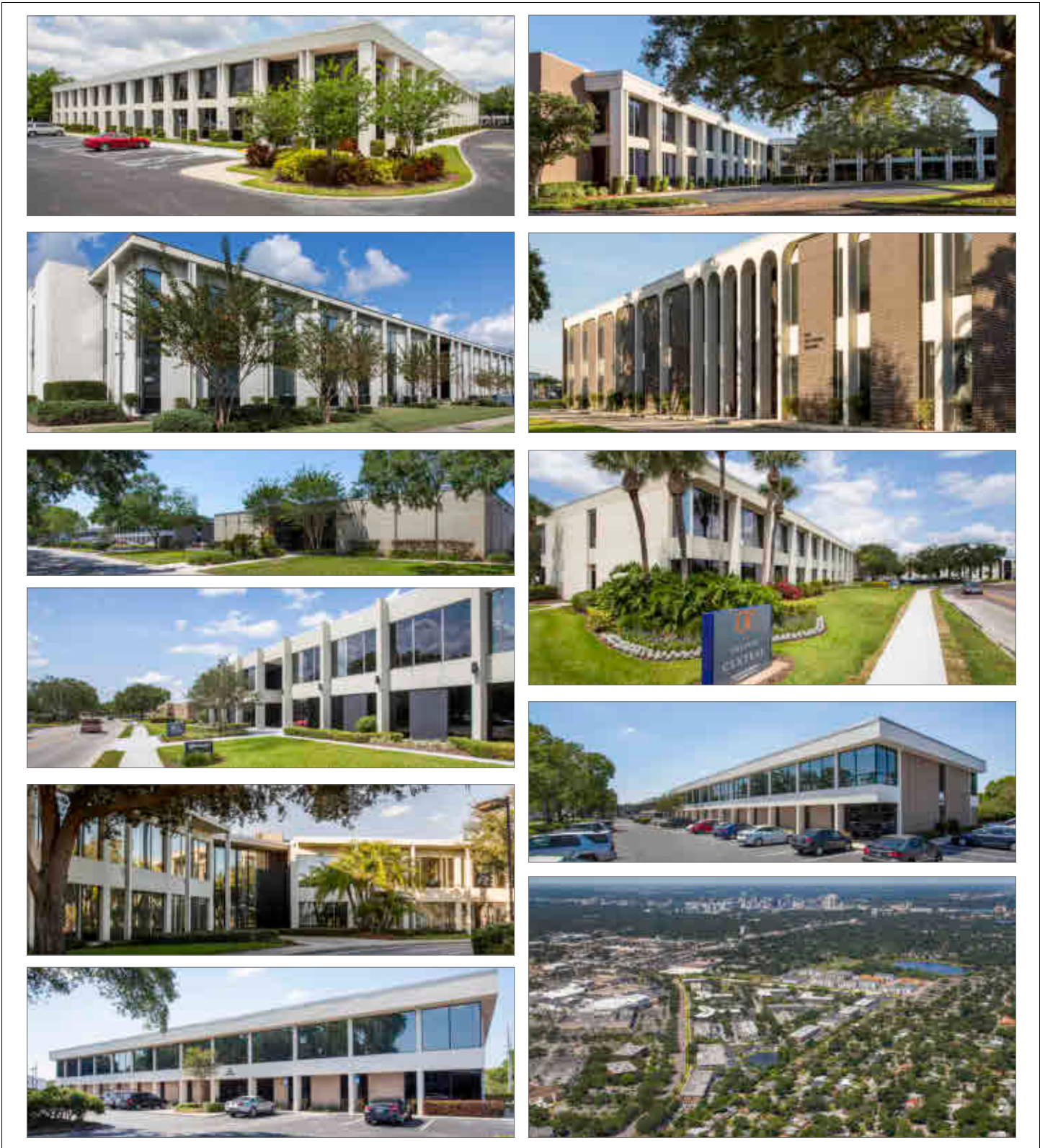
A “**Cash Sweep Period**” means a period commencing upon the occurrence of (i) an event of default under the loan documents; (ii) a Tenant Trigger Period or (iii) the ARD.

**Subordinate and Mezzanine Debt.** None.

**Partial Release.** Not Permitted.

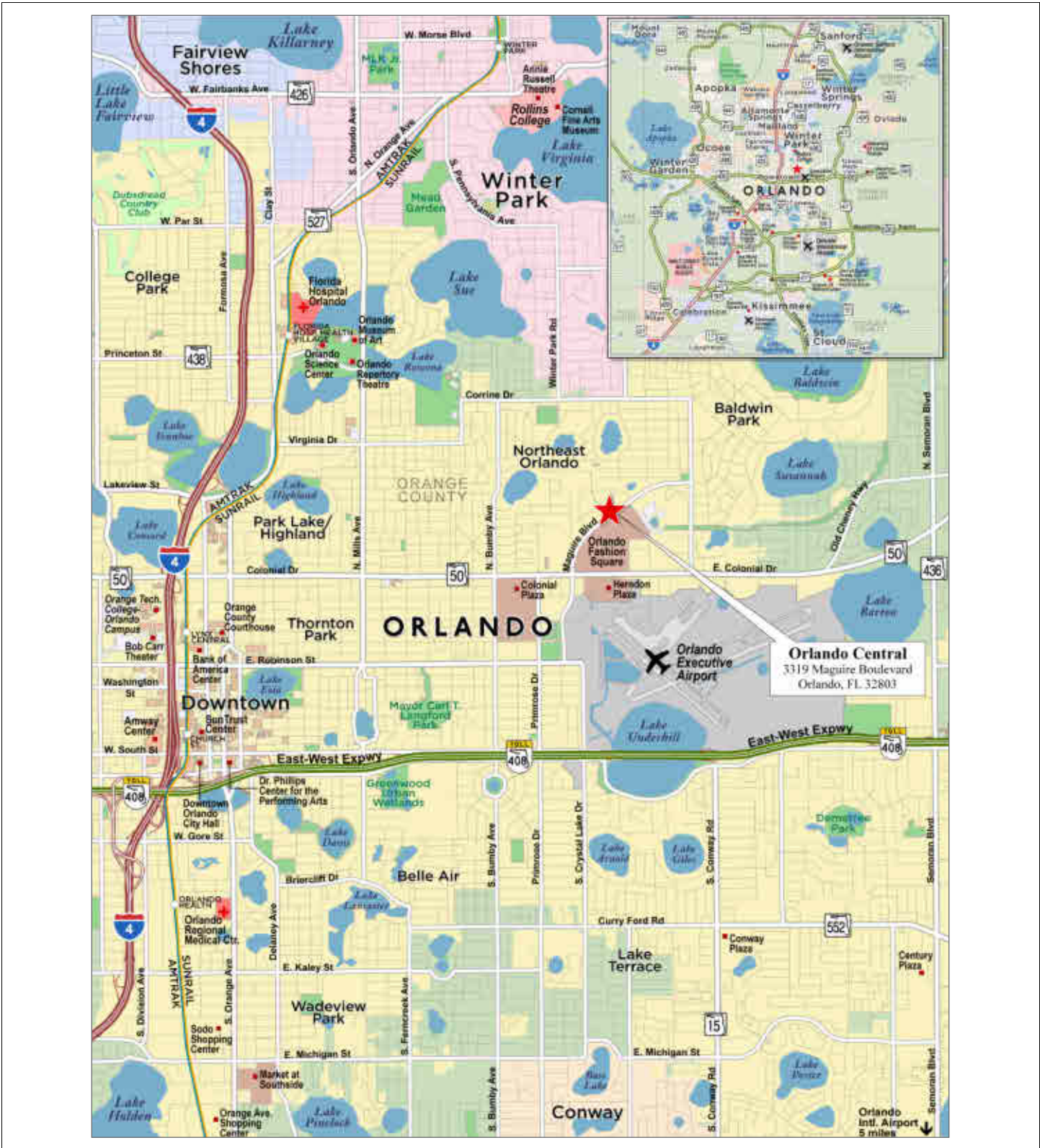
**Ground Lease.** None.

Orlando Central





Orlando Central



## Orlando Central





## Orlando Central

### Mortgage Loan Information

|  |                             |
|--|-----------------------------|
| <b>Mortgage Loan Seller:</b>           | RMF                         |
| <b>Original Principal Balance:</b>     | \$38,250,000                |
| <b>Cut-off Date Principal Balance:</b> | \$38,250,000                |
| <b>% of IPB:</b>                       | 4.5%                        |
| <b>Loan Purpose:</b>                   | Acquisition                 |
| <b>Borrower:</b>                       | G&C OC Investors, LLC       |
| <b>Sponsor:</b>                        | Mark Corlew and Anuj Grover |
| <b>Interest Rate:</b>                  | 5.52000%                    |
| <b>Note Date:</b>                      | 12/22/2016                  |
| <b>Maturity Date:</b>                  | 1/6/2027                    |
| <b>Interest-only Period:</b>           | 36 months                   |
| <b>Original Term:</b>                  | 120 months                  |
| <b>Original Amortization Term:</b>     | 360 months                  |
| <b>Amortization Type:</b>              | IO-Balloon                  |
| <b>Call Protection<sup>(1)</sup>:</b>  | L(25),Def(91),O(4)          |
| <b>Lockbox / Cash Management:</b>      | Hard / Springing            |
| <b>Additional Debt:</b>                | N/A                         |
| <b>Additional Debt Balance:</b>        | N/A                         |
| <b>Additional Debt Type:</b>           | N/A                         |

### Property Information

|  |                              |
|--|------------------------------|
| <b>Single Asset / Portfolio:</b>               | Single Asset                 |
| <b>Title:</b>                                  | Fee                          |
| <b>Property Type – Subtype:</b>                | Office – Suburban            |
| <b>Net Rentable Area (SF):</b>                 | 637,380                      |
| <b>Location:</b>                               | Orlando, FL                  |
| <b>Year Built / Renovated:</b>                 | 1966-1980 / 2016             |
| <b>Occupancy<sup>(2)</sup>:</b>                | 77.0%                        |
| <b>Occupancy Date:</b>                         | 1/27/2017                    |
| <b>4<sup>th</sup> Most Recent NOI (As of):</b> | \$3,357,481 (12/31/2013)     |
| <b>3<sup>rd</sup> Most Recent NOI (As of):</b> | \$2,984,555 (12/31/2014)     |
| <b>2<sup>nd</sup> Most Recent NOI (As of):</b> | \$3,058,875 (12/31/2015)     |
| <b>Most Recent NOI (As of):</b>                | \$4,122,336 (TTM 10/31/2016) |
| <b>UW Economic Occupancy<sup>(2)</sup>:</b>    | 77.5%                        |
| <b>UW Revenues<sup>(2)</sup>:</b>              | \$9,059,801                  |
| <b>UW Expenses:</b>                            | \$4,047,495                  |
| <b>UW NOI:</b>                                 | \$5,012,306                  |
| <b>UW NCF:</b>                                 | \$4,516,699                  |
| <b>Appraised Value / Per SF<sup>(3)</sup>:</b> | \$62,700,000 / \$98          |
| <b>Appraisal Date:</b>                         | 11/1/2016                    |

### Escrows and Reserves<sup>(4)</sup>

|                              | Initial     | Monthly  | Initial Cap |
|------------------------------|-------------|----------|-------------|
| <b>Taxes:</b>                | \$0         | \$73,441 | N/A         |
| <b>Insurance:</b>            | \$38,598    | \$18,380 | N/A         |
| <b>Replacement Reserves:</b> | \$0         | \$10,623 | N/A         |
| <b>TI/LC:</b>                | \$2,370,316 | \$33,333 | N/A         |
| <b>Other:</b>                | \$2,101,874 | \$0      | N/A         |

### Financial Information

|   |       |
|---|-------|
| <b>Cut-off Date Loan / SF:</b>          | \$60  |
| <b>Maturity Date Loan / SF:</b>         | \$54  |
| <b>Cut-off Date LTV<sup>(3)</sup>:</b>  | 61.0% |
| <b>Maturity Date LTV<sup>(3)</sup>:</b> | 54.6% |
| <b>UW NCF DSCR:</b>                     | 1.73x |
| <b>UW NOI Debt Yield:</b>               | 13.1% |

### Sources and Uses

| Sources              | Proceeds            | % of Total    | Uses                                 | Proceeds            | % of Total    |
|----------------------|---------------------|---------------|--------------------------------------|---------------------|---------------|
| Mortgage Loan        | \$38,250,000        | 71.6%         | Purchase Price                       | \$50,350,000        | 94.3%         |
| Sponsor Equity       | 15,208,193          | 28.4          | TI/LC Purchase Credit <sup>(5)</sup> | (2,972,190)         | (5.6)         |
|                      |                     |               | Upfront Reserves                     | 4,510,787           | 8.4           |
|                      |                     |               | Closing Costs                        | 1,569,595           | 2.9           |
| <b>Total Sources</b> | <b>\$53,458,193</b> | <b>100.0%</b> | <b>Total Uses</b>                    | <b>\$53,458,193</b> | <b>100.0%</b> |

- (1) The Orlando Central loan permits the release of individual buildings that comprise the Orlando Central property with partial defeasance. See "Partial Release" below.
- (2) Occupancy, UW Economic Occupancy and UW Revenues include one tenant that has an executed lease but has not yet taken occupancy, representing 25,172 square feet and approximately \$264,306 of underwritten rent. Additionally, UW Revenues also include underwritten contractual rent increases of \$151,562 through June 2017.
- (3) The appraisal also concluded to a "prospective value upon stabilization" appraised value of \$68,300,000 with a valuation date of November 1, 2018 which results in a Cut-off Date LTV of 56.0% and a Maturity Date LTV of 50.1%
- (4) For a full description of Escrows and Reserves, please refer to "Escrows and Reserves" below.
- (5) At acquisition closing, the borrower received a \$2,972,190 credit from the seller of the property, which amount was reserved with the lender at loan closing. This reserve includes (i) \$2,101,874 for outstanding rent abatements and unfunded TI/LC obligations, and (ii) \$870,316 TI/LC obligations for U.S. Government DCMA's expansion space, which lease is out for signature. The rent for this expansion space was not included in the underwriting.

## Orlando Central

**The Loan.** The Orlando Central loan has an outstanding principal balance as of the Cut-off Date of \$38.25 million and is secured by a first mortgage lien on an office park comprised of 21 office buildings with a total net rentable area of 637,380 square feet, located in Orlando, Florida. The loan has a 10-year term, and subsequent to a three-year interest-only period, will amortize on a 30-year schedule. The Orlando Central property was a portion of the collateral for a loan that was securitized in the JPMCC 2005-LDP5 transaction.

**The Property.** The Orlando Central property is an office park comprised of 21, one- and two-story office buildings encompassing 637,380 square feet. The buildings were constructed between 1966 and 1980 and are set on 46.03 acres of land that is triangular in shape. The Orlando Central property is located on the west side of Maguire Boulevard, just north of East Colonial Drive (State Road 50). The Orlando Central property has received approximately \$3.6 million in capital improvements since 2006, which included upgrades to the HVAC systems, building interior and exterior, lobbies, elevators, roofs, restrooms, and parking lots. In the last three years approximately \$11.1 million has been spent on the property comprised of approximately \$1.1 million in capital improvements, approximately \$7.7 million in tenant improvements and approximately \$2.2 million in leasing commissions. The property includes parking spaces for 2,902 vehicles which is equivalent to approximately 4.6 parking spaces per 1,000 square feet.

As of January 27, 2017, the Orlando Central property was 77.0% occupied by 76 office tenants. The largest office tenant, the State of Florida Department of Health ("**DOH**"), leases 7.7% of the net rentable area through July 2025 and occupies the entire Independence building and 5,865 square feet in the Enterprise building. The DOH has been in tenancy for over 38 years since May 1978 and has two five-year renewal options remaining. The DOH is an executive branch agency led by the State Surgeon General who is directly appointed by Florida's Governor and confirmed by the State Senate. The DOH is comprised of a State Health Office in Tallahassee, 67 county health departments, 22 Children's Medical Services area offices, 12 Medical Quality Assurance regional offices, nine Disability Determinations regional offices, and four public health laboratories. Facilities for the 67 county health departments ("**CHDs**") are provided through partnerships with local county governments. These 67 CHDs have a total of 255 sites throughout the state that provide a variety of services. The State of Florida is investment-grade rated Aa1, AA, and AA+ by Moody's, S&P, and Fitch, respectively.

The second largest tenant, Concorde Career College ("**CCC**") leases 6.5% of the net rentable area through October 2024. CCC leases the Commodore building (32,277 square feet) and the Bainbridge building (9,172 square feet) in their entirety for a total of 41,449 square feet. CCC recently subleased the entirety of the Bainbridge building to Vocational Academy of Makeup and Prosthetics, LLC. The term of this sublease commenced on March 7, 2016 and expires on September 6, 2019. The subtenant is required to pay a rental rate of \$11.12 per square foot with escalations of 3.0% annually with the right to extend for an additional three years. CCC has two five-year renewal options remaining. CCC was formed in 1988 and operates as a post-secondary institution that offers vocational career training for careers in the growing field of healthcare. The institution currently operates 16 campuses in eight states. Within Florida, CCC has campuses in Jacksonville, Miramar, Tampa, and Orlando. Programs offered at the Orlando campus include dental assistant, medical assistant, medical office administration, nursing, pharmacy technician and surgical technologist.

The third largest tenant, State of Florida Department of Environmental Protection ("**DEP**") leases 5.3% of the net rentable area through September 2022. The DEP currently occupies two suites for a total of 33,902 square feet in the Lexington building which represents approximately 61.0% of the net rentable area in this building. The DEP is charged with environmental protection and it is under nominal control of the governor.

Besides the DOH and DEP, State of Florida Department of Education ("**DOE**") also occupies two suites for a total of 14,685 square feet at the property. Combined, the State of Florida occupies a total of six suites for a total of 97,672 square feet, or approximately 15.3% of the net rentable area. In addition to the State of Florida tenants, the USA Government ("**GSA**") occupies six suites for a total of 65,280 square feet or approximately 10.2% of the net rentable area. The GSA tenants at the property include the Department of Labor, Defense Contract Management Agency, Executive Office for Immigration Review, and the Corporation for National and Community Service.

The remaining tenant base is comprised of a diversified tenant mix including regional and local financial, legal, insurance, and small business services companies. No single tenant at the property occupies more than 7.7% of the net rentable area, and excluding the top three tenants, no single tenant occupies more than 5.1% of the net rentable area.

## Orlando Central

## Building Summary

| Building                    | Class | Year Built | No. of Stories | No. of Tenants <sup>(1)</sup> | Total Square Feet <sup>(1)</sup> | % of Total Square Feet | Occupancy    | Allocated Loan Amount |
|-----------------------------|-------|------------|----------------|-------------------------------|----------------------------------|------------------------|--------------|-----------------------|
| Porterfield                 | B/C   | 1971       | 2              | 6                             | 56,368                           | 8.8%                   | 76.7%        | \$3,382,717           |
| Lexington                   | B/C   | 1972       | 2              | 2                             | 55,570                           | 8.7                    | 79.7%        | 3,334,828             |
| Saratoga                    | B/C   | 1968       | 2              | 7                             | 44,905                           | 7.0                    | 85.0%        | 2,694,807             |
| Independence                | B/C   | 1971       | 2              | 1                             | 43,220                           | 6.8                    | 100.0%       | 2,593,688             |
| Langley                     | B/C   | 1980       | 2              | 4                             | 37,751                           | 5.9                    | 38.7%        | 2,265,486             |
| St. Paul                    | B/C   | 1968       | 2              | 7                             | 36,610                           | 5.7                    | 48.4%        | 2,197,014             |
| Yorktown                    | B/C   | 1979       | 1              | 7                             | 32,606                           | 5.1                    | 79.2%        | 1,956,728             |
| Hollister                   | C     | 1975       | 2              | 1                             | 32,330                           | 5.1                    | 100.0%       | 1,940,165             |
| Commodore                   | C     | 1974       | 2              | 1                             | 32,277                           | 5.1                    | 100.0%       | 1,936,985             |
| Bennington                  | B/C   | 1971       | 2              | 3                             | 29,366                           | 4.6                    | 93.7%        | 1,762,292             |
| Essex                       | B/C   | 1969       | 2              | 11                            | 27,043                           | 4.2                    | 63.5%        | 1,622,885             |
| Enterprise                  | B/C   | 1970       | 2              | 2                             | 26,635                           | 4.2                    | 77.6%        | 1,598,401             |
| Tedder                      | B/C   | 1968       | 2              | 2                             | 26,610                           | 4.2                    | 76.5%        | 1,596,901             |
| Chandler                    | C     | 1974       | 2              | 1                             | 25,172                           | 3.9                    | 100.0%       | 1,510,604             |
| Carr                        | B/C   | 1966       | 2              | 3                             | 24,027                           | 3.8                    | 77.3%        | 1,441,891             |
| Amherst                     | B/C   | 1970       | 2              | 5                             | 23,883                           | 3.7                    | 72.9%        | 1,433,250             |
| Forrestal                   | C     | 1973       | 2              | 4                             | 23,869                           | 3.7                    | 61.9%        | 1,432,410             |
| Palmetto                    | B/C   | 1969       | 2              | 8                             | 23,400                           | 3.7                    | 82.9%        | 1,404,264             |
| Rockbridge                  | B/C   | 1967       | 1              | 0                             | 17,386                           | 2.7                    | 59.2%        | 1,043,356             |
| Princeton                   | C     | 1970       | 1              | 1                             | 9,180                            | 1.4                    | 100.0%       | 550,904               |
| Bainbridge                  | C     | 1972       | 1              | 0                             | 9,172                            | 1.4                    | 100.0%       | 550,424               |
| <b>Total / Wtd. Average</b> |       |            |                | <b>76</b>                     | <b>637,380</b>                   | <b>100.0%</b>          | <b>77.0%</b> | <b>\$38,250,000</b>   |

(1) The No. of Tenants and Total Square Feet includes a training room, four conference rooms and a management office. These spaces are not subject to leases, do not contribute any rental income and are not counted in the Total/Wtd. Average of Tenants. The individual spaces are as follows: (i) 2,290 square feet in the Saratoga building (1,855 square foot management office and a 435 square foot conference room); (ii) a 565 square foot conference room in the Palmetto building; (iii) a 547 square foot conference room in the Amherst building; (iv) a 1,376 square foot training room in the St. Paul building; and (v) a 511 square foot common area conference room in the Lexington building.

**Environmental.** According to a Phase I environmental assessment dated November 2, 2016, there was no evidence of any recognized environmental conditions at the Orlando Central property.

| Historical and Current Occupancy <sup>(1)</sup> |       |       |                        |
|---|-------|-------|------------------------|
| 2013  | 2014  | 2015  | Current <sup>(2)</sup> |
| 61.9%   | 62.9% | 67.6% | 77.0%                  |

(1) Historical Occupancies are averages of each respective year.

(2) Current Occupancy is as of January 27, 2017 and includes one tenant that has an executed lease but not yet taken occupancy, representing 25,172 square feet or 3.9% of the net rentable area.

## Orlando Central

| Top Ten Tenant Summary <sup>(1)</sup>                                  |   |                              |                      |                  |                    |                         |                          |
|--|---|------------------------------|----------------------|------------------|--------------------|-------------------------|--------------------------|
| Tenant   | Ratings <sup>(2)</sup><br>Moody's/S&P/Fitch | Net<br>Rentable<br>Area (SF) | % of<br>Total<br>NRA | Base Rent<br>PSF | Base Rent          | % of Total<br>Base Rent | Lease<br>Expiration Date |
| State of Florida Department of Health <sup>(3)</sup>                   | Aa1 / AA / AA+                              | 49,085                       | 7.7%                 | \$17.08          | \$838,308          | 10.0%                   | 7/31/2025                |
| Concorde Career College <sup>(4)</sup>                                 | NA / NA / NA                                | 41,449                       | 6.5                  | \$19.07          | 790,432            | 9.4%                    | 10/31/2024               |
| State of Florida Department of Environmental Protection <sup>(5)</sup> | Aa1 / AA / AA+                              | 33,902                       | 5.3                  | \$19.50          | 661,089            | 7.9%                    | 9/30/2022                |
| U.S. Government EOIR/OPLA <sup>(6)</sup>                               | Aaa / AA+ / AAA                             | 32,330                       | 5.1                  | \$19.75          | 638,517            | 7.6%                    | 11/21/2020               |
| Women's Care of Florida, LLC   | NA / NA / NA                                | 25,172                       | 3.9                  | \$10.50          | 264,306            | 3.2%                    | 3/31/2028                |
| Orange County, FL EPA  | Aa2 / AA- / AA                              | 24,014                       | 3.8                  | \$15.89          | 381,582            | 4.5%                    | 12/31/2020               |
| U.S. Government DCMA <sup>(7)</sup>                                    | Aaa / AA+ / AAA                             | 22,967                       | 3.6                  | \$11.32          | 259,986            | 3.1%                    | 9/30/2017                |
| State of Florida DOE <sup>(8)</sup>                                    | Aa1 / AA / AA+                              | 14,685                       | 2.3                  | \$16.45          | 241,568            | 2.9%                    | 6/30/2021                |
| Big Eye Creative, Inc.   | NA / NA / NA                                | 13,443                       | 2.1                  | \$16.66          | 223,960            | 2.7%                    | 8/31/2021                |
| Morgan & Morgan, PA  | NA / NA / NA                                | 13,017                       | 2.0                  | \$17.54          | 228,317            | 2.7%                    | 6/30/2021                |
| <b>Top Ten Tenants</b>   |   | <b>270,064</b>               | <b>42.4%</b>         | <b>\$16.77</b>   | <b>\$4,528,068</b> | <b>54.0%</b>            |                          |
| <b>Non Top Ten Tenants</b>   |   | <b>220,973</b>               | <b>34.7%</b>         | <b>\$17.47</b>   | <b>\$3,861,428</b> | <b>46.0%</b>            |                          |
| <b>Occupied Collateral Total<sup>(9)</sup></b>                         |   | <b>491,037</b>               | <b>77.0%</b>         | <b>\$17.09</b>   | <b>\$8,389,496</b> | <b>100.0%</b>           |                          |
| <b>Vacant Space</b>  |   | <b>146,343</b>               | <b>23.0%</b>         |                  |                    |                         |                          |
| <b>Collateral Total<sup>(9)</sup></b>                                  |   | <b>637,380</b>               | <b>100.0%</b>        |                  |                    |                         |                          |

(1) Based on the underwritten rent roll.

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

(3) State of Florida Department of Health has the right to terminate its lease without penalty should a state-owned building become available to the tenant for occupancy by providing a six-month notice period.

(4) Concorde Career College subleases the Bainbridge Building (9,172 square feet) to Vocational Academy of Makeup and Prosthetics, LLC, pursuant to a sublease that (i) commenced on March 7, 2016 and expires on September 6, 2019; (ii) requires the subtenant to pay \$11.12 per square foot with escalations of 3.0% annually, and (iii) provides the subtenant with the right to extend for an additional three years. Concorde Career College has a one-time termination option effective as of October 14, 2019 provided that (a) no part of its premises are being sublet for a term extending beyond the termination date of the lease and (b) tenant provides at least nine months prior notice and payment of a termination fee equal to the sum of: (i) four months of base rent and (ii) the unamortized balance of the TI allowances and any leasing commissions.

(5) State of Florida Department of Environmental Protection has the right to terminate its lease without penalty should a state-owned building become available to the tenant for occupancy by providing a six-month notice period.

(6) U.S. Government EOIR/OPLA has the right to terminate its lease at any time without penalty by providing at least a 90-day notice period.

(7) U.S. Government DCMA has the right to terminate its lease without penalty by providing at least a 90-day notice period.

(8) State of Florida Department of Education has the right to terminate its lease without penalty should a state-owned building become available to the tenant for occupancy by providing a six-month notice period.

(9) Occupied Collateral Total and Collateral Total include six spaces containing 5,289 square feet of space related to four conference rooms, a training room and a management office, which spaces do not contribute any rental income and are not currently under a lease. The individual spaces are as follows: (i) 2,290 square feet in the Saratoga building (1,855 square foot management office and a 435 square foot conference room); (ii) a 565 square foot conference room in the Palmetto building; (iii) a 547 square foot conference room in the Amherst building; (iv) a 1,376 square foot training room in the St. Paul building; and (v) a 511 square foot common area conference room in the Lexington building.



## Orlando Central

Lease Rollover Schedule<sup>(1)</sup>

| Year          | Number of Leases Expiring | Net Rentable Area Expiring <sup>(2)</sup> | % of NRA Expiring | Base Rent Expiring | % of Base Rent Expiring | Cumulative Net Rentable Area Expiring | Cumulative % of NRA Expiring | Cumulative Base Rent Expiring | Cumulative % of Base Rent Expiring |
|---------------|---------------------------|---|-------------------|--------------------|-------------------------|---------------------------------------|------------------------------|-------------------------------|------------------------------------|
| Vacant        | NAP                       | 146,343                                   | 23.2%             | NAP                | NAP                     | 146,343                               | 23.2%                        | NAP                           | NAP                                |
| 2017 & MTM    | 17                        | 61,539                                    | 9.7               | \$937,175          | 11.2%                   | 207,882                               | 32.9%                        | \$937,175                     | 11.2%                              |
| 2018          | 12                        | 16,489                                    | 2.6               | 294,672            | 3.5                     | 224,371                               | 35.5%                        | \$1,231,847                   | 14.7%                              |
| 2019          | 16                        | 64,584                                    | 10.2              | 1,172,166          | 14.0                    | 288,955                               | 45.7%                        | \$2,404,013                   | 28.7%                              |
| 2020          | 9                         | 89,025                                    | 14.1              | 1,617,456          | 19.3                    | 377,980                               | 59.8%                        | \$4,021,469                   | 47.9%                              |
| 2021          | 14                        | 88,927                                    | 14.1              | 1,566,441          | 18.7                    | 466,907                               | 73.9%                        | \$5,587,910                   | 66.6%                              |
| 2022          | 4                         | 47,128                                    | 7.5               | 867,414            | 10.3                    | 514,035                               | 81.3%                        | \$6,455,324                   | 76.9%                              |
| 2023          | 0                         | 0   | 0.0               | 0                  | 0.0                     | 514,035                               | 81.3%                        | \$6,455,324                   | 76.9%                              |
| 2024          | 2                         | 43,799                                    | 6.9               | 831,557            | 9.9                     | 557,834                               | 88.3%                        | \$7,286,882                   | 86.9%                              |
| 2025          | 1                         | 49,085                                    | 7.8               | 838,308            | 10.0                    | 606,919                               | 96.0%                        | \$8,125,190                   | 96.8%                              |
| 2026          | 0                         | 0   | 0.0               | 0                  | 0.0                     | 606,919                               | 96.0%                        | \$8,125,190                   | 96.8%                              |
| 2027 & Beyond | 1                         | 25,172                                    | 0.0               | 264,306            | 3.2                     | 632,091                               | 100.0%                       | \$8,389,496                   | 100.0%                             |
| <b>Total</b>  | <b>76</b>                 | <b>632,091</b>                            | <b>100.0%</b>     | <b>\$8,389,496</b> | <b>100.0%</b>           |                                       |                              |                               |                                    |

(1) Based on the underwritten rent roll.

(2) Net Rentable Area Expiring excludes six spaces containing 5,289 square feet of space related to four conference rooms, a training room and a management office, which spaces do not contribute any rental income and are not currently under a lease. The individual spaces are as follows: (i) 2,290 square feet in the Saratoga building (1,855 square foot management office and a 435 square foot conference room); (ii) a 565 square foot conference room in the Palmetto building; (iii) a 547 square foot conference room in the Amherst building; (iv) a 1,376 square foot training room in the St. Paul building; and (v) a 511 square foot common area conference room in the Lexington building.

## Operating History and Underwritten Net Cash Flow

|                                  | 2013               | 2014               | 2015               | TTM <sup>(1)</sup> | Underwritten        | Per Square Foot | % <sup>(2)</sup> |
|----------------------------------|--------------------|--------------------|--------------------|--------------------|---------------------|-----------------|------------------|
| Rents in Place <sup>(3)(4)</sup> | \$6,514,801        | \$6,226,589        | \$6,605,315        | \$7,586,336        | \$8,237,934         | \$12.92         | 70.6%            |
| Vacant Income                    | 0                  | 0                  | 0                  | 0                  | 2,619,601           | 4.11            | 22.5             |
| Rent Steps                       | 0                  | 0                  | 0                  | 0                  | 151,562             | 0.24            | 1.3              |
| <b>Gross Potential Rent</b>      | <b>\$6,514,801</b> | <b>\$6,226,589</b> | <b>\$6,605,315</b> | <b>\$7,586,336</b> | <b>\$11,009,097</b> | <b>\$17.27</b>  | <b>94.4%</b>     |
| Total Reimbursements             | 218,509            | 298,232            | 278,191            | 457,101            | 658,305             | 1.03            | 5.6              |
| <b>Net Rental Income</b>         | <b>\$6,733,311</b> | <b>\$6,524,821</b> | <b>\$6,883,506</b> | <b>\$8,043,436</b> | <b>\$11,667,401</b> | <b>\$18.31</b>  | <b>100.0%</b>    |
| (Vacancy/Credit Loss)            | 0                  | 0                  | 0                  | 0                  | (2,619,601)         | (4.11)          | (22.5)           |
| Other Income <sup>(5)</sup>      | 25,233             | 21,265             | 24,122             | 26,418             | 12,000              | 0.02            | 0.1              |
| <b>Effective Gross Income</b>    | <b>\$6,758,543</b> | <b>\$6,546,086</b> | <b>\$6,907,628</b> | <b>\$8,069,854</b> | <b>\$9,059,801</b>  | <b>\$14.21</b>  | <b>77.7%</b>     |
| <b>Total Expenses</b>            | <b>\$3,401,062</b> | <b>\$3,561,531</b> | <b>\$3,848,754</b> | <b>\$3,947,518</b> | <b>\$4,047,495</b>  | <b>\$6.35</b>   | <b>44.7%</b>     |
| <b>Net Operating Income</b>      | <b>\$3,357,481</b> | <b>\$2,984,555</b> | <b>\$3,058,875</b> | <b>\$4,122,336</b> | <b>\$5,012,306</b>  | <b>\$7.86</b>   | <b>55.3%</b>     |
| Total TI/LC, Capex/RR            | 0                  | 0                  | 0                  | 0                  | 495,607             | 0.78            | 5.5              |
| <b>Net Cash Flow</b>             | <b>\$3,357,481</b> | <b>\$2,984,555</b> | <b>\$3,058,875</b> | <b>\$4,122,336</b> | <b>\$4,516,699</b>  | <b>\$7.09</b>   | <b>49.9%</b>     |

(1) TTM reflects the trailing 12-month period ending October 31, 2016.

(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) Historical Rents in Place are presented net of any applicable rent abatements afforded to tenants in accordance with their respective leases. At origination, the borrower deposited into escrow \$84,567 for free rent obligations related to two tenants.

(4) Underwritten Rents in Place consist of in-place rents as of January 27, 2017, including one tenant that has executed a lease but not yet taken occupancy, representing 25,172 square feet and approximately \$264,306 of underwritten rent.

(5) Other Income consists primarily of late charges, administrative fees, miscellaneous income, forfeited deposits, telecommunications, etc.

## Orlando Central

**The Market.** The property is located in Orlando along the west side of Maguire Boulevard, and just north of East Colonial Drive (State Road 50). East Colonial Drive is considered the primary commercial corridor within the area. Tourism and hospitality are key economic drivers of Orlando which is home to seven of the world's top vacation resorts including Walt Disney World, Universal Studios, and SeaWorld. The property is located directly across the street from the Fashion Square Mall, which was sold in 2013 and the new owner is completing a total renovation that will transform the property into an upscale lifestyle center offering shopping, dining, and entertainment. The redevelopment is projected to cost \$300 million and will include a hotel, a 700-unit luxury apartment complex, a 100,000 square foot office building, the existing 2,600-space parking garage and retail stores. Additionally, a 151-room Element Hotel (Starwood Hotel) will also be developed and is scheduled to open in 2017. The entire project is projected to be completed by the end of 2018 and to date, a Dick's Sporting Goods, BB&T Bank branch and a restaurant have been completed. The property location is considered suburban in nature and developed primarily with office, medical office, retail, restaurant, and hotel improvements on major thoroughfares with single- and multi-family residential removed from these arterials.

According to the appraisal, the property is located in the 436 Corridor submarket of Orlando. As of the fourth quarter of 2016, the submarket comprised approximately 4.98 million square feet of office space with an overall vacancy rate of 8.7% and average office rents of \$18.00 per square foot. This compares to 10.6% and \$17.29 per square foot respectively, as of fourth quarter 2015. The appraisal identified five directly competitive properties built between 1973 and 1987 and ranging in size from 26,489 square feet to 86,974 square feet. The comparable properties reported occupancies ranging from 72.1% to 95.0% with a weighted average of 82.0%. Asking rents for the comparable properties range from \$16.00 to \$24.00 per square foot. The weighted average in-place office rental rate at the property is \$16.78 per square foot, which is below the appraisal concluded market rent of \$17.00 per square foot for single tenants and spaces greater than 10,000 square feet, \$17.50 per square foot for spaces 3,000 square feet to 10,000 square feet, \$18.50 per square foot for spaces less than 3,000 square feet, and \$22.00 per square foot for US Government spaces. Since February 2016, 15 new leases totaling 68,011 square feet have been executed.

**The Borrower.** The borrowing entity for the Orlando Central loan is G&C OC Investors, LLC, a Florida limited liability company and special purpose entity with two independent directors. Legal counsel to the borrower delivered a non-consolidation opinion in connection with the origination of the Orlando Central loan. The borrower is member owned by 85 investors with G&C OC Management, Inc., a Florida corporation and special purpose entity with two independent directors in its organizational structure serving as the manager of the borrower. No individual investor, together with its affiliates and/or family members, owns, directly or indirectly, 20% or more of the borrowing entity.

**The Loan Sponsors.** The loan sponsors and nonrecourse carve-out guarantors are Mark Corlew and Anuj Grover, on a joint and several basis. Mark Corlew is the principal and co-founder of Grover Corlew ("GC"), a real estate investment management firm that is focused on acquiring, developing, and operating office, retail, and multi-family properties across the Southeastern U.S. Mr. Corlew has over 20 years in commercial real estate experience and is responsible for the investment, development, and asset management at GC. Anuj Grover is also the co-founder and principal at GC, and has been an active real estate investor and developer for over two decades. Mr. Grover began his career in Atlanta, Georgia as a CPA for Ernst & Young, and then as a practicing attorney at King & Spalding.

**Property Management.** The Orlando Central property is managed by Grover Corlew of Florida, LLC, an affiliate of the borrower.

**Escrows and Reserves.** At origination, the borrower was required to deposit into escrow \$2,370,316 for future tenant improvements and leasing commissions, \$2,017,307 for outstanding tenant improvements and leasing commissions related to three tenants, \$73,180 for free rent related to Women's Care of Florida, LLC, \$38,598 for insurance reserves and \$11,387 for rent abatement related to Diane Holmes.

**Tax Escrows** – On a monthly basis, the borrower is required to escrow 1/12 of the annual estimated tax payments, which currently equates to \$73,441.

**Insurance Escrows** – On a monthly basis, the borrower is required to escrow 1/12 of the annual estimated insurance payments, which currently equates to \$18,380.

**Replacement Reserves** – On a monthly basis, the borrower is required to escrow \$10,623 for replacement reserves (\$0.20 per square foot annually).

**T/ILC Reserves** – On a monthly basis, the borrower is required to escrow \$33,333 for tenant improvement and leasing commissions (approximately \$0.68 per square foot annually).

## Orlando Central

**Rent Reserves** – The Women's Care of Florida, LLC rent reserve of \$73,180 may be released provided (i) no event of default or Cash Sweep Event (as defined below) has occurred and is continuing and (ii) tenant has delivered an estoppel certificate confirming that Women's Care of Florida, LLC is in occupancy and paying full rent. The Diane Holmes rent abatement reserve of \$11,387 may be released on or after March 31, 2017 provided (i) no event of default or Cash Sweep Event has occurred and is continuing and (ii) the tenant has delivered an estoppel certificate confirming that (a) the lease remains in full force and effect, (b) the tenant remains in possession of the premises and is conducting normal business, (c) the tenant is paying full rent, and (d) no event of default has occurred and is continuing under the lease.

**Lockbox / Cash Management.** The loan is structured with a hard lockbox and springing cash management. The borrower and property manager are required to direct all tenants to pay rents directly into such lockbox account. Any rents or other charges related to the property are required to be deposited into the lockbox account within one business day of receipt. Prior to the occurrence of a Cash Management Trigger Event (as defined below), all funds on deposit in the lockbox account are disbursed to the borrower. During the occurrence and continuance of a Cash Management Trigger Event, all funds in the lockbox account are swept daily to a segregated cash management account under the control of the lender. To the extent there is a Cash Sweep Event (as defined below) continuing, all excess cash flow after payment of the mortgage debt service, required reserves and customary expenses in accordance with the loan documents will be held as additional collateral for the Orlando Central loan. If no Cash Sweep Event is in effect, then all funds in the excess cash flow account after payment of the mortgage debt service, required reserves and customary expenses in accordance with the loan documents will be disbursed to the borrower. The lender has a first priority security interest in the cash management account.

A "**Cash Management Trigger Event**" means the occurrence of (i) an event of default, (ii) any bankruptcy action of borrower, guarantor or manager, or (iii) a Cash Management DSCR Trigger Event (as defined below).

A "**Cash Management DSCR Trigger Event**" means any period that the debt service coverage ratio as calculated in the loan documents based on the trailing three-month period, annualized, is less than 1.25x.

A "**Cash Sweep Event**" means the occurrence of (i) an event of default, (ii) any bankruptcy action of borrower, guarantor or manager, or (iii) a Cash Sweep DSCR Trigger Event (as defined below).

A "**Cash Sweep DSCR Trigger Event**" means any period that the debt service coverage ratio as calculated in the loan documents based on the trailing three-month period, annualized, is less than 1.20x.

**Subordinate and Mezzanine Debt.** None.

**Partial Release.** Following the lockout period and prior to October 6, 2026, the borrower is permitted to obtain the release of any individual building in connection with a partial defeasance, subject to certain conditions, including but not limited to (i) delivery of defeasance collateral in an amount equal to 125.0% of the released property's original allocated loan balance (as set forth under "Building Summary" above); (ii) the amortizing debt service coverage ratio (based upon the trailing three-month period immediately preceding the date of such determination, annualized) with respect to the remaining properties will be no less than the greater of (a) 1.30x and (b) the amortizing debt service coverage ratio based on the trailing three month period immediately prior to the release; and (iii) the loan to value ratio with respect to the remaining properties will be no greater than the lesser of (a) 75.0%, and (b) the loan to value ratio immediately prior to the release.

**Ground Lease.** None.

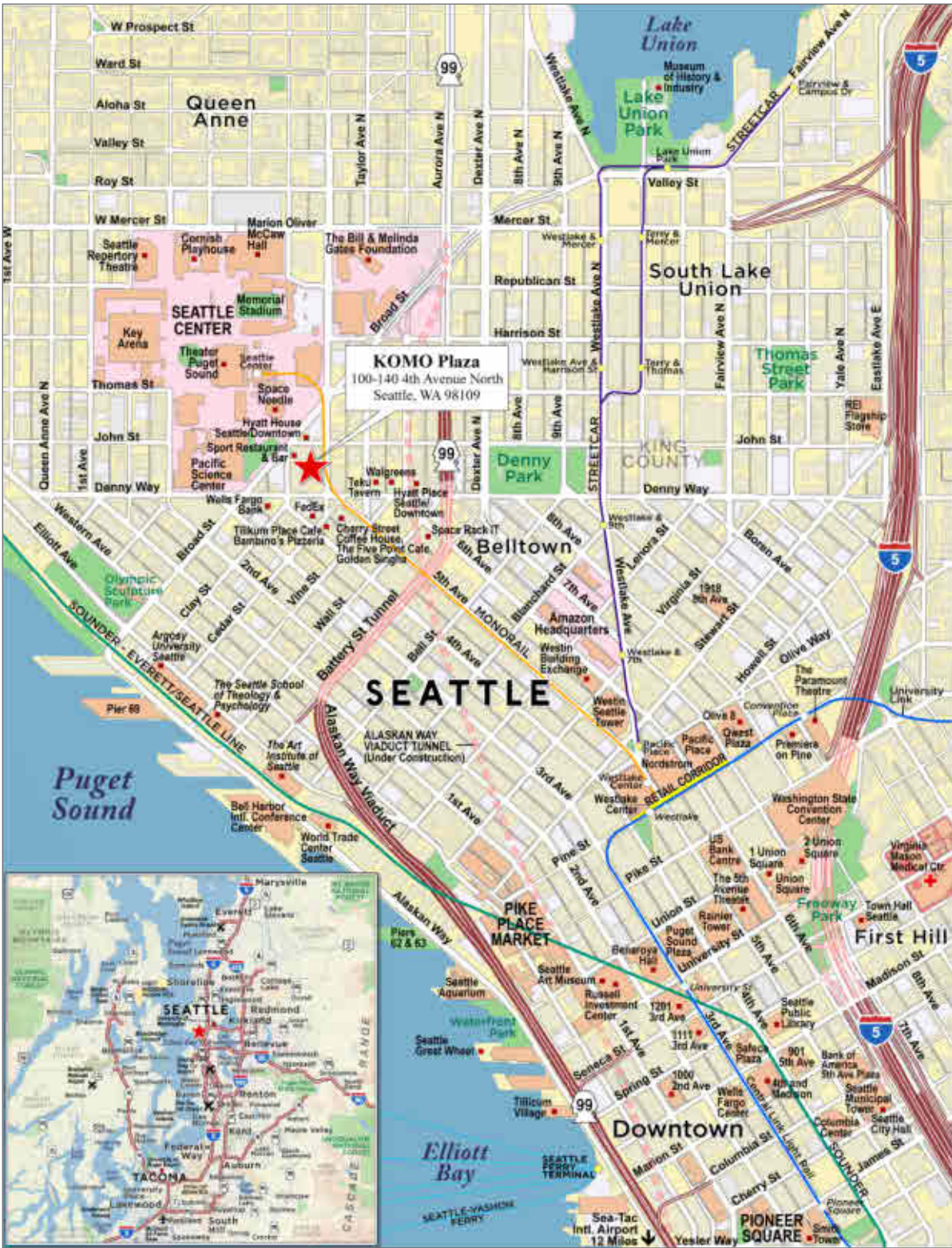


# KOMO Plaza





KOMO Plaza





## KOMO Plaza

## KOMO Plaza East

| Floor |  |  |   |  |   |  |  |   |  |
|-------|--|--|---|--|---|--|--|---|--|
| 6     |  |  |   |  | Sinclair Broadcast Group<br>471 SF Exp. 12/2023   | Sinclair Broadcast Group<br>2,049 SF Exp. 12/2023  | Sinclair Broadcast Group<br>64 SF Exp. 12/2023 | Sinclair Broadcast Group<br>316 SF Exp. 12/2023     |  |
| 5     |  | Sinclair Broadcast Group<br>19,843 SF Exp. 12/2023 |   |  |   | Sinclair Broadcast Group<br>24,020 SF Exp. 12/2023 |  |   |  |
| 4     |  | Sinclair Broadcast Group<br>8,693 SF Exp. 12/2023  |   |  |   | Sinclair Broadcast Group<br>37,825 SF Exp. 12/2023 |  |   |  |
| 3     | TierPoint Seattle Holdings<br>1,740 SF Exp. 6/2023 |  | Sinclair Broadcast Group<br>4,436 SF Exp. 12/2023 |  | Pacific Software Publishing<br>842 SF Exp. 2/2018 | Internap Corporation<br>2,353 SF Exp. 2/2019       |  | Internap Corporation<br>399 SF Exp. 2/2019          |  |
|       | Sinclair Broadcast Group<br>3,910 SF Exp. 12/2023  | Sinclair Broadcast Group<br>399 SF Exp. 12/2023    | Sinclair Broadcast Group<br>4,183 SF Exp. 12/2023 |  |   | Sinclair Broadcast Group<br>16,432 SF Exp. 12/2023 |  | TierPoint Seattle Holdings<br>3,099 SF Exp. 6/2023  |  |
| 2     | BCE Nexia<br>804 SF Exp. 8/2020                    | CenturyLink<br>283 SF Exp. 9/2018                  | Frontier Communications<br>1,256 SF Exp. 9/2017   |  | Metropolitan Fiber MTM<br>200 SF Exp. 12/2017     | TCG Seattle<br>258 SF Exp. 11/2020                 | Level 3 Communications<br>165 SF Exp. 5/2025   | TW Telecom of Washington, LLC<br>182 SF Exp. 6/2018 |  |
|       | Internap Corporation<br>5,459 SF Exp. 2/2019       |  | Internap Corporation<br>27,388 SF Exp. 2/2019     |  | MEET ME ROOM<br>1,357 SF Exp. 11/2021             | Mgmt. Office<br>1,669 SF MTM                       | Hines REIT 5th and Bell<br>574 SF MTM          | Pacific Software Publishing<br>1,027 SF Exp. 2/2018 |  |
| 1     | Sport Seattle<br>6,785 SF Exp. 12/2019             |  | US Healthworks<br>7,752 SF Exp. 2/2023            |  | Sinclair Broadcast Group<br>154 SF Exp. 12/2023   | Silverdale Orthopedics<br>2,009 SF Exp. 8/2018     |  | Lonnie Swenson<br>1,386 SF Exp. 9/2020              |  |

VACANT

MTM

2017

2018 - 2019

2020 - 2021

2022+

## KOMO Plaza West

| Floor |  |   |   |                               |  |  |  |  |   |
|-------|--|---|---|-------------------------------|--|--|--|--|---|
| 6     |  |   |   |                               |  |  |  |  | TierPoint Seattle Holdings<br>18,072 SF Exp. 6/2023     |
| 5     |  | Vacant<br>5,200 SF  |   | Vacant<br>5,209 SF            |  | Vacant<br>5,232 SF                                 |  |  | Diversified Computer Corporation<br>432 SF Exp. 12/2017 |
| 4     |  | Diversified Computer Corporation<br>4,081 SF Exp. 12/2017 |   | Amazon<br>609 SF Exp. 12/2017 |  | Amazon<br>12,069 SF Exp. 12/2017                   |  |  |   |
| 3     |  | Vacant<br>7,938 SF  |   |                               | TierPoint Seattle Holdings<br>3,792 SF Exp. 6/2023     | TierPoint Seattle Holdings<br>4,098 SF Exp. 6/2023 |  | Vacant<br>2,327 SF                           |   |
| 2     |  |   | Swedish Health Services<br>7,737 SF Exp. 8/2018 |                               |  | Verizon<br>10,416 SF Exp. 1/2019                   |  |  |   |
| 1     | Subway Real Estate<br>1,281 SF Exp. 5/2018 |   | First Citizens Bank<br>7,127 SF Exp. 6/2019     |                               | Christopher Clark/DBA Belltown<br>2,008 SF Exp. 4/2019 | Avis<br>979 SF Exp. 6/2020                         | Approach Technologies<br>1,673 SF Exp. 10/2019 | Pantheon Investments<br>1,203 SF Exp. 4/2017 | Lihe Hou<br>1,498 SF Exp. 1/2021                        |
|       |  |   |   |                               |  |  |  | Amazon<br>806 SF Exp. 12/2017                |   |

VACANT

2017

2018 - 2019

2020 - 2021

2022+

## KOMO Plaza

### Mortgage Loan Information

|  |                    |
|--|--------------------|
| <b>Mortgage Loan Seller<sup>(1)</sup>:</b>           | UBS AG             |
| <b>Original Principal Balance<sup>(2)</sup>:</b>     | \$37,000,000       |
| <b>Cut-off Date Principal Balance<sup>(2)</sup>:</b> | \$37,000,000       |
| <b>% of IPB:</b>                                     | 4.3%               |
| <b>Loan Purpose:</b>                                 | Acquisition        |
| <b>Borrower:</b>                                     | GI TC Seattle LLC  |
| <b>Sponsor:</b>                                      | TechCore, LLC      |
| <b>Interest Rate:</b>                                | 4.29930%           |
| <b>Note Date:</b>                                    | 12/20/2016         |
| <b>Maturity Date:</b>                                | 1/6/2027           |
| <b>Interest-only Period:</b>                         | 120 months         |
| <b>Original Term:</b>                                | 120 months         |
| <b>Original Amortization Term:</b>                   | None               |
| <b>Amortization Type:</b>                            | Interest Only      |
| <b>Call Protection<sup>(3)</sup>:</b>                | L(25),Def(91),O(4) |
| <b>Lockbox / Cash Management:</b>                    | Springing          |
| <b>Additional Debt:</b>                              | Yes                |
| <b>Additional Debt Balance:</b>                      | \$102,000,000      |
| <b>Additional Debt Type:</b>                         | Pari Passu         |

### Property Information

|  |                                       |
|--|---------------------------------------|
| <b>Single Asset / Portfolio:</b>                             | Single Asset                          |
| <b>Title:</b>  | Fee                                   |
| <b>Property Type – Subtype:</b>                              | Mixed Use – Office/Data Center/Retail |
| <b>Net Rentable Area (SF)<sup>(4)</sup>:</b>                 | 291,151                               |
| <b>Location:</b>   | Seattle, WA                           |
| <b>Year Built / Renovated:</b>                               | 2000 / 2007                           |
| <b>Occupancy:</b>  | 91.1%                                 |
| <b>Occupancy Date:</b>                                       | 9/30/2016                             |
| <b>4<sup>th</sup> Most Recent NOI (As of):</b>               | \$14,079,614 (12/31/2013)             |
| <b>3<sup>rd</sup> Most Recent NOI (As of)<sup>(5)</sup>:</b> | \$15,534,334 (12/31/2014)             |
| <b>2<sup>nd</sup> Most Recent NOI (As of):</b>               | \$14,450,665 (12/31/2015)             |
| <b>Most Recent NOI (As of):</b>                              | \$14,886,268 (TTM 10/31/2016)         |
| <b>UW Economic Occupancy:</b>                                | 91.1%                                 |
| <b>UW Revenues:</b>  | \$22,049,734                          |
| <b>UW Expenses:</b>  | \$6,350,267                           |
| <b>UW NOI:</b>   | \$15,699,467                          |
| <b>UW NCF:</b>   | \$14,983,440                          |
| <b>Appraised Value / Per SF:</b>                             | \$278,000,000 / \$955                 |
| <b>Appraisal Date:</b>                                       | 10/26/2016                            |

### Escrows and Reserves<sup>(6)</sup>

|                              | Initial     | Monthly   | Initial Cap |
|------------------------------|-------------|-----------|-------------|
| <b>Taxes:</b>                | \$0         | Springing | N/A         |
| <b>Insurance:</b>            | \$0         | Springing | N/A         |
| <b>Replacement Reserves:</b> | \$0         | Springing | \$117,491   |
| <b>TI/LC:</b>                | \$0         | Springing | \$1,982,657 |
| <b>Other:</b>                | \$2,500,000 | \$0       | N/A         |

### Financial Information<sup>(2)</sup>

|                                 |       |
|---------------------------------|-------|
| <b>Cut-off Date Loan / SF:</b>  | \$477 |
| <b>Maturity Date Loan / SF:</b> | \$477 |
| <b>Cut-off Date LTV:</b>        | 50.0% |
| <b>Maturity Date LTV:</b>       | 50.0% |
| <b>UW NCF DSCR:</b>             | 2.47x |
| <b>UW NOI Debt Yield:</b>       | 11.3% |

### Sources and Uses

| Sources                      | Proceeds             | % of Total    | Uses              | Proceeds             | % of Total    |
|------------------------------|----------------------|---------------|-------------------|----------------------|---------------|
| Sponsor Equity               | \$140,408,566        | 50.3%         | Purchase Price    | \$276,000,000        | 98.8%         |
| Mortgage Loan <sup>(2)</sup> | 139,000,000          | 49.7          | Upfront Reserves  | 2,500,000            | 0.9           |
|                              |                      |               | Closing Costs     | 908,566              | 0.3           |
| <b>Total Sources</b>         | <b>\$279,408,566</b> | <b>100.0%</b> | <b>Total Uses</b> | <b>\$279,408,566</b> | <b>100.0%</b> |

(1) The KOMO Plaza Whole Loan, as defined in "The Loan" below, was co-originated by UBS AG and Morgan Stanley Bank, N.A. ("MSBNA").

(2) The KOMO Plaza loan is part of a whole loan evidenced by five *pari passu* notes with an aggregate original principal balance of \$139.0 million. The Financial Information presented in the chart above reflects the Cut-off Date balance of the \$139.0 million KOMO Plaza Whole Loan.

(3) The lockout period will be at least 25 payments beginning with and including the first payment date of February 6, 2017. Defeasance of the full \$139.0 million KOMO Plaza Whole Loan is permitted any time after the earlier to occur of (i) two years after the closing date of the final REMIC that holds any note evidencing the KOMO Plaza Whole Loan or (ii) February 6, 2020.

(4) Net Rentable Area (SF) consists of 120,925 square feet (41.5% of net rentable area) of office space, 93,115 square feet (32.0% of net rentable area) of data center and co-location space, 34,629 square feet (11.9% of net rentable area) of retail space, 30,692 square feet (10.5% of net rentable area) of communications space, and 11,790 square feet (4.0% of net rentable area) of other space, including storage.

(5) 3<sup>rd</sup> Most Recent NOI is higher than other historical periods primarily due to an approximately \$1.2 million increase in Telecomm/Riser income caused by an increase in power consumption by the data center tenants.

(6) For a full description of Escrows and Reserves, please refer to "Escrows and Reserves" below.

## KOMO Plaza

**The Loan.** The KOMO Plaza loan is secured by a first mortgage lien on the borrower's fee interest in a 291,151 square foot mixed use facility containing Class A office and retail, data center and co-location and communications space in the central business district ("CBD") of Seattle, Washington. The whole loan has an outstanding principal balance as of the Cut-off Date of \$139.0 million (the "**KOMO Plaza Whole Loan**"), and is comprised of five *pari passu* notes, each as described below. Note A-2 and Note A-3 are being contributed to the BBCMS 2017-C1 Trust with Note A-2 serving as the controlling note under the related intercreditor agreement, the rights of which will be exercised by the Trustee (or, prior to the occurrence and continuance of a Control Termination Event, by the Directing Certificateholder). However, holders of Note A-1, Note A-3, Note A-4 and Note A-5 will be entitled, under certain circumstances, to be consulted with respect to certain major decisions. The KOMO Plaza Whole Loan has a 10-year term and is interest-only for the term of the loan.

| Whole Loan Summary |                      |                |                   |
|--------------------|----------------------|----------------|-------------------|
| Note               | Original Balance     | Note Holder    | Controlling Piece |
| A-1                | \$30,000,000         | UBS AG         | No                |
| A-2                | 20,000,000           | BBCMS 2017-C1  | Yes               |
| A-3                | 17,000,000           | BBCMS 2017-C1  | No                |
| A-4                | 2,500,000            | UBS AG         | No                |
| A-5                | 69,500,000           | BACM 2017-BNK3 | No                |
| <b>Total</b>       | <b>\$139,000,000</b> |                |                   |

**The Property.** KOMO Plaza is a 291,151 square foot mixed use facility containing Class A office and retail, data center and co-location and communications space located in the CBD of Seattle, Washington. The KOMO Plaza property is located in the heart of Seattle adjacent to the Space Needle, Seattle Center and the Bill and Melinda Gates Foundation headquarters. The KOMO Plaza property was built in 2000, renovated in 2007, and consists of two six-story buildings: the east building (191,232 square feet), which is 100.0% leased and the west building (99,919 square feet), which is approximately 74.1% leased. The KOMO Plaza property consists of 120,925 square feet (41.5% of net rentable area) of office space, 93,115 square feet (32.0% of net rentable area) of data center and co-location space, 34,629 square feet (11.9% of net rentable area) of retail space, 30,692 square feet (10.5% of net rentable area) of communications space, and 11,790 square feet (4.0% of net rentable area) of other space, including storage. Improvements include 525 parking spaces (1.80 spaces per 1,000 square feet) in a four-story subterranean parking garage.

The KOMO Plaza property offers diverse connectivity through the Meet-Me-Room with approximately 15 telecommunications and internet service providers, rooftop satellite and antenna facilities, as well as interconnection to other networks, including the Pacific Northwest Gigapop and via one of four core switches for the Seattle Internet Exchange, a neutral and independent peering point and fourth most active internet exchange in the United States. The KOMO Plaza property has 14 megawatts of utility power, with nine generators providing 16.5 megawatts of backup power. It can support power densities of more than 150 watts per square foot. The KOMO Plaza property also has close proximity to transpacific subsea cables for low latency service to Asia.

As of September 30, 2016, the KOMO Plaza property was 91.1% leased by 38 tenants. The KOMO Plaza property's largest tenant is Sinclair Broadcast Group ("**Sinclair**"). Sinclair was founded in 1986 and produces broadcasting content for sports and news programming. With 154 stations serving nearly 80 markets, Sinclair is the largest television station operator in the United States according to the appraisal. The KOMO Plaza property was originally purpose-built for Sinclair (formerly known as Fisher Communications) in 2000. Sinclair sold the KOMO Plaza property to Hines Global REIT in November 2011 in a sale-leaseback transaction at which time, Sinclair executed a new lease. Sinclair leases 41.6% of net rentable area through December 2023 and has occupied its space under its current lease since December 2011. Sinclair currently leases 85,766 square feet of office space, 27,504 square feet of broadcast space, 6,418 square feet of data center space and 1,525 square feet of storage space. Sinclair has three five-year renewal options remaining with 3.0% annual rent increases per renewal option. Sinclair currently accounts for 24.6% of underwritten base rent at the KOMO Plaza property. The second largest tenant, Internap Corporation ("**Internap**"), leases 12.2% of net rentable area through February 2019 and has occupied its space since May 2000. Internap is a high-performance internet infrastructure provider, providing services at 51 data centers across North America, Europe and the Asia-Pacific region and through 86 Internet Protocol service points. Internap leases 27,398 square feet of data center space, 5,459 square feet of office space and 2,752 square feet of co-location space. Internap has one five-year renewal option remaining. Internap accounts for approximately 24.8% of underwritten base rent at the KOMO Plaza property. The third largest tenant, TierPoint Seattle Holdings ("**TierPoint**"), leases 10.2% of net rentable area through June 2023 and has occupied its space since July 2003. TierPoint leases 23,694 square feet of data center space and 6,099 square feet of office space. TierPoint has two five-year renewal options remaining. TierPoint accounts for approximately 16.7% of underwritten base rent at the KOMO Plaza property. All three of the largest tenants (64.1% of net rentable area) were original tenants at the KOMO Plaza property.



## KOMO Plaza

**Environmental.** According to a Phase I environmental assessment dated December 8, 2016, there was no evidence of any recognized environmental conditions at the KOMO Plaza property.

| Historical and Current Occupancy <sup>(1)</sup> |       |       |                        |
|---|-------|-------|------------------------|
| 2013  | 2014  | 2015  | Current <sup>(2)</sup> |
| 96.0%   | 92.0% | 91.0% | 91.1%                  |

(1) Historical Occupancies are as of December 31 of each respective year.

(2) Current Occupancy is as of September 30, 2016.

| Top Ten Tenant Summary <sup>(1)</sup>   |   |                           |                      |                                 |                          |                         |                          |
|---|---|---------------------------|----------------------|---------------------------------|--------------------------|-------------------------|--------------------------|
| Tenant                                  | Ratings <sup>(2)</sup><br>Moody's/S&P/<br>Fitch | Net Rentable<br>Area (SF) | % of<br>Total<br>NRA | Base Rent<br>PSF <sup>(3)</sup> | Base Rent <sup>(3)</sup> | % of Total<br>Base Rent | Lease<br>Expiration Date |
| Sinclair Broadcast Group <sup>(4)</sup> | Ba3 / BB- / NA                                  | 121,213                   | 41.6%                | \$30.72                         | \$3,723,354              | 24.1%                   | 12/31/2023               |
| Internap Corporation <sup>(5)</sup>     | B3 / B / NA                                     | 35,609                    | 12.2                 | \$110.89                        | 3,948,616                | 25.5                    | 2/28/2019                |
| TierPoint Seattle Holdings              | B3 / NA / NA                                    | 29,793                    | 10.2                 | \$86.99                         | 2,591,770                | 16.8                    | 6/30/2023                |
| Amazon                                  | Baa1 / AA- / NA                                 | 13,483                    | 4.6                  | \$89.71                         | 1,209,515                | 7.8                     | 12/31/2017               |
| Verizon                                 | Baa1 / BBB+ / A-                                | 10,416                    | 3.6                  | \$46.71                         | 486,502                  | 3.1                     | 1/31/2019                |
| US Healthworks                          | NA / NA / NA                                    | 7,752                     | 2.7                  | \$24.60                         | 190,699                  | 1.2                     | 2/28/2023                |
| Swedish Health Services                 | NA / NA / NA                                    | 7,737                     | 2.7                  | \$87.64                         | 678,066                  | 4.4                     | 9/30/2018                |
| First Citizens Bank                     | NA / NA / NA                                    | 7,127                     | 2.4                  | \$26.01                         | 185,373                  | 1.2                     | 6/30/2019                |
| Sport Seattle                           | NA / NA / NA                                    | 6,765                     | 2.3                  | \$23.46                         | 158,724                  | 1.0                     | 12/31/2019               |
| Diversified Computer Corporation        | NA / NA / NA                                    | 4,513                     | 1.6                  | \$29.12                         | 131,403                  | 0.8                     | 12/31/2017               |
| <b>Top Ten Tenants</b>                  |   | <b>244,408</b>            | <b>83.9%</b>         | <b>\$54.43</b>                  | <b>\$13,304,022</b>      | <b>86.0%</b>            |                          |
| <b>Non Top Ten Tenants</b>              |   | <b>20,837</b>             | <b>7.2%</b>          | <b>\$103.58</b>                 | <b>\$2,158,193</b>       | <b>14.0%</b>            |                          |
| <b>Occupied Collateral Total</b>        |   | <b>265,245</b>            | <b>91.1%</b>         | <b>\$58.29</b>                  | <b>\$15,462,215</b>      | <b>100.0%</b>           |                          |
| <b>Vacant Space</b>                     |   | <b>25,906</b>             | <b>8.9%</b>          |                                 |                          |                         |                          |
| <b>Collateral Total</b>                 |   | <b>291,151</b>            | <b>100.0%</b>        |                                 |                          |                         |                          |

(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) Base Rent PSF and Base Rent do not include \$631,911 attributable to rent steps based on the minimum contractual rent increases occurring through January 2018.

(4) Sinclair has a one-time right to terminate up to 20% of its contiguous areas, excluding the studio space on the fifth floor, on or before January 1, 2021, with at least 12 months' notice and the payment of a termination fee approximately equal to the sum of (i) an amount equal to six months of the applicable base rent and (ii) the tenant's pro rata share of operating expenses, water charges, room fees and all other charges and amounts due and owed under its lease. Sinclair also has the right to terminate up to \$73,588 of Base Rent associated with Sinclair's storage space at any time with at least 30 days' notice. If the portion terminated is not separately demised, Sinclair is required to pay costs of demising, so that the landlord has separate rentable areas of storage space following Sinclair's termination.

(5) Internap has the right to terminate 2,353 square feet of its co-location space at any time with six months' notice.

## KOMO Plaza

### Lease Rollover Schedule<sup>(1)(2)</sup>

| Year                         | Number of Leases Expiring | Net Rentable Area Expiring | % of NRA Expiring | Base Rent Expiring <sup>(3)</sup> | % of Base Rent Expiring | Cumulative Net Rentable Area Expiring | Cumulative % of NRA Expiring | Cumulative Base Rent Expiring | Cumulative % of Base Rent Expiring |
|------------------------------|---------------------------|----------------------------|-------------------|-----------------------------------|-------------------------|---------------------------------------|------------------------------|-------------------------------|------------------------------------|
| Vacant                       | NAP                       | 25,906                     | 8.9%              | NAP                               | NAP                     | 25,906                                | 8.9%                         | NAP                           | NAP                                |
| 2017 & MTM                   | 12                        | 22,898                     | 7.9               | \$2,090,390                       | 13.5%                   | 48,804                                | 16.8%                        | \$2,090,390                   | 13.5%                              |
| 2018                         | 7                         | 13,371                     | 4.6               | 1,282,931                         | 8.3                     | 62,175                                | 21.4%                        | \$3,373,320                   | 21.8%                              |
| 2019                         | 7                         | 63,798                     | 21.9              | 4,936,808                         | 31.9                    | 125,973                               | 43.3%                        | \$8,310,128                   | 53.7%                              |
| 2020                         | 5                         | 3,429                      | 1.2               | 421,396                           | 2.7                     | 129,402                               | 44.4%                        | \$8,731,524                   | 56.5%                              |
| 2021                         | 3                         | 1,439                      | 0.5               | 151,098                           | 1.0                     | 130,841                               | 44.9%                        | \$8,882,622                   | 57.4%                              |
| 2022                         | 0                         | 0                          | 0.0               | 0                                 | 0.0                     | 130,841                               | 44.9%                        | \$8,882,622                   | 57.4%                              |
| 2023                         | 3                         | 158,758                    | 54.5              | 6,505,823                         | 42.1                    | 289,599                               | 99.5%                        | \$15,388,445                  | 99.5%                              |
| 2024                         | 0                         | 0                          | 0.0               | 0                                 | 0.0                     | 289,599                               | 99.5%                        | \$15,388,445                  | 99.5%                              |
| 2025                         | 1                         | 195                        | 0.1               | 73,770                            | 0.5                     | 289,794                               | 99.5%                        | \$15,462,215                  | 100.0%                             |
| 2026                         | 0                         | 0                          | 0.0               | 0                                 | 0.0                     | 289,794                               | 99.5%                        | \$15,462,215                  | 100.0%                             |
| 2027 & Beyond <sup>(4)</sup> | 0                         | 1,357                      | 0.5               | 0                                 | 0.0                     | 291,151                               | 100.0%                       | \$15,462,215                  | 100.0%                             |
| <b>Total</b>                 | <b>38</b>                 | <b>291,151</b>             | <b>100.0%</b>     | <b>\$15,462,215</b>               | <b>100.0%</b>           |                                       |                              |                               |                                    |

(1) Based on the underwritten rent roll.

(2) Certain tenants have lease termination options that may become exercisable prior to the originally stated expiration date of the tenant lease that are not considered in the lease rollover schedule.

(3) Base Rent Expiring does not include \$631,911 attributable to rent steps based on the minimum contractual rent increases occurring through January 2018.

(4) Includes Meet-Me-Room, which occupies 1,357 square feet of space at the KOMO Plaza property, but does not have any Base Rent Expiring associated with its lease.

### Operating History and Underwritten Net Cash Flow

|                               | 2013                | 2014                | 2015                | TTM <sup>(1)</sup>  | Underwritten        | Per Square Foot | % <sup>(2)</sup> |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-----------------|------------------|
| Rents in Place <sup>(3)</sup> | \$14,978,034        | \$16,143,463        | \$15,119,777        | \$15,372,527        | \$16,094,125        | \$55.28         | 70.6%            |
| Vacant Income                 | 0                   | 0                   | 0                   | 0                   | 1,495,730           | 5.14            | 6.6              |
| <b>Gross Potential Rent</b>   | <b>\$14,978,034</b> | <b>\$16,143,463</b> | <b>\$15,119,777</b> | <b>\$15,372,527</b> | <b>\$17,589,855</b> | <b>\$60.41</b>  | <b>77.2%</b>     |
| Total Reimbursements          | 4,730,189           | 4,939,604           | 4,597,346           | 4,609,579           | 5,200,102           | 17.86           | 22.8             |
| <b>Net Rental Income</b>      | <b>\$19,708,223</b> | <b>\$21,083,067</b> | <b>\$19,717,123</b> | <b>\$19,982,106</b> | <b>\$22,789,958</b> | <b>\$78.28</b>  | <b>100.0%</b>    |
| (Vacancy/Credit Loss)         | 0                   | 0                   | 0                   | 0                   | (2,027,916)         | (6.97)          | (8.9)            |
| Other Income                  | 925,681             | 1,139,839           | 1,271,030           | 1,291,699           | 1,287,692           | 4.42            | 5.7              |
| <b>Effective Gross Income</b> | <b>\$20,633,904</b> | <b>\$22,222,906</b> | <b>\$20,988,153</b> | <b>\$21,273,805</b> | <b>\$22,049,734</b> | <b>\$75.73</b>  | <b>96.8%</b>     |
| <b>Total Expenses</b>         | <b>\$6,554,290</b>  | <b>\$6,688,572</b>  | <b>\$6,537,488</b>  | <b>\$6,387,537</b>  | <b>\$6,350,267</b>  | <b>\$21.81</b>  | <b>28.8%</b>     |
| <b>Net Operating Income</b>   | <b>\$14,079,614</b> | <b>\$15,534,334</b> | <b>\$14,450,665</b> | <b>\$14,886,268</b> | <b>\$15,699,467</b> | <b>\$53.92</b>  | <b>71.2%</b>     |
| Total TI/LC, Capex/RR         | 0                   | 0                   | 0                   | 0                   | 716,027             | 2.46            | 3.2              |
| <b>Net Cash Flow</b>          | <b>\$14,079,614</b> | <b>\$15,534,334</b> | <b>\$14,450,665</b> | <b>\$14,886,268</b> | <b>\$14,983,440</b> | <b>\$51.46</b>  | <b>68.0%</b>     |

(1) TTM reflects the trailing 12-month period ending October 31, 2016.

(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) Underwritten Rents in Place consist of in-place rents as of September 30, 2016 and include underwritten contractual rent increases of \$631,911 through January 2018 of which \$155,567 is associated with the Verizon lease. For a full description of the reserve associated with the Verizon lease, please refer to "Escrows and Reserves" below. 2014 Rents in Place is higher than other historical periods primarily due to an approximately \$1.2 million increase in Telecomm/Riser income caused by an increase in power consumption by the data center tenants.

## KOMO Plaza

**The Market.** The KOMO Plaza property is located in Seattle, King County, Washington, within the Seattle CBD. Situated on Elliott Bay, the eastern shoreline of Puget Sound, the Seattle CBD is the commercial and financial center of western Washington. The KOMO Plaza property is located across from the Space Needle, at the cross section of South Lake Union, Belltown and Lower Queen Anne submarkets. South Lake Union, Belltown and Lower Queen Anne submarkets are also the highest growth, lowest vacancy commercial submarkets in the Seattle CBD. Eight Fortune 500 companies are headquartered in Seattle including Costco, Amazon, Microsoft, Starbucks, Paccar, Nordstrom, Weyerhaeuser and Expeditors International. In addition, several large technology companies own and occupy offices near the KOMO Plaza property, including Amazon's headquarters, Google and Facebook.

The Seattle Center, originally built for the 1962 World's Fair, is a 74-acre park and arts and entertainment center. Its landmark feature is the Space Needle. Other attractions at the Seattle Center include Key Arena, home of the Seattle University Redhawks men's basketball team and the Seattle Storm of the WNBA, the International Fountain, the Seattle Center Armory, the Center House Theater, home to Seattle Shakespeare Company and Book-It Repertory Theatre, the Children's Museum, the EMP Museum, the Mural Amphitheater, the Pacific Science Center, the Boeing IMAX Theater, PACCAR IMAX Theater and the Seattle Laser Dome.

According to the appraisal, the KOMO Plaza property is located in the Northwest data center market. Major cities within the Northwest data center market include Seattle, Washington, Central Washington and Hillsboro, Oregon. The Northwest data center market has a total inventory of approximately 3.7 million square feet (343 megawatts) with total commission vacancy of 485,500 square feet (53.15 megawatts), which represents a vacancy rate of approximately 13.0%. Current rental rates for the Northwest data center market are \$250 to \$350 per kW (all in) for less than 250 kW of usage and \$130 to \$140 per kW (+E) for more than 250 kW of usage. The appraisal identified 11 directly competitive data center properties built between 1959 and 2012 ranging in size from approximately 18,000 to 1,000,000 square feet. Initial rents for the comparable data centers range from \$18.00 to \$32.00 per square foot.

According to a third party market research report, the KOMO Plaza property is located in the Queen Anne/Magnolia office and retail submarket of Downtown Seattle. As of the third quarter of 2016, the office submarket comprised approximately 1.8 million square feet of Class A office space with an overall vacancy rate of 1.5% and average Class A office rents of \$32.60 per square foot. The appraisal identified seven directly competitive office leases with properties built between 1984 and 2016 and leases ranging in size from approximately 1,172 to 286,000 square feet. Initial rents for the comparable office leases range from \$21.50 to \$38.00 per square foot. As of the third quarter of 2016, the retail submarket comprised approximately 2.2 million square feet of retail space with an overall vacancy rate of 1.7% and average retail rents of \$25.94 per square foot. The appraisal identified six directly competitive retail leases with properties built between 2004 and 2015 and leases ranging in size from approximately 1,661 to 11,229 square feet. Initial rents for the comparable retail leases range from \$25.00 to \$34.00 per square foot.

According to a third party market research report, the estimated 2016 population within a one-, three- and five-mile radius of the KOMO Plaza property is 45,438, 214,147 and 424,774, respectively. According to a third party market research report, the estimated 2016 average household income within a one-, three- and five-mile radius of the KOMO Plaza property is \$95,029, \$99,997 and \$104,723, respectively. Comparatively, the average household income for King County, the metropolitan statistical area, and the state of Washington are \$105,450, \$95,290 and \$82,519, respectively.

**The Borrower.** The borrowing entity for the KOMO Plaza Whole Loan is GI TC Seattle LLC, a Delaware limited liability company and special purpose entity with two independent directors. Legal counsel to the borrower delivered a non-consolidation opinion in connection with the origination of the KOMO Plaza Whole Loan. TechCore, LLC, a California limited liability company, is the nonrecourse carve-out guarantor of the KOMO Plaza Whole Loan.

**The Loan Sponsor.** The loan sponsor is TechCore, LLC. TechCore, LLC is a core real estate fund capitalized by California Public Employees' Retirement System ("CalPERS") and GI Partners. CalPERS is the largest public pension fund in the United States. Its pension fund serves more than 1.8 million members in the CalPERS retirement system and administers benefits for more than 1.4 million members and their families in its health program. CalPERS' total fund market value as of December 31, 2015 is approximately \$288.9 billion. GI Partners is a leading alternative asset manager focused on real estate and private equity strategies. GI Partners currently manages over \$12 billion in capital commitments across four discretionary real estate accounts and three private equity funds on behalf of recognized institutional investors across the globe. To date, GI Partners has acquired over \$1 billion in technology advantaged real estate totaling over 3.5 million square feet.

**Property Management.** The KOMO Plaza property is managed by Hines Interests Limited Partnership, a Delaware limited partnership.



## KOMO Plaza

### *Escrows and Reserves.*

**Verizon Reserve** – At closing, the borrower escrowed \$2,500,000 (the “**Verizon Funds**”) with the title company pursuant to an escrow agreement, which has been collaterally assigned to the lender, in connection with the potential extension of the existing lease with Verizon. Any of the Verizon Funds that are paid to the borrower pursuant to the escrow agreement are to be deposited with the lender. If Verizon renews its lease within six months after the closing date, (a) to the extent the borrower has already expended funds for tenant improvement allowances, leasing commissions or similar concessions that are due and payable at the time the lender receives the Verizon Funds, the amount of Verizon Funds necessary to pay such costs will be disbursed to the borrower to pay such costs, (b) to the extent borrower is obligated to expend such funds after the date the lender receives the Verizon Funds, that portion of the Verizon Funds will be held by the lender and disbursed to the borrower to pay such costs as they are incurred and (c) to the extent any of the Verizon Funds are remaining after paying for all tenant improvement allowances, leasing commissions or similar concessions owed to Verizon, so long as no Cash Sweep Period then exists, disbursed to the borrower, and if a Cash Sweep Period is continuing, deposited with the lender into the cash management account.

But, if Verizon does not renew within six months after the closing date, (a) \$77,784 will be disbursed either, if no Cash Sweep Period is continuing, to the borrower, or if a Cash Sweep Period is continuing, into the cash management account, (b) \$723,000 will be disbursed into an account to be held by the lender to be used to pay for tenant improvement and leasing commissions applicable to the re-leasing of the space previously occupied by Verizon, (c) \$246,315 will be held by the lender and disbursed on a monthly basis in equal amounts of \$12,964 either, if no Cash Sweep Period is continuing, to the borrower, or if a Cash Sweep Period is continuing, into the cash management account and (d) the balance of the Verizon Funds will be held by the lender and available to the borrower to pay for tenant improvement and leasing commissions at the KOMO Plaza property but only to the extent that there are no other reserve funds being held by the lender that are available to pay such costs.

**Tax Escrows** – The requirement for the borrower to make monthly deposits into the tax escrow is waived (i) if CalPERS is the sponsor, so long as no Triggering Event (as defined below) or Cash Sweep Period (as defined below) has occurred and is continuing or (ii) if CalPERS is not the sponsor, so long as (a) no Triggering Event or Cash Sweep Period has occurred and is continuing and (b) the borrower provides proof of payment of such taxes to the lender within five business days of such request from the lender.

**Insurance Escrows** – The requirement for the borrower to make deposits to the insurance escrow is waived (i) if CalPERS is the sponsor, so long as the KOMO Plaza property is insured under one or more blanket insurance policies in accordance with the loan documents as part of the master policy of CalPERS or (ii) if CalPERS is not the sponsor, so long as (a) either (x) no Triggering Event or Cash Sweep Period has occurred and is continuing or (y) the KOMO Plaza property is insured under one or more blanket insurance policies in accordance with the loan documents and (b) the borrower provides the lender with evidence that all insurance premiums have been paid within five business days of such request from the lender.

**Replacement Reserves** – The requirement for the borrower to make monthly deposits into the replacement reserve is waived so long as no Triggering Event or Cash Sweep Period exists. Following the occurrence and during the continuance of a Triggering Event or Cash Sweep Period, the borrower is required to deposit \$4,895 per month (approximately \$0.20 per square foot annually) for replacement reserves. The reserve is subject to a cap of \$117,491 (approximately \$0.40 per square foot).

**TI/LC Reserves** – The requirement for the borrower to make monthly deposits into the tenant improvements and leasing commissions reserve is waived so long as no Triggering Event or Cash Sweep Period exists. Following the occurrence and during the continuance of a Triggering Event or Cash Sweep Period, the borrower is required to deposit \$55,074 per month (approximately \$2.27 per square foot annually) for tenant improvements and leasing commissions. The reserve is subject to a cap of \$1,982,657 (approximately \$6.81 per square foot).

**Specified Tenant Sweep Reserves** – The requirement for the borrower to deposit all excess cash flow into the specified tenant sweep reserve is waived so long as no Cash Sweep Period exists solely due to the continuance of a Specified Tenant Sweep Event (as defined below). Following the occurrence and during the continuance of a Cash Sweep Period that exists solely due to the continuance of a Specified Tenant Sweep Event, the borrower is required to deposit all excess cash flow into the specified tenant sweep reserve. The reserve is subject to a cap of \$40.00 per square foot multiplied by the total square footage demised to the applicable Specified Tenant that caused the Specified Tenant Sweep Event (as defined below).

## KOMO Plaza

**Cash Flow Shortfall Reserves** – The borrower is required to deposit any termination fees to the extent they are in excess of \$750,000 (if CalPERS is the sponsor) or \$500,000 (if CalPERS is not the sponsor) and any termination fees received during the continuance of a Cash Sweep Period or an event of default that are in any case in excess of \$40 per square foot of terminated space into the cash flow shortfall reserve. Funds in the cash flow shortfall reserve are available for tenant improvements and leasing commissions and in some circumstances as set forth in the loan documents, to pay for operating cash shortfalls (including, monthly debt service payments, deposits into reserves, operating expenses, and other expenses approved by the lender).

**Flexible Excess Cash Flow Reserves** – The requirement for the borrower to deposit excess cash flow generated by the KOMO Plaza property for the immediately preceding interest period into the flexible excess cash flow reserve is waived so long as no Cash Sweep Period exists due solely to the debt yield as calculated in the loan documents based on the most recent three-month period annualized is less than 6.75% (a “**Low Debt Yield Sweep Period**”) solely because of the exclusion of rents from the debt yield calculation from tenants that are not open for business or are not in actual physical occupancy of their demised space. Following the occurrence and during the continuance of a Cash Sweep Period that exists solely due to the reason in the immediately preceding sentence, the borrower is required to deposit excess cash flow generated by the KOMO Plaza property for the immediately preceding interest period into the flexible excess cash flow reserve. Funds in the flexible excess cash flow reserve are available for tenant improvements and leasing commissions and in some circumstances as set forth in the loan documents, to pay for operating cash shortfalls (including, monthly debt service payments, deposits into reserves, operating expenses, and other expenses approved by the lender).

**Lockbox / Cash Management.** The loan is structured with a springing lockbox and springing cash management. Upon the occurrence of a Triggering Event (as defined below) or a Cash Sweep Period (as defined below) the borrower (i) is required to establish a lockbox account and (ii) send tenant direction letters to each tenant then occupying space at the KOMO Plaza property, instructing them to deposit all rents and payments into the lockbox account controlled by the lender. During the continuance of a Triggering Event that is not a Cash Sweep Period, all funds in the lockbox account shall be transferred to or at the direction of the borrower unless a Cash Sweep Period exists, in which all funds in the lockbox account are swept on each business day to a segregated cash management account under the control of the lender where it will be applied through the waterfall set forth in the loan documents, with all excess cash being retained by the lender and held as additional collateral for the KOMO Plaza Whole Loan (until all Cash Sweep Periods are cured pursuant to the loan documents, at which time such excess cash is returned to the borrower).

A “**Triggering Event**” means any period commencing on the debt yield as calculated in the loan documents based on the most recent three-month period annualized is less than 7.5%.

A “**Cash Sweep Period**” means the occurrence of (i) an event of default, (ii) any bankruptcy or insolvency proceeding of the borrower or guarantor, (iii) a Low Debt Yield Sweep Period or (iv) a Specified Tenant Sweep Event.

A “**Specified Tenant Sweep Event**” means the occurrence of (i) the Specified Tenant's (as defined below) lease terminating or no longer being in full force or effect, (ii) any bankruptcy or insolvency proceeding of the Specified Tenant or (iii) the Specified Tenant failing to give notice of its intent to renew or extend its lease. In the case of each of the foregoing clauses (i) through (iii), the borrower can prevent the occurrence of a Specified Tenant Sweep Event by depositing with the lender, \$40.00 per square foot of space demised to the Specified Tenant that caused the Specified Tenant Sweep Event, within the time period set forth in the loan documents.

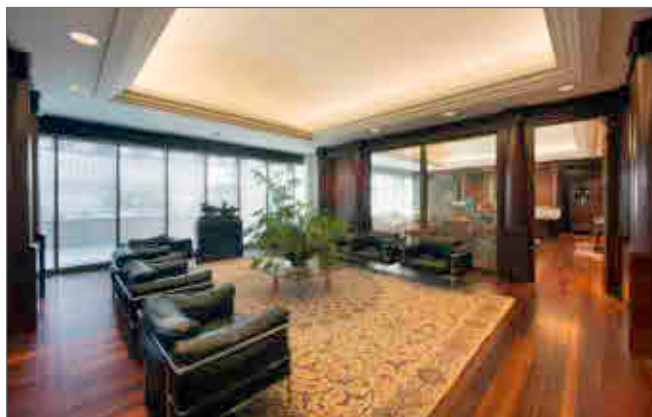
A “**Specified Tenant**” means (i) any non-data center lease (other than Sinclair) together with its affiliates, which leases space comprising 25.0% or more of the total in-place base rent at the KOMO Plaza property, (ii) any data center lease (other than Sinclair) together with its affiliates, which leases space comprising 35.0% or more of the total in-place base rent at the KOMO Plaza property and (iii) any lease with Sinclair together with its affiliates, which leases space comprising 27.5% or more of the total in-place base rent at the KOMO Plaza property.

**Subordinate and Mezzanine Debt.** None.

**Partial Release.** Not Permitted.

**Ground Lease.** None.

## Center West





## Center West



## Center West

|        |  |   |  |  |  |                                       |        |         |
|--------|--|---|--|--|--|---------------------------------------|--------|---------|
| 23     | Vacant<br>14,827 SF                            |   |  |  |  | 14,827                                |        |         |
| 22     | Vacant<br>8,381 SF                             |   | Advent Capital Group<br>1,782 SF<br>3/2018                 |  |  | 15,563                                |        |         |
| 21     | Advent Capital Group<br>15,739 SF<br>3/2018    |   |  |  |  | 15,729                                |        |         |
| 20     | Lincoln Capital<br>1,132 SF<br>6/2017          | Seabury Asset Management<br>1,583 SF<br>12/2019 | MetLife Japan<br>8,510 SF<br>4/2019                        |  | Vacant<br>3,053 SF                             | 14,270                                |        |         |
| 19     | Merrill Lynch<br>16,419 SF<br>4/2017           |   |  |  |  | 16,419                                |        |         |
| 18     | Radian Finance<br>16,894 SF<br>4/2015          |   |  |  |  | 16,894                                |        |         |
| 17     | Wells Fargo Capital<br>16,894 SF<br>7/2014     |   |  |  |  | 16,894                                |        |         |
| 16     | Vacant<br>4,959 SF                             |   | CDO Capital Partners<br>6,789 SF<br>6/2017                 |  | Centim: Properties<br>1,426 SF<br>3/2019       | 16,349                                |        |         |
| 15     | Vacant<br>7,997 SF                             |   | TransUnion<br>6,299 SF<br>4/2014                           |  | Vacant<br>4,299 SF                             |                                       | 16,596 |         |
| 14     | TCB Pay<br>2,725 SF<br>4/2010                  | Big Brothers<br>3,173 SF<br>4/2018              | Star Partners<br>1,065 SF<br>4/2011                        | Contest Partners<br>6,055 SF<br>6/2017 | Edling Asset Management<br>4,254 SF<br>10/2017 | Enc. Securities<br>1,185 SF<br>6/2019 | 16,578 |         |
| 13     | Cityline Managers<br>12,261 SF<br>3/2018       |   |  |  |  | Vacant<br>4,000 SF                    |        | 16,261  |
| 12     | Bentley Finance Group<br>5,895 SF<br>12/2010   |   | Montgomery<br>438 SF<br>8/2010                             | Whisper Media<br>1,779 SF<br>2/2017    | Sandstone Properties<br>6,745 SF<br>4/2011     | Todd Katz<br>1,429 SF<br>2/2010       | 16,566 |         |
| 11     | Banco<br>16,567 SF<br>4/2010                   |   |  |  |  |                                       |        | 16,567  |
| 10     | Vacant<br>16,261 SF                            |   |  |  |  |                                       |        | 16,261  |
| 9      | Vacant<br>16,261 SF                            |   |  |  |  |                                       |        | 16,261  |
| 8      | Vacant<br>16,261 SF                            |   |  |  |  |                                       |        | 16,261  |
| 7      | Federal Trade Commission<br>5,029 SF<br>8/2017 |   |  | Booz Allen<br>1,737 SF<br>4/2010       | Vacant<br>5,779 SF                             |                                       |        | 16,629  |
| 6      | Vacant<br>12,764 SF                            |   |  |  | Booz Allen<br>1,079 SF<br>12/2012              |                                       |        | 15,323  |
| 5      | Vacant<br>16,261 SF                            |   |  |  |  |                                       |        | 16,261  |
| 4      | Vacant<br>16,255 SF                            |   |  |  |  |                                       |        | 16,255  |
| 3      | Capital West<br>4,732 SF<br>4/2010             |   | Indivest<br>7,261 SF<br>8/2010                             |  |  |                                       |        | 11,993  |
| 2      | Vacant<br>250 SF                               |   |  |  |  |                                       |        | 250     |
| 1      | Vacant<br>10,573 SF                            |   | Bancassurance (Allstate) (Palmrest)<br>11,192 SF<br>9/2017 |  |  | Vacant<br>4,455 SF                    |        | 26,220  |
| OP1    | Vacant<br>1,091 SF                             |   | Vacant<br>289 SF   | Bank Jordan Corp<br>1,010 SF<br>MTM    |  | James J.<br>772 SF<br>MTM             |        | 3,162   |
|        |  |   |  |  |  | Total SF                              |        | 349,292 |
| VACANT |  | MTM   | 2017 - 2019  | 2019 - 2020                            | 2020 - 2022                                    | 2022+                                 |        |         |

VACANT RETM 2017 - 2018 2019 - 2020 2021 - 2022 2023+

## Center West

## Mortgage Loan Information

|  |                           |
|--|---------------------------|
| <b>Mortgage Loan Seller:</b>                         | UBS AG                    |
| <b>Original Principal Balance<sup>(1)</sup>:</b>     | \$30,000,000              |
| <b>Cut-off Date Principal Balance<sup>(1)</sup>:</b> | \$30,000,000              |
| <b>% of IPB:</b>                                     | 3.5%                      |
| <b>Loan Purpose:</b>                                 | Refinance                 |
| <b>Borrower:</b>                                     | Center West               |
| <b>Sponsor:</b>                                      | Kambiz Hekmat             |
| <b>Interest Rate:</b>                                | 4.43500%                  |
| <b>Note Date:</b>                                    | 12/6/2016                 |
| <b>Maturity Date:</b>                                | 12/6/2026                 |
| <b>Interest-only Period:</b>                         | 120 months                |
| <b>Original Term:</b>                                | 120 months                |
| <b>Original Amortization Term:</b>                   | None                      |
| <b>Amortization Type:</b>                            | Interest Only             |
| <b>Call Protection<sup>(2)</sup>:</b>                | L(24),Grtr2%orYM(92),O(4) |
| <b>Lockbox / Cash Management:</b>                    | Springing                 |
| <b>Additional Debt:</b>                              | Yes                       |
| <b>Additional Debt Balance:</b>                      | \$50,000,000              |
| <b>Additional Debt Type:</b>                         | Pari Passu                |

## Property Information

|  |                             |
|--|-----------------------------|
| <b>Single Asset / Portfolio:</b>                             | Single Asset                |
| <b>Title:</b>  | Leasehold                   |
| <b>Property Type – Subtype:</b>                              | Office – CBD                |
| <b>Net Rentable Area (SF):</b>                               | 349,298                     |
| <b>Location:</b>   | Los Angeles, CA             |
| <b>Year Built / Renovated:</b>                               | 1985-1990 / N/A             |
| <b>Occupancy<sup>(3)</sup>:</b>                              | 57.1%                       |
| <b>Occupancy Date:</b>                                       | 11/2/2016                   |
| <b>4<sup>th</sup> Most Recent NOI (As of):</b>               | \$7,071,123 (12/31/2013)    |
| <b>3<sup>rd</sup> Most Recent NOI (As of):</b>               | \$7,429,652 (12/31/2014)    |
| <b>2<sup>nd</sup> Most Recent NOI (As of)<sup>(4)</sup>:</b> | \$6,675,068 (12/31/2015)    |
| <b>Most Recent NOI (As of):</b>                              | \$7,164,676 (TTM 8/31/2016) |
| <b>UW Economic Occupancy:</b>                                | 56.5%                       |
| <b>UW Revenues:</b>  | \$13,841,932                |
| <b>UW Expenses:</b>  | \$6,099,920                 |
| <b>UW NOI<sup>(5)</sup>:</b>                                 | \$7,742,012                 |
| <b>UW NCF<sup>(5)</sup>:</b>                                 | \$6,990,633                 |
| <b>Appraised Value / Per SF<sup>(6)</sup>:</b>               | \$209,000,000 / \$598       |
| <b>Appraisal Date:</b>                                       | 10/20/2016                  |

Escrows and Reserves<sup>(7)</sup>

|                              | Initial     | Monthly   | Initial Cap |
|------------------------------|-------------|-----------|-------------|
| <b>Taxes:</b>                | \$0         | Springing | N/A         |
| <b>Insurance:</b>            | \$0         | Springing | N/A         |
| <b>Replacement Reserves:</b> | \$0         | Springing | N/A         |
| <b>TI/LC:</b>                | \$0         | Springing | N/A         |
| <b>Other:</b>                | \$2,352,223 | Springing | N/A         |

Financial Information<sup>(1)</sup>

|   |       |
|---|-------|
| <b>Cut-off Date Loan / SF:</b>          | \$229 |
| <b>Maturity Date Loan / SF:</b>         | \$229 |
| <b>Cut-off Date LTV<sup>(6)</sup>:</b>  | 38.3% |
| <b>Maturity Date LTV<sup>(6)</sup>:</b> | 38.3% |
| <b>UW NCF DSCR<sup>(5)</sup>:</b>       | 1.94x |
| <b>UW NOI Debt Yield<sup>(5)</sup>:</b> | 9.7%  |

## Sources and Uses

| Sources                      | Proceeds            | % of Total    | Uses                 | Proceeds            | % of Total    |
|------------------------------|---------------------|---------------|----------------------|---------------------|---------------|
| Mortgage Loan <sup>(1)</sup> | \$80,000,000        | 85.8%         | Payoff Existing Debt | \$90,419,400        | 97.0%         |
| Sponsor Equity               | 13,211,537          | 14.2          | Upfront Reserves     | 2,352,223           | 2.5           |
|                              |                     |               | Closing Costs        | 439,914             | 0.5           |
| <b>Total Sources</b>         | <b>\$93,211,537</b> | <b>100.0%</b> | <b>Total Uses</b>    | <b>\$93,211,537</b> | <b>100.0%</b> |

(1) The Center West loan is part of a whole loan evidenced by four *pari passu* notes with an aggregate original principal balance of \$80.0 million. The Financial Information presented in the chart above reflects the Cut-off Date balance of the \$80.0 million Center West Whole Loan, as defined in "The Loan" below.

(2) For a full description of Call Protection, please refer to "Partial Prepayment" below.

(3) The Center West property is 57.1% leased as of November 2, 2016 and occupancy has fluctuated between 53.8% and 78.6% since 2008. The low occupancy is due in part to the sponsor's selectivity and preference for leasing to only the highest quality tenants.

(4) The decrease in 2<sup>nd</sup> Most Recent NOI is due to Gores Technology vacating suites 1600, 1700 and 1800 (38,747 square feet, 11.1% of net rentable area) on April 30, 2014, accounting for 10.8% of gross potential rent. Suites 1800 and 1700 were re-tenanted in September 2015 and November 2016, respectively.

(5) Stabilized UW NOI and UW NCF, assuming the underwritten rent roll is leased up to the third quarter 2016 Westwood Class A office submarket occupancy of 90.7% and vacant spaces are grossed up at the appraisal's concluded market rents, would be \$14.8 million and \$13.6 million, respectively. Based on the Stabilized NOI and UW NCF, the UW NOI Debt Yield and UW NCF DSCR are 18.4% and 3.78x, respectively.



## Center West

(6) The appraisal concluded an "as-is" and "as stabilized" appraised value assuming a sale of the property to a third party whereby pursuant to the Center West loan documents and ground lease, the ground rent would be equal to the total actual annual fixed rent of \$3,938,240 as of January 1, 2017, subject to 5.0% per annum increases, and a reset every 10 years to 12.0% of the fair market value of the ground leased land, *provided however*, the annual fixed rent upon reset will not be less than the then applicable current annual fixed rent. The Appraised Value / Per SF, Cut-off Date LTV and Maturity Date LTV are calculated based on the "as-is" appraised value of \$209.0 million as of October 20, 2016. The Cut-off Date LTV and Maturity Date LTV, calculated based on the "as stabilized" appraised value of \$256.0 million as of April 1, 2019, assuming a stabilized occupancy of 95.0%, is 31.3%. The appraisal concluded a "lender as-is" and "lender as stabilized" appraised value of \$277.3 million as of 2017 and \$330.4 million as of 2020, respectively. The "lender as-is" and "lender as stabilized" appraised values were derived utilizing a discounted cash flow analysis assuming ground rent payments of the Current Payable Annual Ground Rent (as defined herein) for the remainder of the ground lease term, an 8.0% discount rate and 5.50% reversion cap rate for the "lender as-is" analysis and a 7.5% discount rate and 5.50% reversion cap rate for the "lender as stabilized" analysis. The Cut-off Date LTV and Maturity Date LTV calculated based on the lender "as-is" appraised value is 28.9%. The Cut-off Date LTV and Maturity Date LTV calculated based on the "lender as stabilized" appraised value is 24.2%.

(7) For a full description of Escrows and Reserves, please refer to "Escrows and Reserves" below.

**The Loan.** The Center West loan has an outstanding principal balance as of the Cut-off Date of \$30.0 million and is secured by the borrower's leasehold interest in a 23-story, 349,298 square foot, Class A office building located in Los Angeles, California. The loan has a 10-year term and is interest-only for the full term of the loan. The whole loan has an outstanding principal balance as of the Cut-off Date of \$80.0 million (the "**Center West Whole Loan**") and is comprised of four *pari passu* notes, each as described below. Note A-1 is being contributed to the BBCMS 2017-C1 Trust. The controlling note, Note A-2, with an outstanding principal balance as of the Cut-off Date of \$25.0 million, is currently being held by UBS AG, New York Branch, and is expected to be contributed to a future securitization trust. Following the occurrence and continuance of a control event under the related pooling and servicing agreement, the trustee of the holder of Note A-2 (the "**Controlling Noteholder**") will be entitled to exercise all of the rights of the Controlling Noteholder with respect to the Center West Whole Loan, provided however, holders of Note A-1, Note A-3, and Note A-4 will be entitled, under certain circumstances, to be consulted with respect to certain major decisions. The Center West Whole Loan proceeds along with sponsor equity were used to retire existing debt of approximately \$90.4 million, fund reserves of approximately \$2.4 million and pay closing costs of \$439,914. The previously existing debt was securitized in the JPMCC 2007-LDPX transaction.

| Whole Loan Summary |                     |               |                   |
|--------------------|---------------------|---------------|-------------------|
| Note               | Original Balance    | Note Holder   | Controlling Piece |
| A-1                | \$30,000,000        | BBCMS 2017-C1 | No                |
| A-2                | \$25,000,000        | UBS AG        | Yes               |
| A-3                | \$15,000,000        | UBS AG        | No                |
| A-4                | \$10,000,000        | UBS AG        | No                |
| <b>Total</b>       | <b>\$80,000,000</b> |               |                   |

**The Property.** Center West is a 23-story, 349,298 square foot, Class A office building located situated in the central business district ("**CBD**") of Los Angeles, California. Constructed in 1985-1990, the property is situated on a 1.27-acre site containing 773 parking spaces (2.2 spaces per 1,000 square feet) in a four-level subterranean parking garage as well as two above grade partial parking levels. Amenities at the property include ground floor retail and service tenants, a three-story main lobby with coffered ceilings, an atrium lobby with 40-foot ceilings with a café and landscaped dining area, single corridor configuration, with bay depths varying from 33 to 39 feet, on-site management office, 24-hour security, valet/self-parking service and on-site car wash service.

The property is located in the area of Los Angeles known as Westwood. Westwood provides for ease of access and availability of nearby amenities in one of Los Angeles' major business centers. Westwood is bounded by Beverly Hills to the east, by Bel Air to the north, by Rancho Park to the south and by Brentwood to the west. Westwood is home to the University of California, Los Angeles ("**UCLA**") and the Ronald Reagan UCLA Medical Center.

The sponsor developed the property between 1985 and 1990 at an original cost basis of approximately \$31.8 million. Since its development, the sponsor has invested approximately \$10.2 million (\$29.32 per square foot) in capital improvements related to building improvements, tenant improvements, furniture, fixtures and equipment, and approximately \$4.6 million (\$13.05 per square foot) in soft costs for a total cost basis of approximately \$46.6 million.

## Center West

As of November 2, 2016, the property was 57.1% occupied by 31 local, regional and national tenants. The largest tenant, Merrill Lynch Pierce Fenner & Smith ("**Merrill Lynch**"), leases 6.6% of the net rentable area through April 2022 and has been a tenant at the property since December 1996. Merrill Lynch is the global wealth management division of Bank of America (NYSE: BAC) (rated Baa1/BBB+/A by Moody's/S&P/Fitch), an American multinational banking and financial services corporation headquartered in Charlotte, North Carolina. Bank of America is the second largest bank holding company in the United States by assets. Merrill Lynch manages \$2.1 trillion in client assets with reported revenues of approximately \$14.9 billion as of December 31, 2015. Merrill Lynch currently subleases 4,550 square feet to General Electric (NYSE: GE) with a lease expiration of April 29, 2017. General Electric has been in occupancy since February 2008 and has a current rental rate of \$64.60 per square foot modified gross. Merrill Lynch executed a lease amendment in June 2016 to extend the term of its lease for an additional five years with a lease expiration date of April 30, 2022. The lease amendment is structured with one five-year renewal option remaining.

The second largest tenant, Aurora Capital Group ("**Aurora**"), leases 6.6% of the net rentable area through March 2021 and has been a tenant at the property since March 1999. Aurora is a Los Angeles-based private investment firm founded in 1991. Aurora manages over \$2 billion of capital across several funds investing in platforms with enterprise values typically between \$100 million and \$1 billion. Aurora pays a current blended rate of \$60.51 per square foot for its two suites with annual rent steps of 3.0% with no renewal and termination options.

The third largest tenant, Radar Pictures ("**Radar**"), leases 4.8% of the net rentable area and pays a current base rent of \$61.18 per square foot. Radar was founded in 1982 through its origin at Interscope Communications, a leading independent production company that produces, finances and acquires feature-length motion pictures created for the global marketplace. Radar and its management team have produced over 60 feature films generating over \$7 billion in revenue. Radar executed a five-year lease in September 2015 with a lease expiration date of September 20, 2020. Radar has no renewal options and no termination options.

**Environmental.** According to a Phase I environmental assessment dated October 28, 2016, there was no evidence of any recognized environmental conditions at the Center West property.

| Historical and Current Occupancy <sup>(1)(2)</sup> |       |       |                        |
|--|-------|-------|------------------------|
| 2013   | 2014  | 2015  | Current <sup>(3)</sup> |
| 66.2%  | 55.4% | 53.8% | 57.1%                  |

(1) Historical Occupancies are as of December 31 of each respective year.

(2) The property is 57.1% leased as of November 2, 2016 and occupancy has fluctuated between 53.8% and 78.6% since 2008. The low occupancy is due in part to the sponsor's selectivity and preference for leasing to only the highest quality tenants.

(3) Based on the underwritten rent roll dated November 2, 2016.

## Center West

| Top Ten Tenant Summary <sup>(1)</sup>   |   |                           |                   |                  |                     |                         |                          |
|---|---|---------------------------|-------------------|------------------|---------------------|-------------------------|--------------------------|
| Tenant                                  | Ratings <sup>(2)</sup><br>Moody's/S&P/Fitch | Net Rentable<br>Area (SF) | % of<br>Total NRA | Base<br>Rent PSF | Base Rent           | % of Total<br>Base Rent | Lease<br>Expiration Date |
| Merrill Lynch <sup>(3)</sup>            | Baa1 / BBB+ / A                             | 23,121                    | 6.6%              | \$58.20          | \$1,345,642         | 11.8%                   | 4/30/2022                |
| Aurora Capital Group                    | NA / NA / NA                                | 22,911                    | 6.6               | \$60.51          | 1,386,394           | 12.1                    | 3/31/2021                |
| Radar Pictures                          | NA / NA / NA                                | 16,894                    | 4.8               | \$63.02          | 1,064,617           | 9.3                     | 9/20/2020                |
| Wells Fargo Advisors <sup>(4)</sup>     | A2 / A / AA-                                | 16,894                    | 4.8               | \$54.00          | 912,276             | 8.0                     | 7/31/2024                |
| Rentech                                 | NA / NA / NA                                | 16,567                    | 4.7               | \$57.29          | 949,101             | 8.3                     | 6/14/2020                |
| Cityhome Managers                       | NA / NA / NA                                | 12,261                    | 3.5               | \$50.28          | 616,521             | 5.4                     | 3/31/2018                |
| Restaurants Unlimited<br>(Palomino)     | NA / NA / NA                                | 11,192                    | 3.2               | \$19.99          | 223,736             | 2.0                     | 9/30/2017                |
| Federal Trade Commission <sup>(5)</sup> | NA / NA / NA                                | 9,079                     | 2.6               | \$98.95          | 898,367             | 7.9                     | 8/17/2017                |
| Indivest <sup>(6)</sup>                 | NA / NA / NA                                | 7,261                     | 2.1               | \$41.61          | 302,124             | 2.6                     | 4/22/2020                |
| GSO Capital Partners <sup>(7)</sup>     | NA / NA / NA                                | 6,789                     | 1.9               | \$76.86          | 521,795             | 4.6                     | 6/19/2017                |
| <b>Top Ten Tenants</b>                  |   | <b>142,969</b>            | <b>40.9%</b>      | <b>\$57.50</b>   | <b>\$8,220,573</b>  | <b>71.9%</b>            |                          |
| <b>Non Top Ten Tenants</b>              |   | <b>56,594</b>             | <b>16.2%</b>      | <b>\$56.86</b>   | <b>\$3,218,023</b>  | <b>28.1%</b>            |                          |
| <b>Occupied Collateral Total</b>        |   | <b>199,563</b>            | <b>57.1%</b>      | <b>\$57.32</b>   | <b>\$11,438,597</b> | <b>100.0%</b>           |                          |
| <b>Vacant Space</b>                     |   | <b>149,735</b>            | <b>42.9%</b>      |                  |                     |                         |                          |
| <b>Collateral Total</b>                 |   | <b>349,298</b>            | <b>100.0%</b>     |                  |                     |                         |                          |

(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) Merrill Lynch currently subleases 4,550 square feet to General Electric (NYSE: GE) with a lease expiration of April 29, 2017. General Electric has been in occupancy since February 2008 and has a current rental rate of \$64.60 per square foot. Merrill Lynch recently executed a lease amendment extending its lease term for 60 months commencing through April 2022. Merrill Lynch has the right to terminate its lease effective April 30, 2020 with a nine-month written notice and payment of a termination fee, estimated at \$1,352,662, which is equal to the sum of unamortized tenant improvement allowance, excused rent, brokerage commissions paid by the landlord and six months of monthly basic rent for months 37 through 42, discounted at 8.0%.

(4) Wells Fargo Advisors has the one-time right to terminate effective as of October 31, 2021 with 12 months' written notice and payment of a termination fee, estimated at approximately \$1,049,608, which is equal to the unamortized tenant improvement allowance, eight-month rent abatement, and the tenant's broker commission and five months of the then applicable base rent, discounted at 8.0%.

(5) Federal Trade Commission may terminate at any time upon 180 days' written notice.

(6) Indivest is an affiliate of the borrower.

(7) GSO Capital Partners currently subleases this space to Commonwealth Opportunity Capital GP LLC with a lease expiration of June 19, 2017. Commonwealth Opportunity Capital GP LLC has been in occupancy since March 2009 and has a current rental rate of \$76.80 per square foot modified gross.

| Lease Rollover Schedule <sup>(1)</sup> |                                    |                                     |                         |                       |                                  |   |                                    |                                     |   |
|--|------------------------------------|-------------------------------------|-------------------------|-----------------------|----------------------------------|---|------------------------------------|-------------------------------------|---|
| Year                                   | Number<br>of<br>Leases<br>Expiring | Net<br>Rentable<br>Area<br>Expiring | % of<br>NRA<br>Expiring | Base Rent<br>Expiring | % of<br>Base<br>Rent<br>Expiring | Cumulative<br>Net<br>Rentable<br>Area<br>Expiring | Cumulative<br>% of NRA<br>Expiring | Cumulative<br>Base Rent<br>Expiring | Cumulative<br>% of Base<br>Rent<br>Expiring |
| Vacant                                 | NAP                                | 149,735                             | 42.9%                   | NAP                   | NAP                              | 149,735   | 42.9%                              | NAP                                 | NAP   |
| 2017 & MTM                             | 7                                  | 36,029                              | 10.3                    | \$2,124,236           | 18.6%                            | 185,764   | 53.2%                              | \$2,124,236                         | 18.6%                                       |
| 2018                                   | 1                                  | 12,261                              | 3.5                     | 616,521               | 5.4                              | 198,025   | 56.7%                              | \$2,740,757                         | 24.0%                                       |
| 2019                                   | 1                                  | 1,185                               | 0.3                     | 62,154                | 0.5                              | 199,210   | 57.0%                              | \$2,802,911                         | 24.5%                                       |
| 2020                                   | 11                                 | 63,071                              | 18.1                    | 3,628,538             | 31.7                             | 262,281   | 75.1%                              | \$6,431,449                         | 56.2%                                       |
| 2021                                   | 6                                  | 38,196                              | 10.9                    | 2,253,621             | 19.7                             | 300,477   | 86.0%                              | \$8,685,070                         | 75.9%                                       |
| 2022                                   | 2                                  | 26,660                              | 7.6                     | 1,543,431             | 13.5                             | 327,137   | 93.7%                              | \$10,228,501                        | 89.4%                                       |
| 2023                                   | 0                                  | 0                                   | 0.0                     | 0                     | 0.0                              | 327,137   | 93.7%                              | \$10,228,501                        | 89.4%                                       |
| 2024                                   | 3                                  | 22,161                              | 6.3                     | 1,210,096             | 10.6                             | 349,298   | 100.0%                             | \$11,438,597                        | 100.0%                                      |
| 2025                                   | 0                                  | 0                                   | 0.0                     | 0                     | 0.0                              | 349,298   | 100.0%                             | \$11,438,597                        | 100.0%                                      |
| 2026                                   | 0                                  | 0                                   | 0.0                     | 0                     | 0.0                              | 349,298   | 100.0%                             | \$11,438,597                        | 100.0%                                      |
| 2027 & Beyond                          | 0                                  | 0                                   | 0.0                     | 0                     | 0.0                              | 349,298   | 100.0%                             | \$11,438,597                        | 100.0%                                      |
| <b>Total</b>                           | <b>31</b>                          | <b>349,298</b>                      | <b>100.0%</b>           | <b>\$11,438,597</b>   | <b>100.00%</b>                   |   |                                    |                                     |   |

(1) Based on the underwritten rent roll.



## Center West

## Operating History and Underwritten Net Cash Flow

|                                      | 2013                | 2014                | 2015                | TTM <sup>(1)</sup>  | Stabilized Underwritten <sup>(2)</sup> | Underwritten        | Per Square Foot | % <sup>(3)</sup> |
|--------------------------------------|---------------------|---------------------|---------------------|---------------------|--|---------------------|-----------------|------------------|
| Rents in Place <sup>(4)(5)</sup>     | \$12,359,287        | \$10,303,944        | \$9,849,792         | \$10,906,561        | \$20,455,112                           | \$11,438,597        | \$32.75         | 53.2%            |
| Vacant Income                        | 0                   | 0                   | 0                   | 0                   | 0                                      | 9,016,515           | 25.81           | 42.0             |
| <b>Gross Potential Rent</b>          | <b>\$12,359,287</b> | <b>\$10,303,944</b> | <b>\$9,849,792</b>  | <b>\$10,906,561</b> | <b>\$20,455,112</b>                    | <b>\$20,455,112</b> | <b>\$58.56</b>  | <b>95.2%</b>     |
| Total Reimbursements                 | 95,639              | 250,150             | 328,174             | 284,371             | 421,559                                | 265,543             | 0.76            | 1.2              |
| Other Rental Income                  | 1,082,933           | 878,266             | 713,769             | 762,009             | 805,621                                | 762,009             | 2.18            | 3.5              |
| <b>Net Rental Income</b>             | <b>\$13,537,859</b> | <b>\$11,432,360</b> | <b>\$10,891,735</b> | <b>\$11,952,941</b> | <b>\$21,682,292</b>                    | <b>\$21,482,664</b> | <b>\$61.50</b>  | <b>100.0%</b>    |
| (Vacancy/Credit Loss) <sup>(6)</sup> | (1,360,874)         | (25,044)            | (172,396)           | (251,792)           | (1,941,530)                            | (9,016,515)         | (25.81)         | (42.0)           |
| Other Income <sup>(7)</sup>          | 1,637,650           | 1,558,608           | 1,434,087           | 1,375,783           | \$2,274,930                            | 1,375,783           | 3.94            | 6.4              |
| <b>Effective Gross Income</b>        | <b>\$13,814,635</b> | <b>\$12,965,924</b> | <b>\$12,153,426</b> | <b>\$13,076,932</b> | <b>\$22,015,691</b>                    | <b>\$13,841,932</b> | <b>\$39.63</b>  | <b>64.4%</b>     |
| <b>Total Expenses<sup>(8)</sup></b>  | <b>\$6,743,512</b>  | <b>\$5,536,272</b>  | <b>\$5,478,358</b>  | <b>\$5,912,256</b>  | <b>\$7,259,275</b>                     | <b>\$6,099,920</b>  | <b>\$17.46</b>  | <b>44.1%</b>     |
| <b>Net Operating Income</b>          | <b>\$7,071,123</b>  | <b>\$7,429,652</b>  | <b>\$6,675,068</b>  | <b>\$7,164,676</b>  | <b>\$14,756,416</b>                    | <b>\$7,742,012</b>  | <b>\$22.16</b>  | <b>55.9%</b>     |
| Total TI/LC, Capex/RR                | 0                   | 0                   | 0                   | 0                   | 1,164,191                              | 751,378             | 2.15            | 5.4              |
| <b>Net Cash Flow</b>                 | <b>\$7,071,123</b>  | <b>\$7,429,652</b>  | <b>\$6,675,068</b>  | <b>\$7,164,676</b>  | <b>\$13,592,224</b>                    | <b>\$6,990,633</b>  | <b>\$20.01</b>  | <b>50.5%</b>     |

(1) TTM reflects the trailing 12-month period ending August 31, 2016.

(2) Stabilized Underwritten assumes that the underwritten rent roll is leased up to the third quarter 2016 Westwood Class A office submarket occupancy of 90.7% and vacant spaces are grossed up at the appraisal's concluded market rents. Based on the Stabilized Underwritten Net Operating Income and Net Cash Flow, the UW NOI DY and UW NCF DSCR is 18.4% and 3.78x, respectively.

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

(4) The decrease in Rents in Place from 2013 to 2015 is primarily attributed to Northern Trust Bank vacating suites 100 and 1000 (27,140 square feet, 7.8% of net rentable area, 8.8% of gross potential rent) on May 31, 2013 and Gores Technology vacating suites 1600, 1700 and 1800 (38,747 square feet, 11.1% of net rentable area, 11.1% of gross potential rent) on April 30, 2014. Suites 1800 and 1700 were re-tenanted in September 2015 and November 2016, respectively. Rentech relocated to suite 1000 per its third lease amendment.

(5) Underwritten Rents in Place are based on the underwritten rent roll dated November 2, 2016 and include contractual rent steps through October 31, 2017 of \$182,237.

(6) Historical Vacancy/Credit Loss represent rent credits. Underwritten Vacancy/Credit Loss is based on the actual vacancy based on the underwritten rent roll dated November 2, 2016 at the appraisal's concluded market rents.

(7) Other Income include parking income and tenant service income.

(8) The property is subject to a ground lease that expires on December 23, 2085. The ground lessor is an affiliate of the borrower. The current payable ground lease rent is \$1,589,160 during the term of the loan and was underwritten. For a more detailed description of the ground lease and rent payable thereunder, please refer to "Ground Lease" below.

**The Market.** The property is located in the CBD area of downtown Los Angeles on the northeast corner of Wilshire Boulevard and Glendon Avenue in the heart of Westwood. The property is located approximately 0.5 miles east of Interstate 405, a major north/south thoroughfare which provides the Westwood neighborhood with access to Los Angeles International Airport ("**LAX**") and downtown Los Angeles and connects with Interstate 5, a major north/south thoroughfare providing access to San Diego, downtown Los Angeles, Sacramento and Seattle. Westwood is located approximately 10 miles north of the Los Angeles Civic Center, six miles east of the Pacific Ocean and nine miles north of LAX.

Westwood is best known in the region for its Westwood Village development. Built in the 1920s, Westwood Village became a center for movie theater openings between 1920 and 1950. Westwood Village attracts tourists and visitors, with amenities such as the W Hotel, the Armand Hammer Museum of Art, the Geffen Playhouse, UCLA Performing Arts Center at Royce Hall, boutiques, galleries, cafes and restaurants. The property is located at the western edge of The Golden Mile, a two-mile stretch of luxury high-rise condominiums that runs from Westwood Village to the City of Beverly Hills. Westwood Marketplace, a retail center anchored by Whole Foods Market, is located approximately 0.4 miles northwest of the property. Nearby employers include UCLA, Oppenheimer, Jefferies & Co., Merrill Lynch, Kaufman & Broad, Tishman and Saban.

The property is located in the Westwood Class A office submarket within the Los Angeles Class A office market. As of the third quarter of 2016, the Westwood Class A office submarket reported a 9.3% vacancy rate and an average asking rent of \$53.28 per square foot compared to the overall Los Angeles Class A office market with a 13.6% vacancy rate and an average asking rent of \$35.91 per square foot. According to a third party market research report, the Westwood Class A office submarket contains 28 buildings accounting for 6.0 million square feet of Class A office space.

## Center West

According to a third party market research report, the estimated 2016 population within a one-, three- and five-mile radius of the property is 47,485, 228,957 and 592,391, respectively. The annual projected growth rate over the next five years within the one-, three- and five-mile radius of the property is 0.98%, 0.84% and 0.79%, respectively. The estimated 2016 average household income within a one-, three and five-mile radius of the property is \$98,559, \$121,864 and \$114,835, respectively. Comparatively, the estimated 2016 average household income for Los Angeles County, the metropolitan statistical area and the state of California are \$83,656, \$89,083 and \$90,633, respectively.

### Competitive Set Summary<sup>(1)</sup>

| Property   | Year Built       | Total GLA (SF)               | Direct Occupancy           | Overall Occupancy          | Asking Rent PSF               |
|--|------------------|------------------------------|----------------------------|----------------------------|-------------------------------|
| <b>Center West</b>   | <b>1985-1990</b> | <b>349,298<sup>(2)</sup></b> | <b>57.1%<sup>(2)</sup></b> | <b>57.1%<sup>(2)</sup></b> | <b>\$57.32 <sup>(2)</sup></b> |
| <b>Brentwood Submarket</b>                                     |                  |                              |                            |                            |                               |
| Wilshire Landmark II   | 1989             | 412,944                      | 95.4%                      | 91.1%                      | \$32.40 - \$38.40             |
| Wilshire Landmark I  | 1986             | 328,331                      | 97.4%                      | 96.1%                      | \$59.40 - \$61.80             |
| 12100 Wilshire   | 1985             | 365,000                      | 76.8%                      | 74.4%                      | \$44.40                       |
| Wilshire Bundy Plaza   | 1984             | 310,000                      | 88.0%                      | 78.7%                      | \$35.40 - \$42.00             |
| Gateway LA   | 1986             | 147,815                      | 95.6%                      | 90.6%                      | \$36.00                       |
| Wilshire Brentwood Plaza                                       | 1985             | 235,808                      | 94.9%                      | 94.9%                      | \$33.00 - \$36.00             |
| Wells Fargo Center   | 1983             | 500,475                      | 85.5%                      | 83.6%                      | \$51.00 - \$54.00             |
| <b>Brentwood Submarket Total/Wtd. Avg.</b>                     |                  | <b>2,300,373</b>             | <b>89.5%</b>               | <b>86.2%</b>               | <b>\$32.40 - \$61.80</b>      |
| <b>Westwood Tier 1 Submarket</b>                               |                  |                              |                            |                            |                               |
| One Westwood   | 1987             | 201,923                      | 86.3%                      | 86.1%                      | \$36.00                       |
| The Tower  | 1988             | 221,396                      | 85.7%                      | 82.8%                      | \$51.00 - \$54.00             |
| Westwood Place   | 1987             | 194,844                      | 88.5%                      | 86.7%                      | \$33.60                       |
| Center West  | 1985-1990        | 349,298 <sup>(2)</sup>       | 57.1% <sup>(2)</sup>       | 57.1% <sup>(2)</sup>       | \$57.32 <sup>(2)</sup>        |
| 10900 Wilshire <sup>(3)</sup>                                  | 1981             | 237,147                      | 44.3%                      | 42.5%                      | \$55.20                       |
| <b>Westwood Tier 1 Submarket Total/Wtd. Avg.<sup>(4)</sup></b> |                  | <b>855,310</b>               | <b>75.0%</b>               | <b>73.3%</b>               | <b>\$33.60 - \$55.20</b>      |
| <b>Westwood Tier 2 Submarket</b>                               |                  |                              |                            |                            |                               |
| UCLA Wilshire Building   | 1981             | 295,625                      | 100.0%                     | 100.0%                     | NAV                           |
| AVCO Center  | 1972             | 142,000                      | 96.1%                      | 95.5%                      | \$48.00                       |
| Oppenheimer Tower  | 1970             | 581,384                      | 83.7%                      | 79.8%                      | \$54.00 - \$57.00             |
| 10960 Wilshire   | 1971             | 590,558                      | 85.1%                      | 84.3%                      | \$57.00                       |
| <b>Westwood Tier 2 Submarket Total/Wtd. Avg.</b>               |                  | <b>1,609,567</b>             | <b>88.3%</b>               | <b>86.5%</b>               | <b>\$48.00 - \$57.00</b>      |
| <b>Westwood Village Submarket</b>                              |                  |                              |                            |                            |                               |
| UCLA Westwood Center   | 1971             | 143,377                      | 100.0%                     | 100.0%                     | NAV                           |
| Westwood Center  | 1965             | 332,163                      | 92.3%                      | 87.6%                      | \$42.00 - \$54.00             |
| <b>Westwood Village Submarket Total/Wtd. Avg.</b>              |                  | <b>475,540</b>               | <b>94.6%</b>               | <b>91.3%</b>               | <b>\$42.00 - \$54.00</b>      |
| <b>Southwest Westwood Submarket</b>                            |                  |                              |                            |                            |                               |
| Westwood Gateway Phase I                                       | 1983             | 332,082                      | 99.2%                      | 98.2%                      | \$51.00                       |
| Westwood Gateway II (East)                                     | 1986             | 332,800                      | 100.0%                     | 100.0%                     | NAV                           |
| Westwood Gateway II (North)                                    | 1988             | 264,997                      | 96.6%                      | 96.6%                      | \$48.00 - \$54.00             |
| <b>Southwest Westwood Submarket Total/Wtd. Avg.</b>            |                  | <b>929,879</b>               | <b>98.7%</b>               | <b>98.4%</b>               | <b>\$48.00 - \$54.00</b>      |
| <b>Market Total/Wtd. Avg.<sup>(4)</sup></b>                    |                  | <b>6,170,669</b>             | <b>89.0%</b>               | <b>86.7%</b>               | <b>\$32.40 - \$61.80</b>      |

(1) Source: Appraisal.

(2) Information is based on the underwritten rent roll dated November 2, 2016.

(3) According to the appraisal, the 10900 Wilshire (Murdock Plaza) property and Center West property are better quality assets relative to the market. The 10900 Wilshire property, which is located one block west of the Center West property on Wilshire Boulevard, was previously owned and operated by the Center West sponsor, Kambiz Hekmat, prior to its sale in 2014. Similar to the Center West property, its low occupancy is due in part to the sponsor's selectivity and preference for leasing to only the highest quality tenants. In addition, the 10900 Wilshire property is currently planning for an extensive renovation. Excluding the 10900 Wilshire property and Center West property, the Westwood Tier 1 Submarket and Market Wtd. Avg. Direct Occupancy are 86.8% and 90.8%, respectively. In 2014, the leasehold interest of the 10900 Wilshire property was sold to Tishman Speyer for \$124.7 million with an implied cap rate of 2.9% on 2013 NOI, NCF, and occupancy of approximately \$3.6 million, \$2.7 million, and 54.0%, respectively. The purchase price of the 10900 Wilshire property of \$124.7 million equates to a cost basis of approximately \$526 per square foot compared to the Center West property's loan basis of \$229 per square foot.

(4) Submarket and Market Total/Wtd. Avg. excludes the Center West property.

**The Borrower.** The borrowing entity for the Center West loan is Center West, a California limited partnership and special purpose entity with two independent directors.

**The Loan Sponsor.** The loan's sponsor and nonrecourse carve-out guarantor is Kambiz Hekmat. Kambiz Hekmat is the CEO of Indivest, Inc. ("**Indivest**"), a boutique real estate development, investment and management company based in Westwood Village in Los Angeles. Founded in 1972, Indivest has become a premier developer of Westwood Village real estate. Current developments in Indivest's portfolio include a 29-story luxury hotel or condominium tower and a six-story luxury residential hotel and retail building in Westwood Village.

## Center West

**Property Management.** The Center West property is managed by Indivest, Inc., an affiliate of the borrower.

**Escrows and Reserves.** At origination, the borrower deposited into escrow \$2,352,223 for outstanding tenant improvements and leasing commissions and free rent allowances related to four tenants.

**Tax Escrows –** The requirement for the borrower to make deposits to the tax escrow is waived so long as no Cash Management Period (defined below) exists and taxes for the property are paid in accordance with the loan documents.

**Insurance Escrows –** The requirement for the borrower to make deposits to the insurance escrow is waived so long as no Cash Management Period exists and the property is insured in accordance with the loan documents.

**Ground Rent Escrows –** The borrower is required to escrow (i) on a monthly basis, 1/12 of the annual ground rent payments required under the ground lease agreement and (ii) within 10 business days following the commencement of a Cash Management Period, the borrower is required to escrow an amount equal to two months of annual ground rent payments; *provided however*, the borrower will not be required to make such deposits for ground rent until (i) the lender receives notice that the borrower has failed to timely pay ground rent or (ii) a Cash Management Period exists.

**Replacement Escrows –** The requirement for the borrower to make deposits to the capital expenditures escrow is waived, provided that the lender may require the borrower to escrow funds monthly if a Cash Management Period exists or the property is not being maintained in accordance with the loan documents and such failure is not corrected within 30 days of the lender's notice.

**TI/LC Escrows –** The borrower is required to escrow on a monthly basis \$29,108 (which is equal to \$1.00 per square foot annually) for tenant improvement and leasing commission obligations, provided however, the borrower will not be required to make such deposits to the TI/LC escrow until a Cash Management Period exists.

**Material Tenant Rollover Escrows –** During the continuance of a Material Tenant Trigger Event (defined below), on a monthly basis, the borrower is required to escrow all excess cash flow for tenant improvements and leasing commissions incurred in connection with a re-letting, extension or renewal of at least 75% of such material tenant space in accordance with such material tenant lease and the loan documents, and, in the case of a replacement lease, with a term of at least three years.

A "**Cash Management Period**" occurs upon (i) the occurrence of a material event of default until its cure (provided that the lender has not commenced a foreclosure proceeding); (ii) the debt service coverage ratio ("**DSCR**") for the trailing six-month period falling below 1.20x until the DSCR for the trailing six-month period is at least 1.20x; (iii) the bankruptcy or insolvency of the borrower, guarantor or property manager; (iv) the occurrence of a Material Tenant Trigger Event until its cure; or (v) an indictment of fraud or misappropriation of funds by the borrower, guarantor or property manager or any director or officer of the borrower, guarantor or property manager until if the indictment relates to the property manager, the borrower replaces the manager with a qualified manager that is not an affiliate of the borrower. There is no cure for a Cash Management Period caused by clause (iii) above and clause (v) above in relation to an indictment of fraud or misappropriation of funds by the borrower or guarantor and no more than two Cash Management Periods may be cured through the term of the loan.

A "**Material Tenant Trigger Event**" occurs upon (i) a Material Tenant (defined below) giving notice of its intention to terminate, cancel, not extend or not renew its material tenant lease until such Material Tenant rescinds such notices or at least 75% of such material tenant space is re-let or extended or renewed in accordance with such material tenant lease and the loan documents, and in the case of a replacement lease, with a term of at least three years; (ii) a Material Tenant failing to re-let or extend or renew such material tenant lease on or prior to the date that is 12 months prior to the then applicable expiration date under such material tenant lease until at least 75% of such material tenant space is extended or renewed in accordance with such material tenant lease and the loan documents, and in the case of a replacement lease, with a term of at least three years; (iii) a Material Tenant failing to extend or renew such material tenant lease on or prior to the date that is required under such material tenant lease until at least 75% of such material tenant space is re-let or extended or renewed in accordance with such material tenant lease and the loan documents, and in the case of a replacement lease, with a term of at least three years; (iv) the occurrence of an event of default until its cure under the applicable lease; (v) a Material Tenant becoming insolvent or a debtor in a bankruptcy action until the affirmation of such material tenant lease in the applicable bankruptcy proceeding and the Material Tenant is actually paying all rents and other amounts due under its material tenant lease; (vi) the termination of a material tenant lease until at least 75% of such material tenant space is re-let or extended or renewed in accordance with such material tenant lease and the loan documents, and in the case of a replacement lease, with a term of at least three years; or (vii) a Material Tenant going dark, vacating, ceasing to occupy or conduct business at 25% or more of such material tenant space until such Material Tenant resumes continuous operations at such material tenant space for three consecutive calendar



## Center West

months or at least 75% of such material tenant space is re-let in accordance with the loan documents, in each case with a term of at least three years.

A “**Material Tenant**” is a tenant, together with its affiliates, that leases more than 20% of the net rentable area or pays base rent of more than 20% of the total in-place base rent at the property.

**Lockbox / Cash Management.** The loan is structured with a springing lockbox and springing cash management. Upon the occurrence of a Cash Management Period, the borrower is required to establish a lockbox account and instruct all tenants to deposit all rents and payments directly into the lockbox account controlled by the lender. All funds in the lockbox account are (i) during a Cash Management Period, disbursed to a cash management account controlled by the lender, and (ii) in the absence of a Cash Management Period, swept daily to an account designated by the borrower. During a Cash Management Period, all funds remaining in the cash management account after payment of debt service, required reserves and approved expenses are required to be (i) deposited into the Material Tenant Rollover account during the continuance of a Material Tenant Trigger Event, (ii) deposited into a lender-controlled cash sweep account during a Cash Sweep Period (defined below), or (iii) in the absence of a Cash Sweep Period, swept to an account designated by the borrower. Provided no event of default has occurred and is then continuing after a Cash Sweep Period ends, funds in the cash sweep account are released to the borrower within 10 business days.

A “**Cash Sweep Period**” occurs upon (i) the occurrence of a material event of default until its cure (provided that the lender has not commenced a foreclosure proceeding); (ii) the DSCR for the trailing six-month period failing below 1.15x until the DSCR for the trailing six-month period is at least 1.15x; or (iii) the bankruptcy or insolvency of the borrower, guarantor or property manager. There is no cure for a Cash Sweep Period caused by clause (iii) above and no more than two Cash Sweep Periods may be cured through the term of the loan.

**Subordinate and Mezzanine Debt.** None.

**Partial Release.** Not Permitted.

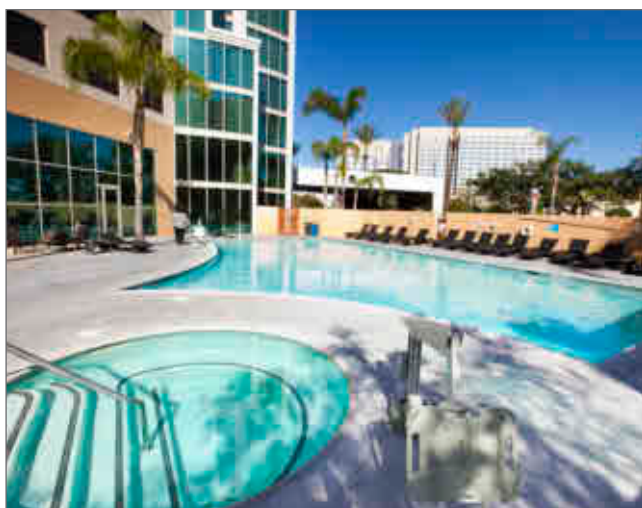
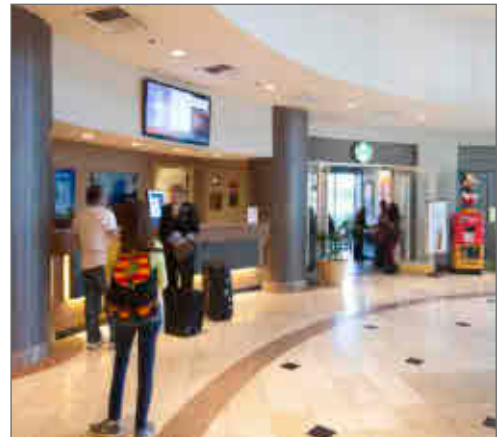
**Partial Prepayment.** During the term of the loan, if the ground lessor and borrower are not controlled, directly or indirectly, by the same Hekmat Control Person (defined below) and the legal, beneficial and economic interest of the ground lessor and borrower are not majority owned, directly or indirectly, by the same Hekmat Control Person (an “**Ownership Severance Event**”), the borrower is required to prepay \$20.0 million of the Center West Whole Loan amount within 10 business days of such Ownership Severance Event, together with (i) the applicable yield maintenance premium if such prepayment occurs prior to September 6, 2026 and (ii) interest on the amount prepaid for the full interest period during which the prepayment occurs if such prepayment is not on a monthly payment date.

A “**Hekmat Control Person**” means, individually or collectively, Kambiz Hekmat, Mahnaz Hekmat, their children or grandchildren or trusts for their benefit or the benefit of their children or grandchildren.

**Ground Lease.** The property is subject to a ground lease with an affiliate of the borrower, effective through December 23, 2085. On January 1 of each year during the term of the ground lease, the annual ground lease rent is adjusted to 105% of the prior year’s rent. In addition, every 10 years, the annual ground lease rent will be adjusted upwards to equal 12% of the fair market value of the ground leased land, as if unencumbered and unimproved, provided however, the annual ground lease rent will not be less than the then applicable current annual ground lease rent. The next such adjustment is on January 1, 2023. The current annual ground lease rent under the ground lease is \$3,938,240, however, only an annual amount of \$1,589,160 (the “**Current Payable Annual Ground Rent**”) will be due on a monthly basis during the term of the loan and therefore, the Current Payable Annual Ground Rent was underwritten by the lender. All annual ground rent in excess of the Current Payable Annual Ground Rent will be deferred and accrue interest and all previously deferred annual ground lease rent of approximately \$6.4 million will continue to be deferred and accrue interest. Such deferrals of annual ground lease rent and accrued interest thereon are subordinate to the Center West Whole Loan, are only payable to the extent excess cash flow is available. Upon a foreclosure (or deed-in-lieu of foreclosure) or a monetary event of default (subject to cure rights) with respect to the borrower’s leasehold estate, any and all deferred rents and accrued interest thereon shall be deemed eliminated, and total annual rent due under the ground lease shall be \$1,589,160 (i.e., no further annual increases of 5.0% or any future readjustment to 12% of fair market value every ten years). In addition, upon the occurrence of an Ownership Severance Event, any and all obligations to pay rents deferred and accrued prior to the Ownership Severance Event will be extinguished, and the rent readjustment occurring every 10 years shall be revised to 9% of the fair market value of the ground leased land, as if unencumbered and unimproved.

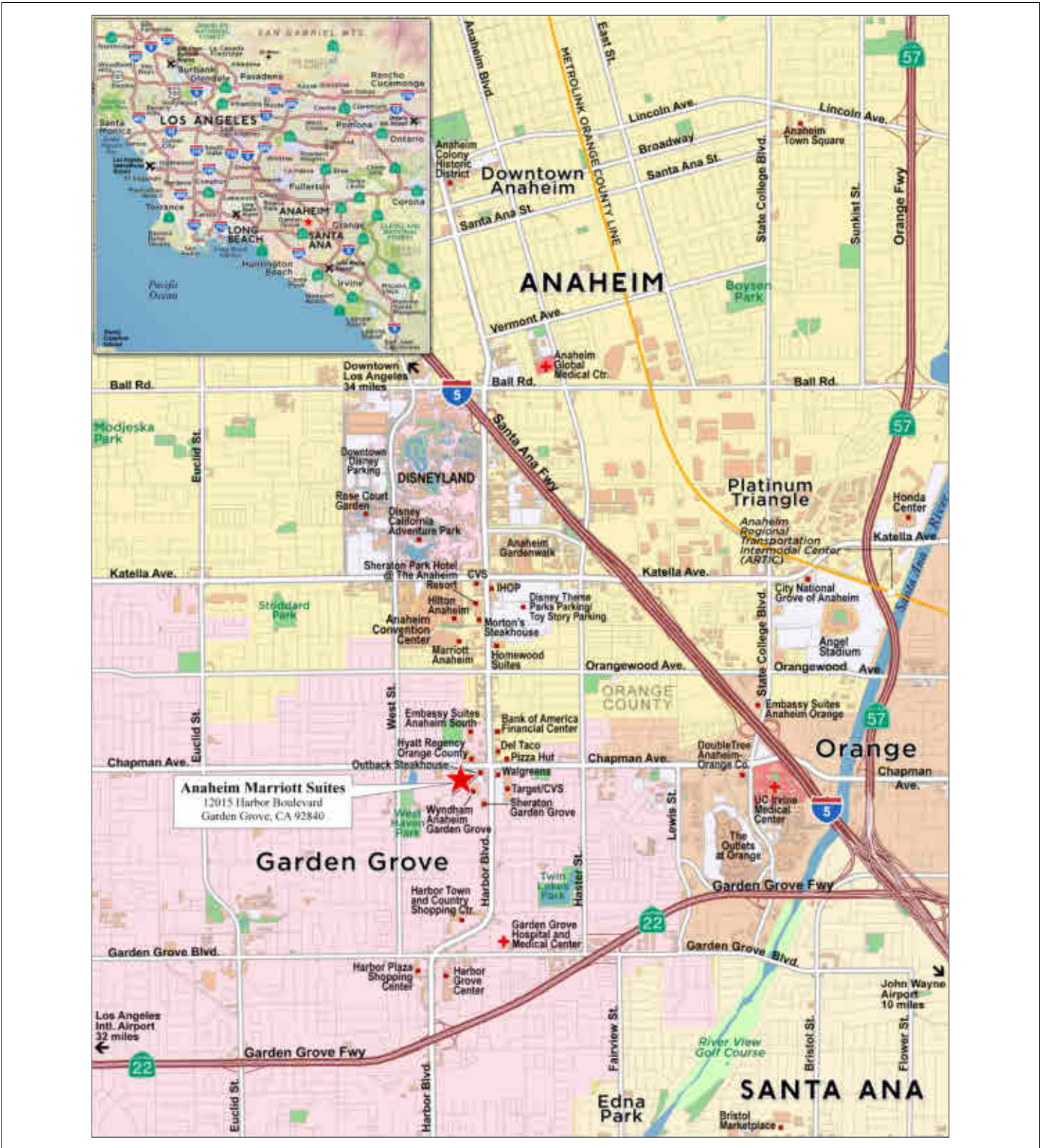
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Anaheim Marriott Suites





Anaheim Marriott Suites



## Anaheim Marriott Suites

### Mortgage Loan Information

|  |  |
|--|--|
| <b>Mortgage Loan Seller:</b>                         | UBS AG   |
| <b>Original Principal Balance<sup>(1)</sup>:</b>     | \$30,000,000   |
| <b>Cut-off Date Principal Balance<sup>(1)</sup>:</b> | \$30,000,000   |
| <b>% of IPB:</b>                                     | 3.5%   |
| <b>Loan Purpose:</b>                                 | Refinance  |
| <b>Borrower:</b>                                     | Landmark Marriott Suites, LLC                        |
| <b>Sponsors:</b>                                     | Richard H. Packard, Lauren Packard and Mark B. David |
| <b>Interest Rate:</b>                                | 5.39520%   |
| <b>Note Date:</b>                                    | 1/27/2017  |
| <b>Maturity Date:</b>                                | 2/6/2027   |
| <b>Interest-only Period:</b>                         | 60 months  |
| <b>Original Term:</b>                                | 120 months   |
| <b>Original Amortization Term:</b>                   | 360 months   |
| <b>Amortization Type:</b>                            | IO-Balloon   |
| <b>Call Protection<sup>(2)</sup>:</b>                | L(24),Def(92),O(4)                                   |
| <b>Lockbox / Cash Management:</b>                    | Hard / Springing                                     |
| <b>Additional Debt:</b>                              | Yes  |
| <b>Additional Debt Balance:</b>                      | \$24,000,000   |
| <b>Additional Debt Type:</b>                         | Pari Passu   |

### Property Information

|  |                              |
|--|------------------------------|
| <b>Single Asset / Portfolio:</b>               | Single Asset                 |
| <b>Title:</b>                                  | Fee                          |
| <b>Property Type – Subtype:</b>                | Hotel – Full Service         |
| <b>Net Rentable Area (Rooms):</b>              | 371                          |
| <b>Location:</b>                               | Garden Grove, CA             |
| <b>Year Built / Renovated:</b>                 | 2002 / 2016                  |
| <b>Occupancy / ADR / RevPAR:</b>               | 88.2% / \$130.60 / \$115.23  |
| <b>Occupancy / ADR / RevPAR Date:</b>          | 12/31/2016                   |
| <b>4<sup>th</sup> Most Recent NOI (As of):</b> | \$5,016,010 (12/31/2013)     |
| <b>3<sup>rd</sup> Most Recent NOI (As of):</b> | \$5,780,543 (12/31/2014)     |
| <b>2<sup>nd</sup> Most Recent NOI (As of):</b> | \$6,724,642 (12/31/2015)     |
| <b>Most Recent NOI (As of):</b>                | \$6,895,618 (TTM 12/31/2016) |
| <b>UW Occupancy / ADR / RevPAR:</b>            | 88.0% / \$130.60 / \$114.93  |
| <b>UW Revenues:</b>                            | \$20,320,665                 |
| <b>UW Expenses:</b>                            | \$13,418,469                 |
| <b>UW NOI:</b>                                 | \$6,902,196                  |
| <b>UW NCF:</b>                                 | \$5,886,707                  |
| <b>Appraised Value / Per Room:</b>             | \$83,000,000 / \$223,720     |
| <b>Appraisal Date:</b>                         | 12/5/2016                    |

### Escrows and Reserves<sup>(3)</sup>

|                           | Initial     | Monthly              | Initial Cap |
|---------------------------|-------------|----------------------|-------------|
| <b>Taxes:</b>             | \$171,890   | \$66,111             | N/A         |
| <b>Insurance:</b>         | \$54,892    | \$15,248             | N/A         |
| <b>FF&amp;E Reserves:</b> | \$0         | 5% of Gross Revenues | N/A         |
| <b>TI/LC:</b>             | \$0         | \$0                  | N/A         |
| <b>Other:</b>             | \$1,300,000 | \$98,791             | N/A         |

### Financial Information<sup>(1)</sup>

|                                   |           |
|-----------------------------------|-----------|
| <b>Cut-off Date Loan / Room:</b>  | \$145,553 |
| <b>Maturity Date Loan / Room:</b> | \$135,008 |
| <b>Cut-off Date LTV:</b>          | 65.1%     |
| <b>Maturity Date LTV:</b>         | 60.3%     |
| <b>UW NCF DSCR:</b>               | 1.62x     |
| <b>UW NOI Debt Yield:</b>         | 12.8%     |

### Sources and Uses

| Sources                      | Proceeds            | % of Total    | Uses                 | Proceeds            | % of Total    |
|------------------------------|---------------------|---------------|----------------------|---------------------|---------------|
| Mortgage Loan <sup>(1)</sup> | \$54,000,000        | 98.2%         | Payoff Existing Debt | \$52,799,614        | 96.0%         |
| Sponsor Equity               | 971,719             | 1.8           | Upfront Reserves     | 1,526,782           | 2.8           |
|                              |                     |               | Closing Costs        | 645,323             | 1.2           |
| <b>Total Sources</b>         | <b>\$54,971,719</b> | <b>100.0%</b> | <b>Total Uses</b>    | <b>\$54,971,719</b> | <b>100.0%</b> |

(1) The Anaheim Marriott Suites loan is part of a whole loan evidenced by four *pari passu* notes with an aggregate original principal balance of \$54.0 million. The Financial Information presented in the chart above reflects the Cut-off Date balance of the \$54.0 million Anaheim Marriott Suites Whole Loan.

(2) The lockout period will be at least 24 payments beginning with and including the first payment date of March 6, 2017. Defeasance of the full \$54.0 million Anaheim Marriott Suites Whole Loan is permitted any time after the date that is two years after the closing date of the final REMIC securitization that holds any note evidencing the Anaheim Marriott Suites Whole Loan. If the final REMIC securitization that holds any note evidencing the Anaheim Marriott Suites Whole Loan has not closed by March 6, 2020, then the borrower may prepay the Anaheim Marriott Suites Whole Loan with yield maintenance premium.

(3) For a full description of Escrows and Reserves, please refer to "Escrows and Reserves" below.

## Anaheim Marriott Suites

**The Loan.** The Anaheim Marriott Suites loan is secured by a first mortgage lien on the borrower's fee interest in a 371-room, full service hotel located in Garden Grove, California. The whole loan has an outstanding principal balance as of the Cut-off Date of \$54.0 million (the "**Anaheim Marriott Suites Whole Loan**"), and is comprised of four *pari passu* notes, Note A-1, Note A-2, Note A-3 and Note A-4. Note A-1 and Note A-3, which have an aggregate outstanding principal balance as of the Cut-off Date of \$30.0 million, are being contributed to the BBCMS 2017-C1 Trust. Note A-2 and Note A-4, which have an aggregate outstanding principal balance as of the Cut-off Date of \$24.0 million, are expected to be contributed to future securitization trusts. Note A-1 serves as the controlling note under the related intercreditor agreement, the rights of which will be exercised by the Trustee (or, prior to the occurrence and continuance of a Control Termination Event, by the Directing Certificateholder). However, holders of Note A-2 and Note A-4 will be entitled, under certain circumstances, to be consulted with respect to certain major decisions. The Anaheim Marriott Suites Whole Loan has a 10-year term and, subsequent to a five-year interest-only period, will amortize on a 30-year schedule. The previously existing debt was securitized in 2007 as part of the LBUBS 2007-C2 transaction.

| Whole Loan Summary |                     |               |                   |
|--------------------|---------------------|---------------|-------------------|
| Note               | Original Balance    | Note Holder   | Controlling Piece |
| A-1                | \$20,000,000        | BBCMS 2017-C1 | Yes               |
| A-2                | 15,000,000          | UBS AG        | No                |
| A-3                | 10,000,000          | BBCMS 2017-C1 | No                |
| A-4                | 9,000,000           | UBS AG        | No                |
| <b>Total</b>       | <b>\$54,000,000</b> |               |                   |

**The Property.** The Anaheim Marriott Suites property is a 14-story, 371-room full service hotel located in Garden Grove, Orange County, California. The Anaheim Marriott Suites property is located along Harbor Boulevard near the Disneyland Resort and Anaheim Convention Center. The property has 371 two-room suites, including 199 king rooms and 172 double/double rooms. Guest room amenities include living room with a sofa sleeper and separate bedroom area, two remote-controlled televisions, desk and chair, nightstand, sofa, chair, iron and ironing board, mini-refrigerator, coffee and tea maker, and wireless and high speed internet access. Deluxe suites offer a larger living space and additional amenities such as a wet-bar area with microwave and small refrigerator. Amenities at the property include 9,727 square feet of meeting space, which includes a 7,102 square foot ballroom and six meeting rooms, a restaurant and lounge, Starbucks coffee shop, an outdoor swimming pool and whirlpool, a fitness center, a business center, a gift shop, room service, vending areas, dry cleaning services, laundry facility and valet and self-parking. The property offers 435 surface parking spaces, resulting in a parking ratio of approximately 1.2 spaces per room. The Anaheim Marriott Suites property features an onsite Disney Desk that provides guests with information and the ability to buy tickets for admission into the Disneyland Resort. The property also provides a shuttle service to the Disneyland Resort that runs every 20 minutes until 11:30pm.

According to the loan sponsors, from 2003 to 2016, approximately \$9.1 million was spent on capital expenditures (\$24,595 per room). Improvements include approximately \$1.8 million in soft good replacements in 2011, approximately \$1.5 million in guest room soft good upgrades, corridor upgrades and Starbucks renovations in 2013, \$723,607 in restaurant upgrades in 2015 and approximately \$1.2 million in lobby renovations, bed replacements, fitness equipment and other various upgrades in 2016. Since 2013, the property has outperformed its competitive set in occupancy, posting an average annual occupancy penetration rate of 108.7%.

According to the appraisal, the Anaheim Marriott Suites property generates approximately 86% of its room revenue from transient demand, which includes both commercial and leisure transient business and 14% from meeting and group demand.

**Environmental.** According to a Phase I environmental assessment dated December 16, 2016, there was no evidence of any recognized environmental conditions at the Anaheim Marriott Suites property.

**The Market.** The Anaheim Marriott Suites property is located in Garden Grove, Orange County, California, adjacent to the City of Anaheim. Anaheim is the second largest city in Orange County and the 10<sup>th</sup> most populous city in California with more than 350,000 estimated residents in 2015. Los Angeles International Airport is located approximately 25 miles to the northwest of the property. The property is located near Interstate 5, a major north/south highway providing access to San Diego, downtown Los Angeles, Sacramento and Seattle, Washington. Within a five-mile radius, the 2016 estimated population and average household income is 857,654 and \$71,933, respectively. The neighborhood surrounding the property consists of a convention center, amusement parks, restaurants, hotels, and retail shopping centers.

Walt Disney Corporation is the largest employer in Orange County and is one of the largest demand generators for the property. Disneyland Resort, approximately 2.9 miles north of the property, features two theme parks, three hotels, and a shopping and entertainment area. Disneyland Park, the only theme park designed and built under the direct supervision of Walt Disney, has attracted



## Anaheim Marriott Suites

over 650 million visitors since it opened in 1955, the largest cumulative attendance of any other theme park in the world, featuring over 60 major attractions. The Disneyland property underwent a significant expansion in 2001 with the addition of Disney's California Adventure. Disneyland Resort is currently constructing Star Wars Land, a 14-acre theme park that is slated for completion in December 2018. According to a third party report from 2016, Disneyland Park attracted approximately 18.3 million visitors in 2015, while Disney California Adventure attracted approximately 9.4 million visitors. The Anaheim market is also driven by the Anaheim Convention Center, located approximately 1.4 miles north of the property. The Anaheim Convention Center is the largest convention center on the West Coast and is currently undergoing a 200,000-square-foot expansion project as well as the addition of a 1,350-space underground parking structure, expected to be completed in September 2017. The expansion will provide the convention center with over 1.0 million square feet of exhibit space. Other developments and attractions in the area include Universal Studios, Anaheim's Garden Walk, Knott's Berry Farm, the Discovery Science Center, Anaheim's Angel Stadium, and the Anaheim Regional Transportation Intermodal Center.

There is currently a 352-room, select service Cambria Suites hotel under construction located approximately 1.7 miles northeast of the property with an estimated delivery date in January 2019 and a 466-room, full service JW Marriott hotel under construction located approximately 1.4 miles northeast of the property with an estimated delivery date in January 2020. The appraisal considers these hotels as secondary competition given the expected lower select service level of the Cambria Suites along with its location off of Harbor Boulevard and the luxury, full service level of the JW Marriott. The appraisal does not identify any additional properties that are currently under construction that are expected to be competitive with the property.

| Historical Occupancy, ADR, RevPAR |           |          |          |  |          |          |                                   |       |        |
|-----------------------------------|-----------|----------|----------|--|----------|----------|-----------------------------------|-------|--------|
| Competitive Set <sup>(1)</sup>    |           |          |          | Anaheim Marriott Suites <sup>(2)</sup> |          |          | Penetration Factor <sup>(3)</sup> |       |        |
| Year                              | Occupancy | ADR      | RevPAR   | Occupancy                              | ADR      | RevPAR   | Occupancy                         | ADR   | RevPAR |
| 2013                              | 77.7%     | \$125.41 | \$97.41  | 83.1%                                  | \$113.62 | \$94.39  | 107.0%                            | 90.6% | 96.9%  |
| 2014                              | 77.0%     | \$133.20 | \$102.60 | 85.2%                                  | \$121.65 | \$103.60 | 110.6%                            | 91.3% | 101.0% |
| 2015                              | 80.0%     | \$141.26 | \$113.00 | 86.9%                                  | \$130.02 | \$113.03 | 108.6%                            | 92.0% | 100.0% |
| TTM <sup>(4)</sup>                | 81.3%     | \$145.35 | \$118.12 | 87.9%                                  | \$132.04 | \$116.04 | 108.1%                            | 90.8% | 98.2%  |

(1) Data provided by a third-party information provider. The competitive set contains the following properties: Doubletree Anaheim Orange County, Sheraton Park Hotel @ The Anaheim Resort, Hyatt Regency Orange County, Embassy Suites Anaheim Orange, Wyndham Anaheim Garden Grove and Embassy Suites Anaheim South.

(2) Based on operating statements provided by the borrower, with the exception of TTM, which is based on data provided by a third-party information provider.

(3) Penetration Factor is calculated based on data provided by a third-party information provider for the competitive set and the operating statements provided by the borrower for the mortgaged property, with the exception of TTM, which is based on data provided by a third-party information provider.

(4) TTM represents the trailing 12-month period ending on November 30, 2016.

| Competitive Hotels <sup>(1)</sup>                            |              |             |                    |                           |                 |                                     |                 |                 |  |
|--|--------------|-------------|--------------------|---------------------------|-----------------|-------------------------------------|-----------------|-----------------|--|
| Property   | Rooms        | Year Opened | Meeting Space (SF) | 2016 Estimated Market Mix |                 | 2016 Estimated Operating Statistics |                 |                 |  |
|  |              |             |                    | Transient                 | Meeting & Group | Occ.                                | ADR             | RevPAR          |  |
| <b>Anaheim Marriott Suites</b>                               | <b>371</b>   | <b>2002</b> | <b>9,727</b>       | <b>86%</b>                | <b>14%</b>      | <b>88.2%</b>                        | <b>\$130.60</b> | <b>\$115.23</b> |  |
| Embassy Suites Anaheim South Disneyland                      | 375          | 2001        | 10,812             | 85%                       | 15%             | 80-85%                              | \$150-160       | \$130-140       |  |
| DoubleTree by Hilton Suites Anaheim Resort Convention Center | 251          | 2006        | 7,500              | 80%                       | 20%             | 85-90%                              | \$150-160       | \$130-140       |  |
| Wyndham Anaheim Garden Grove                                 | 376          | 2000        | 36,000             | 85%                       | 15%             | 75-80%                              | \$110-115       | \$85-90         |  |
| <b>Total<sup>(2)</sup></b>                                   | <b>1,002</b> |             |                    |                           |                 |                                     |                 |                 |  |

(1) Based on the appraisal, except for the "2016 Estimated Operating Statistics" for Anaheim Marriott Suites, which are based on the operating statements provided by the borrower.

(2) Excludes the Anaheim Marriott Suites property.

## Anaheim Marriott Suites

### Operating History and Underwritten Net Cash Flow

|                               | 2013                | 2014                | 2015                | 2016                | Underwritten        | Per Room <sup>(1)</sup> | % of Total Revenue <sup>(2)</sup> |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-------------------------|-----------------------------------|
| Occupancy                     | 83.1%               | 85.2%               | 86.9%               | 88.2%               | 88.0%               |                         |                                   |
| ADR                           | \$113.62            | \$121.65            | \$130.02            | \$130.60            | \$130.60            |                         |                                   |
| RevPAR                        | \$94.39             | \$103.60            | \$113.03            | \$115.23            | \$114.93            |                         |                                   |
| Room Revenue                  | \$12,782,417        | \$14,028,984        | \$15,305,459        | \$15,646,723        | \$15,562,878        | \$41,948                | 76.6%                             |
| Food & Beverage Revenue       | 3,206,094           | 3,205,034           | 3,579,039           | 3,628,529           | 3,609,085           | 9,728                   | 17.8                              |
| Other Departmental Revenue    | 748,621             | 879,317             | 1,047,845           | 1,154,890           | 1,148,701           | 3096                    | 5.7                               |
| <b>Total Revenue</b>          | <b>\$16,737,132</b> | <b>\$18,113,335</b> | <b>\$19,932,343</b> | <b>\$20,430,142</b> | <b>\$20,320,665</b> | <b>\$54,773</b>         | <b>100.0%</b>                     |
| Room Expense                  | \$3,066,602         | \$3,186,288         | \$3,558,410         | \$3,595,151         | \$3,575,886         | \$9,639                 | 23.0%                             |
| Food & Beverage Expense       | 2,295,289           | 2,389,222           | 2,504,982           | 2,644,128           | 2,629,959           | 7,089                   | 72.9                              |
| Other Departmental Expenses   | 332,095             | 315,110             | 239,447             | 239,185             | 237,903             | 641                     | 20.7                              |
| <b>Departmental Expenses</b>  | <b>\$5,693,986</b>  | <b>\$5,890,620</b>  | <b>\$6,302,839</b>  | <b>\$6,478,464</b>  | <b>\$6,443,748</b>  | <b>\$17,369</b>         | <b>31.7%</b>                      |
| <b>Departmental Profit</b>    | <b>\$11,043,146</b> | <b>\$12,222,715</b> | <b>\$13,629,504</b> | <b>\$13,951,678</b> | <b>\$13,876,916</b> | <b>\$37,404</b>         | <b>68.3%</b>                      |
| <b>Operating Expenses</b>     | <b>\$4,411,907</b>  | <b>\$4,813,606</b>  | <b>\$5,251,341</b>  | <b>\$5,411,346</b>  | <b>\$5,388,790</b>  | <b>\$14,525</b>         | <b>26.5%</b>                      |
| <b>Gross Operating Profit</b> | <b>\$6,631,239</b>  | <b>\$7,409,109</b>  | <b>\$8,378,163</b>  | <b>\$8,540,332</b>  | <b>\$8,488,126</b>  | <b>\$22,879</b>         | <b>41.8%</b>                      |
| Management Fees               | \$502,039           | \$545,328           | \$643,199           | \$576,523           | \$609,620           | \$1,643                 | 3.0%                              |
| Property Taxes                | 730,331             | 745,756             | 736,045             | 795,468             | 793,337             | 2,138                   | 3.9                               |
| Property Insurance            | 382,859             | 337,482             | 274,277             | 272,723             | 182,974             | 493                     | 0.9                               |
| <b>Total Other Expenses</b>   | <b>\$1,615,229</b>  | <b>\$1,628,566</b>  | <b>\$1,653,521</b>  | <b>\$1,644,714</b>  | <b>\$1,585,930</b>  | <b>\$4,275</b>          | <b>7.8%</b>                       |
| <b>Net Operating Income</b>   | <b>\$5,016,010</b>  | <b>\$5,780,543</b>  | <b>\$6,724,642</b>  | <b>\$6,895,618</b>  | <b>\$6,902,196</b>  | <b>\$18,604</b>         | <b>34.0%</b>                      |
| FF&E                          | 836,733             | 906,544             | 995,888             | 1,020,960           | 1,015,489           | 2,737                   | 5.0                               |
| <b>Net Cash Flow</b>          | <b>\$4,179,277</b>  | <b>\$4,873,999</b>  | <b>\$5,728,754</b>  | <b>\$5,874,658</b>  | <b>\$5,886,707</b>  | <b>\$15,867</b>         | <b>29.0%</b>                      |

(1) Per Room values are based on 371 guest rooms.

(2) % of Total Revenue for Room Expense, Food & Beverage Expense and Other Departmental Expenses are based on their corresponding revenue line item.

**The Borrower.** The borrowing entity for the Anaheim Marriott Suites Whole Loan is Landmark Marriott Suites, LLC, a Delaware limited liability company and special purpose entity with two independent directors. Legal counsel to the borrower delivered a non-consolidation opinion in connection with the origination of the Anaheim Marriott Suites Whole Loan. Mark B. David, Richard H. Packard and Lauren Packard are the guarantors of certain nonrecourse carve-outs under the Anaheim Marriott Suites Whole Loan. They are also the guarantors under the completion guaranty that was delivered in connection with the Anaheim Marriott Suites Whole Loan.

**The Loan Sponsors.** The loan sponsors are Mark B. David, Richard H. Packard and Lauren Packard. Mark B. David is the Chairman and CEO of Landmark Companies, LLC ("**Landmark**"), a diversified real estate development company founded in 1982. Landmark develops thousands of single family homes, condominiums, apartment units, hotel rooms, seniors' master planned golf course community and various other senior housing. Landmark is currently a franchisee of Marriott International, Hilton Hotels Corporation, and Starbucks. Richard H. Packard is currently the President and Chief Operating Officer of Landmark and is responsible for the day to day management of the company.

**Property Management.** The property is managed by Dow Anaheim LLC, a subsidiary of Dow Hotel Company, LLC ("**DHC**"), each a Washington limited liability company.

**Franchise Agreement.** The property has a franchise agreement with Marriott International, Inc., a Delaware corporation. The current franchise agreement is effective as of November 13, 2004 for a term of 30 years, with an expiration date of November 13, 2034. Among other fees, the franchise agreement provides for a royalty fee based on 6.0% of gross room revenues, a 3.0% fee based on gross food and beverage sales, and a marketing fee based on 1.0% of gross room revenues.

## Anaheim Marriott Suites

**Escrows and Reserves.** At origination, the borrower deposited into escrow \$1,300,000 for the construction, development, replacement, renovation, and/or rehabilitation of improvements at the property in order to comply with the borrower's responsibilities under the franchise agreement (the "**Renovation Project Work**"), \$171,890 for real estate taxes and \$54,892 for insurance reserves.

**Tax Escrows** – On a monthly basis, the borrower is required to escrow 1/12 of the annual estimated tax payments, which currently equates to \$66,111.

**Insurance Escrows** – On a monthly basis, the borrower is required to escrow 1/12 of the annual estimated insurance payments, which currently equates to \$15,248.

**FF&E Reserves** – On a monthly basis, the borrower is required to deposit an amount equal to the greater of (a) 1/12 of (i) 0.5% of gross revenues from operations at the property for the immediately preceding calendar year as determined by the lender, prior to the Renovation Project Completion Date (as defined below) and (ii) 5.0% of gross revenues from operations at the property for the immediately preceding calendar year as determined by the lender, on or after the Renovation Project Completion Date and (b) the aggregate amount, if any, required to be reserved under the management agreement and/or franchise agreement for annual capital expenditures set forth in the approved annual budget or as approved by the lender.

**Seasonality Reserves** – Beginning in the calendar year 2017, monthly seasonality reserve payments in the amount of \$14,167 will be collected in the months of March, April, May, June, July and August. Beginning in the calendar year 2018 and thereafter, the seasonality reserve will be recalculated annually based on the most recent trailing 12-month financials, and replenished (if necessary) to the recalculated amount through as many monthly deposits as are required in March through August of the following year.

**PIP Reserves** – In the event the borrower is required to complete a property improvement plan, the borrower is required to deposit 110.0% of any amounts reasonably estimated by the lender to complete the plan. On each monthly payment date during a PIP Triggering Event (as defined below), any amount deposited in the PIP reserve will be held by the lender as additional collateral for the Anaheim Marriott Suites Whole Loan.

**Renovation Project Reserves** – On a monthly basis, the borrower is required to deposit (a) prior to the Renovation Project Completion Date, 1/12 of 5.0% of gross revenues from operations at the property for the immediately preceding calendar year as determined by the lender and (b) on the monthly payment date of the month that is 24 months prior to the completion date as set forth in the renovation plans and on each monthly payment date thereafter until (i) the amount in the renovation project account equals or exceeds 110% of the remaining renovation project costs (provided that the borrower shall be given credit for the 12 months of scheduled monthly deposits to such account that follow such excess cash sweep commencement date) or (ii) the borrower posts with the lender, a letter of credit in an amount equal to the renovation project shortfall (prior to the occurrence of (i) or (ii), collectively, a "**Renovation Project Excess Cash Flow Triggering Event**"), an additional amount equal to the renovation project excess cash flow, of which sums shall be held by the lender as additional collateral for the Anaheim Marriott Suites Whole Loan. In addition, the guarantors have provided a completion guaranty in connection with the renovation project, and have agreed to maintain a combined minimum net worth and liquidity of \$30.0 million and \$5.0 million, respectively.

The "**Renovation Project Completion Date**" means (i) the completion of the Renovation Project Work in accordance with the loan documents, (ii) the receipt by the lender of evidence satisfactory to the lender that confirms the franchisor has approved and accepted the completion of the Renovation Project Work and (iii) the borrower pays in full, all costs and expenses related to the performance and/or completion of the Renovation Project Work.

A "**PIP Triggering Event**" means (i) the franchisor giving notice of its intent to terminate the franchise agreement, (ii) the occurrence of an event of default under the franchise agreement, (iii) the occurrence of a bankruptcy or insolvency of the franchisor, (iv) the date that is 18 months prior to the then applicable expiration date under the franchise agreement or (v) the requirement of any PIP work.

**Lockbox / Cash Management.** The loan is structured with a hard lockbox and springing cash management. At origination, the borrower and property manager were required to deliver written instructions to both tenants and credit card companies to deposit all revenues into the lockbox account controlled by the lender. In the absence of a Triggering Event (as defined below), the funds in the lockbox account will be swept daily into an account controlled by the borrower. Upon the occurrence of a Triggering Event, all funds on deposit in the lockbox account are swept on a daily basis into a cash management account controlled by the lender and disbursed during each interest period of the term of the Anaheim Marriott Suites Whole Loan in accordance with the Anaheim Marriott Suites Whole Loan documents.



**Anaheim Marriott Suites**

A "**Triggering Event**" means (i) the occurrence of an event of default, (ii) any bankruptcy action by the borrower, guarantors or property manager, (iii) the debt service coverage ratio (as calculated in accordance with the Anaheim Marriott Suites Whole Loan documents) based on the trailing 12-month period immediately preceding the date of determination is less than 1.20x, (iv) the occurrence of a PIP Triggering Event or (v) the occurrence of a Renovation Project Excess Cash Flow Triggering Event.

**Subordinate and Mezzanine Debt.** None.

**Partial Release.** Not Permitted.

**Ground Lease.** None.

# Hyatt Place Charlotte Downtown





The map displays the city of Charlotte, North Carolina, with a focus on the downtown area. Major highways shown include I-77, I-277, I-74, and US-29. Key landmarks and parks include Johnson C. Smith University, Biddleville Park, Wesley Heights, Crazier Park, Bank of America Stadium, Charlotte Convention Center, NASCAR Hall of Fame, Marshall Park, Thompson Park, Independence Park, and Latta Park. The map also shows the locations of the Charlotte-Douglas International Airport (6 miles away) and the Charlotte-Mecklenburg Government Center. A red star marks the location of Hyatt Place Charlotte Downtown at 222 South Caldwell Street. An inset map in the top right corner shows the location of Charlotte within the state of North Carolina.



## Hyatt Place Charlotte Downtown

### Mortgage Loan Information

|  |   |
|--|---|
| <b>Mortgage Loan Seller:</b>           | Barclays                                |
| <b>Original Principal Balance:</b>     | \$27,000,000                            |
| <b>Cut-off Date Principal Balance:</b> | \$27,000,000                            |
| <b>% of IPB:</b>                       | 3.2%                                    |
| <b>Loan Purpose:</b>                   | Acquisition                             |
| <b>Borrower:</b>                       | Charlotte HP, LLC                       |
| <b>Sponsors:</b>                       | Nishith Kumar Patel and Gautam B. Patel |
| <b>Interest Rate:</b>                  | 5.50300%                                |
| <b>Note Date:</b>                      | 1/31/2017                               |
| <b>Maturity Date:</b>                  | 2/6/2027                                |
| <b>Interest-only Period:</b>           | None                                    |
| <b>Original Term:</b>                  | 120 months                              |
| <b>Original Amortization Term:</b>     | 360 months                              |
| <b>Amortization Type:</b>              | Balloon                                 |
| <b>Call Protection:</b>                | L(24),Def(92),O(4)                      |
| <b>Lockbox / Cash Management:</b>      | Hard / Springing                        |
| <b>Additional Debt:</b>                | N/A                                     |
| <b>Additional Debt Balance:</b>        | N/A                                     |
| <b>Additional Debt Type:</b>           | N/A                                     |

### Property Information

|  |                             |
|--|-----------------------------|
| <b>Single Asset / Portfolio:</b>                             | Single Asset                |
| <b>Title:</b>  | Fee                         |
| <b>Property Type – Subtype:</b>                              | Hotel – Full Service        |
| <b>Net Rentable Area (Rooms)<sup>(1)</sup>:</b>              | 172                         |
| <b>Location:</b>   | Charlotte, NC               |
| <b>Year Built / Renovated:</b>                               | 2013 / N/A                  |
| <b>Occupancy / ADR / RevPAR:</b>                             | 80.4% / \$145.67 / \$117.15 |
| <b>Occupancy / ADR / RevPAR Date:</b>                        | 12/31/2016                  |
| <b>4<sup>th</sup> Most Recent NOI (As of)<sup>(2)</sup>:</b> | NAP                         |
| <b>3<sup>rd</sup> Most Recent NOI (As of):</b>               | \$2,098,187 (12/31/2014)    |
| <b>2<sup>nd</sup> Most Recent NOI (As of):</b>               | \$2,925,971 (12/31/2015)    |
| <b>Most Recent NOI (As of):</b>                              | \$3,181,737 (12/31/2016)    |
| <b>UW Occupancy / ADR / RevPAR:</b>                          | 80.4% / \$145.67 / \$117.15 |
| <b>UW Revenues:</b>  | \$8,401,316                 |
| <b>UW Expenses:</b>  | \$5,205,579                 |
| <b>UW NOI:</b>   | \$3,195,737                 |
| <b>UW NCF:</b>   | \$2,859,685                 |
| <b>Appraised Value / Per Room:</b>                           | \$42,000,000 / \$244,186    |
| <b>Appraisal Date:</b>                                       | 12/31/2016                  |

### Escrows and Reserves<sup>(3)</sup>

|                           | Initial  | Monthly              | Initial Cap |
|---------------------------|----------|----------------------|-------------|
| <b>Taxes:</b>             | \$49,042 | \$24,251             | N/A         |
| <b>Insurance:</b>         | \$0      | \$6,478              | N/A         |
| <b>FF&amp;E Reserves:</b> | \$15,000 | 4% of Gross Revenues | N/A         |
| <b>TI/LC:</b>             | \$0      | \$0                  | N/A         |
| <b>Other:</b>             | \$0      | Springing            | N/A         |

### Financial Information

|                                   |           |
|-----------------------------------|-----------|
| <b>Cut-off Date Loan / Room:</b>  | \$156,977 |
| <b>Maturity Date Loan / Room:</b> | \$131,099 |
| <b>Cut-off Date LTV:</b>          | 64.3%     |
| <b>Maturity Date LTV:</b>         | 53.7%     |
| <b>UW NCF DSCR:</b>               | 1.55x     |
| <b>UW NOI Debt Yield:</b>         | 11.8%     |

### Sources and Uses

| Sources              | Proceeds            | % of Total    | Uses              | Proceeds            | % of Total    |
|----------------------|---------------------|---------------|-------------------|---------------------|---------------|
| Mortgage Loan        | \$27,000,000        | 65.3%         | Purchase Price    | \$40,850,000        | 98.8%         |
| Sponsor Equity       | 14,354,627          | 34.7          | Closing Costs     | 440,585             | 1.1           |
|                      |                     |               | Upfront Reserves  | 64,042              | 0.2           |
| <b>Total Sources</b> | <b>\$41,354,627</b> | <b>100.0%</b> | <b>Total Uses</b> | <b>\$41,354,627</b> | <b>100.0%</b> |

(1) The Hyatt Place Charlotte Downtown property consists of six of eight condo units which include the hotel lobby, 6,598 square feet of commercial space, the 172 guestrooms and 8,128 of restaurant space on the top floor.

(2) The 4<sup>th</sup> Most Recent NOI is unavailable as the Hyatt Place Charlotte Downtown property opened in 2013.

(3) For a full description of Escrows and Reserves, please refer to "Escrows and Reserves" below.

**The Loan.** The Hyatt Place Charlotte Downtown loan has an outstanding principal balance as of the Cut-off Date of \$27.0 million and is secured by a first mortgage lien on the fee simple interest in a 172-room, full service hotel located in Charlotte, North Carolina. The loan has a 10-year term and will amortize on a 30-year schedule.

## Hyatt Place Charlotte Downtown

**The Property.** The Hyatt Place Charlotte Downtown is a 172-room full service hotel located on the 7th – 14th floors of the 21-story mixed use development in Charlotte, North Carolina. The collateral for the Hyatt Place Charlotte Downtown loan includes six of the eight condominium units within the development, including all guestrooms, which are located on the 7th – 9th and 11th – 14th floors, the lobby on floor 10, 6,598 square feet of commercial space currently leased to Windstream and 8,128 square feet of restaurant space currently leased to Fahrenheit on the top floor. The remaining condominium units not included in the Hyatt Place Charlotte Downtown collateral include residential units located on floors 15 through 20 and two penthouse units located on the top floor. Since opening in 2013, the Hyatt Place Charlotte Downtown property has had occupancy rates increase to 80.4% as of December 31, 2016.

The Hyatt Place Charlotte Downtown property has 172 rooms, including 92 king rooms, 49 queen/queen rooms and 31 suites. Amenities at the property include 2,035 square feet of meeting space which is divisible into three sections, an outdoor rooftop pool, a 24-hour fitness center, two restaurants, free Wi-Fi, lobby workstations and a grab-and-go counter. The hotel offers 77 garage parking spaces for its guests which are located on the second and third floor of the development.

The Hyatt Place Charlotte Downtown property features two restaurants, Fahrenheit and Guest Kitchen. Fahrenheit, a leased restaurant featuring an award winning chef, Rocco Whalen leases 8,128 square feet on the open-air rooftop through March 2024. Fahrenheit accommodates up to 300 people for seated events or 400 for receptions, offers panoramic city views, an outdoor terrace and room service to hotel guests, an amenity not typical of a Hyatt Place. Guest Kitchen is hotel-owned and located on the east side of the lobby offering complimentary breakfast and a coffee-to-cocktails bar. The Hyatt Place Charlotte Downtown property also features one office tenant, Windstream. Windstream leases office space of 6,598 square feet through July 2023.

**Environmental.** According to a Phase I environmental assessment dated December 28, 2016 there was no evidence of any recognized environmental conditions at the Hyatt Place Charlotte Downtown property.

**The Market.** The Hyatt Place Charlotte Downtown hotel is located in the Charlotte central business district. The Hyatt Place Charlotte Downtown hotel is in close proximity of the Charlotte Convention Center, NASCAR Hall of Fame, EpiCentre, Spectrum Center, Mecklenburg County Aquatic Center and New Gallery of Modern Art. In addition, the Hyatt Place Charlotte Downtown hotel is in proximity to corporate offices including Bank of America, Wells Fargo, Duke Energy, Hearst Corporate and Chiquita. Wells Fargo and Bank of America are the two largest corporate accounts at the Hyatt Place Charlotte Downtown property, representing 12.6% of room revenue for 2015 in the aggregate. Access is provided to the Hyatt Place Charlotte Downtown property from Interstate 277 to the south and is 15 minutes by car from Charlotte Douglas International Airport.

The appraisal identified four proposed properties scheduled to open between 2017 and 2018 that are under construction expected to have some degree of competitive interaction with the Hyatt Place Charlotte Downtown property. The uptown area of Charlotte currently has approximately 2.9 million square feet of office space and approximately 2,000 additional residential units planned to be added over the next five years. Demand is currently generated by 13.5 million square feet of occupied office space, nearby convention activity and increased leisure travel to Charlotte evidenced by six consecutive years of airport passenger traffic growth. A third party research report indicated that primary and secondary competitors to the property have experienced seven consecutive years of ADR and RevPAR growth.

| Historical Occupancy, ADR, RevPAR |                                |          |          |   |          |          |                                   |       |        |
|-----------------------------------|--------------------------------|----------|----------|---|----------|----------|-----------------------------------|-------|--------|
| Year                              | Competitive Set <sup>(1)</sup> |          |          | Hyatt Place Charlotte Downtown <sup>(2)</sup> |          |          | Penetration Factor <sup>(3)</sup> |       |        |
|                                   | Occupancy                      | ADR      | RevPAR   | Occupancy                                     | ADR      | RevPAR   | Occupancy                         | ADR   | RevPAR |
| 2014                              | 75.7%                          | \$138.67 | \$105.03 | 72.6%   | \$127.03 | \$92.19  | 95.9%                             | 91.6% | 87.8%  |
| 2015                              | 74.6%                          | \$145.89 | \$108.83 | 79.0%   | \$139.90 | \$110.46 | 105.9%                            | 95.9% | 101.5% |
| 2016                              | 73.1%                          | \$150.99 | \$110.39 | 80.4%   | \$145.67 | \$117.15 | 110.0%                            | 96.5% | 106.1% |

(1) Data provided by a third-party information provider. The competitive set contains the following properties: Holiday Inn Charlotte Center City, Hilton Garden Inn Charlotte Uptown, Hampton Inn Charlotte Uptown, Courtyard by Marriott Charlotte City and Aloft Hotel Charlotte Uptown at the EpiCentre.

(2) Based on operating statements provided by the borrower.

(3) Penetration Factor is calculated based on data provided by a third-party information provider for the competitive set and the operating statements provided by the borrower for the mortgaged property.

## Hyatt Place Charlotte Downtown

| Competitive Hotels <sup>(1)</sup>           |            |            | 2016 Estimated Market Mix |         |                 |
|---|------------|------------|---------------------------|---------|-----------------|
| Property                                    | Rooms      | Year Built | Commercial                | Leisure | Meeting & Group |
| Hyatt Place Charlotte Downtown              | 172        | 2013       | 65%                       | 20%     | 15%             |
| Aloft Charlotte Uptown at the EpiCentre     | 175        | 2009       | 60%                       | 25%     | 15%             |
| Courtyard by Marriott Charlotte City Center | 181        | 2001       | 60%                       | 25%     | 15%             |
| Hilton Garden Inn Charlotte Uptown          | 181        | 2001       | 70%                       | 15%     | 15%             |
| <b>Total<sup>(2)</sup></b>                  | <b>537</b> |            |                           |         |                 |

(1) Based on the appraisal, except for the "2016 Estimated Market Mix" for Hyatt Place Charlotte Downtown, which are based on the 2016 operating statements provided by the borrower.

(2) Excludes the Hyatt Place Charlotte Downtown property.

| Operating History and Underwritten Net Cash Flow <sup>(1)</sup> |                    |                    |                    |                    |                         |                                   |
|---|--------------------|--------------------|--------------------|--------------------|-------------------------|-----------------------------------|
|   | 2014               | 2015               | 2016               | Underwritten       | Per Room <sup>(2)</sup> | % of Total Revenue <sup>(3)</sup> |
| Occupancy   | 72.6%              | 79.0%              | 80.4%              | 80.4%              |                         |                                   |
| ADR   | \$127.03           | \$139.90           | \$145.67           | \$145.67           |                         |                                   |
| RevPAR  | \$92.19            | \$110.46           | \$117.15           | \$117.15           |                         |                                   |
| Room Revenue  | \$5,787,650        | \$6,934,736        | \$7,374,804        | \$7,374,804        | \$42,877                | 87.8%                             |
| Food & Beverage Revenue   | 314,499            | 314,671            | 346,217            | 346,217            | 2,013                   | 4.1                               |
| Other Departmental Revenue <sup>(4)</sup>                       | 536,501            | 649,147            | 671,461            | 680,295            | 3,955                   | 8.1                               |
| <b>Total Revenue</b>  | <b>\$6,638,650</b> | <b>\$7,898,554</b> | <b>\$8,392,482</b> | <b>\$8,401,316</b> | <b>\$48,845</b>         | <b>100.0%</b>                     |
| Room Expense  | \$1,678,918        | \$1,882,100        | \$2,027,189        | \$2,027,189        | \$11,786                | 27.5%                             |
| Food & Beverage Expense   | 232,491            | 234,421            | 254,673            | 254,673            | 1,481                   | 73.6                              |
| Other Departmental Expenses                                     | 5,983              | 5,526              | 7,837              | 7,837              | 46                      | 1.2                               |
| <b>Departmental Expenses</b>                                    | <b>\$1,917,392</b> | <b>\$2,122,047</b> | <b>\$2,289,699</b> | <b>\$2,289,699</b> | <b>\$13,312</b>         | <b>27.3%</b>                      |
| <b>Departmental Profit</b>                                      | <b>\$4,721,258</b> | <b>\$5,776,507</b> | <b>\$6,102,783</b> | <b>\$6,111,617</b> | <b>\$35,533</b>         | <b>72.7%</b>                      |
| <b>Operating Expenses</b>                                       | <b>\$2,086,588</b> | <b>\$2,421,719</b> | <b>\$2,538,338</b> | <b>\$2,494,465</b> | <b>\$14,503</b>         | <b>29.7%</b>                      |
| <b>Gross Operating Profit</b>                                   | <b>\$2,634,671</b> | <b>\$3,354,788</b> | <b>\$3,564,445</b> | <b>\$3,617,152</b> | <b>\$21,030</b>         | <b>43.1%</b>                      |
| Property Taxes  | \$276,984          | \$285,680          | \$285,680          | \$285,680          | \$1,661                 | 3.4%                              |
| Property Insurance  | 102,230            | 86,393             | 84,706             | 77,735             | 452                     | 0.9                               |
| Other Fixed Expenses  | 157,270            | 56,744             | 12,322             | 58,000             | 337                     | 0.7                               |
| <b>Total Fixed Expenses</b>                                     | <b>\$536,484</b>   | <b>\$428,817</b>   | <b>\$382,708</b>   | <b>\$421,415</b>   | <b>\$2,450</b>          | <b>5.0%</b>                       |
| <b>Net Operating Income</b>                                     | <b>\$2,098,187</b> | <b>\$2,925,971</b> | <b>\$3,181,737</b> | <b>\$3,195,737</b> | <b>\$18,580</b>         | <b>38.0%</b>                      |
| FF&E  | 220,790            | 262,176            | 279,212            | 336,053            | 1,954                   | 4.0                               |
| <b>Net Cash Flow</b>  | <b>\$1,877,397</b> | <b>\$2,663,795</b> | <b>\$2,902,525</b> | <b>\$2,859,685</b> | <b>\$16,626</b>         | <b>34.0%</b>                      |

(1) 2013 financial information is unavailable as the Hyatt Place Charlotte Downtown property was built in 2013.

(2) Per Room values are based on 172 guest rooms.

(3) % of Total Revenue for Room Expense, Food & Beverage Expense and Other Departmental Expenses is based on their corresponding revenue line item.

(4) Other Departmental Revenue consists primarily of rental income for the Fahrenheit restaurant, the office tenant and parking revenue.

**The Borrower.** The borrowing entity for the Hyatt Place Charlotte Downtown loan is Charlotte HP, LLC, a North Carolina limited liability company and special purpose entity with one independent director. Legal counsel to the borrower delivered a non-consolidation opinion in connection with the origination of the Hyatt Place Charlotte Downtown loan. Nishith Kumar Patel and Gautam B. Patel are the guarantors of certain nonrecourse carve-outs under the Hyatt Place Charlotte Downtown loan.



## Hyatt Place Charlotte Downtown

**The Loan Sponsor.** The loan sponsors are Nishith Kumar Patel ("**Nish Patel**") and Gautam B. Patel. Nish Patel serves as president and principal of Beacon Investment Management Group ("**Beacon**"). Beacon has built, renovated and operated hotels in the Southeastern United States since 1995.

**Property Management.** The hotel portion of the property is managed by Beacon IMG, Inc., a North Carolina corporation and an affiliate of the borrower.

**Franchise Agreement.** The property has a franchise agreement with Hyatt Place Franchising, L.L.C. The current franchise agreement is effective as of January 31, 2017 for a term of approximately 21 years, with an expiration date of January 31, 2038. The franchise agreement provides for a monthly royalty fee of 5.0% of gross room revenues for the preceding calendar month and a monthly marketing, central reservations and technology fee equal to 3.5% of gross room revenues for the preceding calendar month.

**Escrows and Reserves.** At origination, the borrower deposited into escrow \$49,042 for real estate taxes and \$15,000 for condominium capital expenditures held in an FF&E reserve account.

**Tax Escrows** – On a monthly basis, the borrower is required to escrow 1/12 of the annual estimated tax payments, which currently equates to \$24,251.

**Insurance Escrows** – On a monthly basis, the borrower is required to escrow 1/12 of the annual estimated insurance payments, which currently equates to \$6,478.

**FF&E Reserves** – On a monthly basis, the borrower is required to deposit an amount equal to the greater of 1/12 of 4.0% of gross revenues for the hotel related operations at the property for the immediately preceding calendar year as determined by the lender and the amount required by the franchise agreement.

**PIP Reserves** – In the event the borrower is required to complete a property improvement plan, the borrower is required to deposit 100% of any amounts reasonably estimated by the lender to complete the plan.

**Lockbox / Cash Management.** The loan is structured with a hard lockbox and springing cash management. The borrower was required to send direction letters to all tenants and credit card companies instructing them to deposit all rents and revenues received into a clearing account controlled by the lender. In the absence of a Trigger Period (as defined below), the funds in the clearing account will be subject to the direction of the borrower. During a Trigger Period, any transfers to the borrower's operating account are required to cease and sums on deposit in the clearing account will be transferred on a daily basis to a deposit account controlled by the lender and applied to payment of all monthly amounts due under the loan documents.

A "**Trigger Period**" means the occurrence of (i) an event of default, (ii) a Low DSCR Period (as defined below), (iii) the borrower failing to satisfy any PIP requirements or make the PIP deposit or (iv) the expiration or termination of the franchise agreements and expiring upon, with regards to, (i) a cure of the event of default, (ii) a Low DSCR Period ceases to exist, (iii) all PIP requirements have been completed or (iv) the property becomes subject to a replacement franchise agreement approved by lender.

A "**Low DSCR Period**" means any period commencing on the last day of any two consecutive calendar quarters that the debt service coverage ratio as calculated in the mortgage loan documents based on the trailing 12-month period is less than 1.15x and ending on the last day of any two consecutive calendar quarters thereafter that the debt service coverage as calculated in the mortgage loan documents based on the trailing 12-month period is greater than or equal to 1.20x.

**Subordinate and Mezzanine Debt.** None.

**Partial Release.** Not permitted.

**Ground Lease.** None.

**Condominium.** The Hyatt Place Charlotte Downtown property is subject to a condominium regime. The Hyatt Place Charlotte Downtown property consists of six units of an eight-unit condominium regime. The remaining two residential condominium units are not owned by the Hyatt Place Charlotte Downtown borrower and are not collateral for the Hyatt Place Charlotte Downtown loan. The borrower has a 51.5% interest in the common elements and a 51.2% voting interest, which provides control over the condo board. See "*Description of the Mortgage Pool – Mortgage Pool Characteristics – Condominium Interest*" in the Prospectus for additional information.

## State Farm Data Center

## Mortgage Loan Information

|   |                                       |
|---|---------------------------------------|
| Mortgage Loan Seller <sup>(1)</sup> :           | UBS AG                                |
| Original Principal Balance <sup>(2)</sup> :     | \$25,000,000                          |
| Cut-off Date Principal Balance <sup>(2)</sup> : | \$25,000,000                          |
| % of IPB:                                       | 2.9%                                  |
| Loan Purpose <sup>(3)</sup> :                   | Acquisition/Refinance                 |
| Borrower:                                       | JDM III SF Kansas City DC, LLC        |
| Sponsor:  | JDM Partners Opportunity Fund III LLC |
| Interest Rate <sup>(4)</sup> :                  | 4.64000%                              |
| Note Date:                                      | 1/11/2017                             |
| Anticipated Repayment Date <sup>(4)</sup> :     | 2/6/2027                              |
| Interest-only Period:                           | 120 months                            |
| Original Term:                                  | 120 months                            |
| Original Amortization Term:                     | None                                  |
| Amortization Type:                              | ARD-Interest Only                     |
| Call Protection <sup>(5)</sup> :                | L(24),Grtr1%orYM(92),O(4)             |
| Lockbox / Cash Management:                      | Hard / In-Place                       |
| Additional Debt:                                | Yes                                   |
| Additional Debt Balance:                        | \$55,000,000                          |
| Additional Debt Type:                           | Pari Passu                            |

## Property Information

|  |                       |
|--|-----------------------|
| Single Asset / Portfolio:                                | Single Asset          |
| Title:   | Fee                   |
| Property Type — Subtype:                                 | Office — Data Center  |
| Net Rentable Area (SF):                                  | 193,953               |
| Location:  | Olathe, KS            |
| Year Built / Renovated:                                  | 2016 / N/A            |
| Occupancy:   | 100.0%                |
| Occupancy Date:  | 2/6/2017              |
| 4 <sup>th</sup> Most Recent NOI (As of) <sup>(6)</sup> : | NAP                   |
| 3 <sup>rd</sup> Most Recent NOI (As of) <sup>(6)</sup> : | NAP                   |
| 2 <sup>nd</sup> Most Recent NOI (As of) <sup>(6)</sup> : | NAP                   |
| Most Recent NOI (As of) <sup>(6)</sup> :                 | NAP                   |
| UW Economic Occupancy:                                   | 98.0%                 |
| UW Revenues:   | \$9,320,149           |
| UW Expenses:   | \$186,403             |
| UW NOI:  | \$9,133,746           |
| UW NCF:  | \$9,104,653           |
| Appraised Value / Per SF <sup>(7)</sup> :                | \$128,000,000 / \$660 |
| Appraisal Date:  | 10/20/2016            |

## Escrows and Reserves

|                                       | Initial | Monthly   | Initial Cap |
|---------------------------------------|---------|-----------|-------------|
| Taxes <sup>(6)</sup> :                | \$0     | Springing | N/A         |
| Insurance <sup>(6)</sup> :            | \$0     | Springing | N/A         |
| Replacement Reserves <sup>(6)</sup> : | \$0     | Springing | \$58,186    |
| TI/LC <sup>(6)</sup> :                | \$0     | Springing | \$969,765   |
| Other <sup>(6)</sup> :                | \$0     | \$0       | N/A         |

Financial Information<sup>(2)</sup>

|                                    |       |
|------------------------------------|-------|
| Cut-off Date Loan / SF:            | \$412 |
| Maturity Date Loan / SF:           | \$412 |
| Cut-off Date LTV <sup>(7)</sup> :  | 62.5% |
| Maturity Date LTV <sup>(7)</sup> : | 62.5% |
| UW NCF DSCR:                       | 2.42x |
| UW NOI Debt Yield:                 | 11.4% |

## Sources and Uses

| Sources                      | Proceeds             | % of Total    | Uses              | Proceeds             | % of Total    |
|------------------------------|----------------------|---------------|-------------------|----------------------|---------------|
| Mortgage Loan <sup>(2)</sup> | \$80,000,000         | 63.4%         | Purchase Price    | \$125,323,476        | 99.4%         |
| Sponsor Equity               | 46,137,373           | 36.6          | Closing Costs     | 813,897              | 0.6           |
| <b>Total Sources</b>         | <b>\$126,137,373</b> | <b>100.0%</b> | <b>Total Uses</b> | <b>\$126,137,373</b> | <b>100.0%</b> |

(1) The State Farm Data Center Whole Loan (as defined in "The Loan" below) was originated by Deutsche Bank AG, New York Branch ("DBNY"). UBS AG acquired Note A-2, with an original principal amount of \$25.0 million, from DBNY and has re-underwritten such mortgage loan in accordance with the procedures described under "Transaction Parties—The Sponsors and Mortgage Loan Sellers—UBS AG, New York Branch" in the Prospectus.

(2) The State Farm Data Center loan is part of a whole loan evidenced by two *pari passu* notes with an aggregate original principal balance of \$80.0 million. The Financial Information presented in the chart above reflects the Cut-off Date balance of the \$80.0 million State Farm Data Center Whole Loan.

(3) For a description of the loan purpose, please refer to "The Loan" below.

(4) For a description of the Anticipated Repayment Date, Maturity Date and post-Anticipated Repayment Date accruals, please refer to "The Loan" below.

(5) With respect to any condemnation while the State Farm Mutual Automobile Insurance Company ("State Farm") lease is in full force and effect, subject to REMIC requirements, the borrower has the right, which must be exercised no later than six months after the condemnation, to elect, (x) to prepay the State Farm Data Center Whole Loan in an amount equal to 100% of the amount of the applicable net proceeds or (y) solely in the event of a condemnation of all of the State Farm Data Center property resulting in the termination of the State Farm lease, to prepay the State Farm Data Center Whole Loan in full, in each case without payment of any prepayment consideration.

(6) Historical cash flows are not applicable as the State Farm Data Center property was constructed in 2016.

(7) The Appraised Value / Per SF, Cut-off Date LTV, and Maturity Date LTV is based on the "as-is" Appraised Value of \$128.0 million as of October 20, 2016. The appraisal concluded an "as dark" appraised value of \$87.0 million, which represents a Cut-off Date LTV and Maturity Date LTV of 92.0%.

## State Farm Data Center

- (8) If the State Farm Data Center property is no longer leased to State Farm or a Major Tenant Trigger Event (as defined herein) has occurred and is continuing (or if any other waiver conditions specified in the State Farm Data Center loan documents are not satisfied), on each monthly payment date, the borrower is required to fund (i) a tax and insurance reserve in an amount equal to 1/12 of the amount the lender estimates will be necessary to pay tax and insurance premiums over the then succeeding 12-month period, (ii) \$2,424 into the replacement reserve, capped at \$58,186 (which amount is subject to an increase of \$0.30 per square foot of any expansion space constructed by State Farm pursuant to the State Farm lease) and (iii) \$16,163 into the TI/LC reserve, capped at \$969,765 (which amount is subject to an increase of \$5.00 per square foot of any expansion space constructed by State Farm pursuant to the State Farm lease). Prior to the ARD (as defined herein), upon the occurrence and continuance of a Major Tenant Trigger Event, all excess cash flow will be required to be deposited into a major tenant TI/LC reserve, provided, the borrower may substitute letters of credit for funds in such major tenant TI/LC reserve. A "Major Tenant Trigger Event" will commence if (i) State Farm or any tenant that leases space comprising of 20% or more of either (x) the total net rentable area or (y) the total in-place base rent, of the State Farm Data Center property ("Major Tenant") gives written notice of its intention to terminate or cancel its lease, (ii) on or prior to 18 months prior to the then applicable expiration date under its lease, a Major Tenant does not extend or renew its lease upon the terms therein or otherwise reasonably acceptable to the lender, (iii) on or prior to the date by which a Major Tenant is required under its lease to notify the landlord of its election to extend or renew its lease, such Major Tenant fails to give such notice, (iv) a monetary event of default under a Major Tenant lease occurs and continues for more than 60 days, (v) a material non-monetary event of default under a Major Tenant lease occurs and continues beyond the later of 90 days and any cure period under the lease, (vi) a bankruptcy or insolvency of a Major Tenant or any related lease guarantor occurs, (vii) a Major Tenant's lease is terminated or no longer in full force and effect, or (viii) if a Major Tenant (or any related lease guarantor) is downgraded below "BBB-" (or the equivalent) by Moody's, S&P or Fitch or any such rating is withdrawn.

**The Loan.** The State Farm Data Center loan, which is part of a larger split whole loan, has an outstanding principal balance as of the Cut-off Date of \$25.0 million and is secured by a first mortgage lien on the borrower's fee interest in a 193,953 square foot, office building located in Olathe, Kansas. The whole loan has an outstanding principal balance as of the Cut-off Date of \$80.0 million (the "**State Farm Data Center Whole Loan**") and is comprised of two *pari passu* notes, each as described below. Note A-1, in the outstanding original principal balance of \$55.0 million, was securitized in the CD 2017-CD3 Trust and serves as the controlling note under the related intercreditor agreement, the rights of which will be exercised by the trustee (or, prior to the occurrence and continuance of a control termination event for such trust by the directing certificateholder for such trust). Note A-2, with an original principal balance of \$25.0 million, will be contributed to the BBCMS 2017-C1 Trust. The State Farm Data Center Whole Loan requires interest-only payments through the anticipated repayment date in February 2027 ("**ARD**") and accrues interest at 4.64000% *per annum* (the "**Initial Interest Rate**") through the ARD. The final maturity date is the due date in November 2031. If, as of the payment date immediately preceding the ARD or as of the ARD, (i) the State Farm lease is no longer in full force and effect, (ii) a Major Tenant Trigger Event has occurred and is continuing, or (iii) a Cash Sweep Event (as defined below) has occurred and is continuing, other than solely due to the ARD, the final maturity date of the State Farm Data Center Whole Loan will be, without notice and without requirement for any action on the part of the borrower or lender, the ARD. Subject to the foregoing, if the State Farm Data Center Whole Loan is not repaid in full on or prior to the ARD, the State Farm Data Center Whole Loan will accrue interest at a *per annum* rate equal to the greater of (i) a rate based on the interest rate swaps reported by the Federal Reserve, as determined on the business day ending immediately prior to the ARD, with a maturity most nearly approximating the final maturity date of the State Farm Data Center Whole Loan plus 2.00000% and (ii) the Initial Interest Rate plus 2.00000% (the "**Adjusted Interest Rate**"); however, interest accrued at the excess of the Adjusted Interest Rate over the Initial Interest Rate (the "**Accrued Interest**") will be deferred. In addition, from and after the ARD, all excess cash flow from the State Farm Data Center Property after the payment of reserves, interest calculated at the Initial Interest Rate and operating expenses will be applied (i) first, to repay the principal balance of the State Farm Data Center Whole Loan and (ii) second, to the payment of the Accrued Interest. A "**Cash Sweep Event**" will commence upon the occurrence of (i) an event of default under the State Farm Data Center Whole Loan, (ii) any bankruptcy action of the borrower, guarantor or any affiliated manager, (iii) the debt service coverage ratio falls below 1.75x as of the end of any calendar quarter, (iv) the borrower fails to prepay or repay the State Farm Data Center Whole Loan in full on or before the ARD or (v) the occurrence and continuance of a Major Tenant Trigger Event.

| Whole Loan Summary |                     |               |                   |
|--------------------|---------------------|---------------|-------------------|
| Note               | Original Balance    | Note Holder   | Controlling Piece |
| A-1                | \$55,000,000        | CD 2017-CD3   | Yes               |
| A-2                | \$25,000,000        | BBCMS 2017-C1 | No                |
| <b>Total</b>       | <b>\$80,000,000</b> |               |                   |

The proceeds of the State Farm Data Center Whole Loan, along with sponsor equity, were used to acquire the State Farm Data Center property for approximately \$125.3 million (inclusive of retiring an existing bridge loan) in a sale-leaseback transaction with the sole tenant and pay closing costs. The borrowing entity for the State Farm Data Center Whole Loan is JDM III SF Kansas City DC, LLC, a single-purpose Delaware limited liability company with two independent directors. Legal counsel to the borrower delivered a non-consolidation opinion in connection with the origination of the State Farm Data Center Whole Loan. The loan sponsor and nonrecourse carve-out guarantor is JDM Partners Opportunity Fund III LLC.

JDM Partners is a real estate investment firm with projects in real estate, sports and entertainment venues and franchises. JDM Partners' current portfolio of real estate investments includes properties in 16 states. JDM Partners was founded in 1983 by Jerry Colangelo, David Eaton, and Mel Shultz, who have over 100 years of collective real estate experience.



## State Farm Data Center

**The Property.** The State Farm Data Center property is a 193,953 square foot data center set on a 20.1-acre site, located in Olathe, Kansas. Constructed in 2016 as a build-to-suit for State Farm and acquired by the borrower sponsor in a sale-leaseback transaction, the State Farm Data Center property serves as one of State Farm's data centers. The State Farm Data Center property features approximately 60,515 square feet of raised floor space, approximately 11,000 square feet of office space and approximately 27,600 square feet of mechanical and electrical support space including an exterior service yard for emergency generators, electrical gear and mechanical equipment. According to the appraisal, the State Farm Data Center property has a critical IT load of 6.66 megawatts, which corresponds to an overall average density of 110 watts per square foot.

The State Farm Data Center property is supported by an uninterruptible power supply utilizing a 3N/2 configuration with expansion capability of up to 4N/3. The standardized electrical power delivery block consists of 2500 megavolt amperes utility paired with 2.5-megawatt generators. The mechanical cooling plant consists of a N+1 looped chilled water system with air cooled chillers. According to the appraiser, the State Farm Data Center property is classified as a turn-key data center, which is a physically secure facility with power and cooling point of delivery ("**POD**") Architecture that has been optimized for green operation and the redundancy capabilities. POD Architecture promotes the energy efficiency needed for green data center operation and also allows tenants to take delivery of their POD space in 6-8 months versus the 24-month industry average.

As of February 6, 2017, the State Farm Data Center property is 100.0% occupied by State Farm (rated AA by S&P). State Farm's lease commenced in November 2016 and State Farm is currently in possession and utilizing their space. The initial base rent is \$42.00 per square foot on a triple-net basis with annual increases of 1.9% through the lease expiration date in November 2031. State Farm has three five-year renewal options remaining, with no termination or contraction options. State Farm is the largest provider of auto, home, and life insurance in the United States with over 65,000 employees and approximately 18,000 insurance agents servicing approximately 84.1 million policies and accounts, as of June 30, 2016. As of year-end 2015, State Farm reported total assets of approximately \$138.50 billion with net income of approximately \$2.14 billion compared to year-end 2014 total assets of approximately \$138.80 billion with net income of approximately \$1.05 billion.

State Farm may elect to expand the State Farm Data Center property by constructing a material addition of shell building space and improvements in such space ("**Expansion Space**"). If State Farm does so, it is required to be constructed at the tenant's sole cost and expense. Upon substantial completion of the Expansion Space, the term of the lease could be extended as follows: (a) if substantial completion occurs during the initial term, the initial term will be extended for a period to be elected by the tenant in its sole discretion of the minimum number of years necessary for the term to expire at least 12 full years but no more than 15 full years from the date of substantial completion; in no event can the initial lease term be less than 12 years from the date of substantial completion of the Expansion Space or (b) if substantial completion occurs during any extension period, the extension period will be extended for a period to be elected by the tenant in its sole discretion of the minimum number of years necessary for the extension term to expire at least 10 full years but no more than 15 full years from the date of substantial completion. In either case, the extension period elected by the tenant will have no effect on State Farm's rights to any unexercised renewal option. During any extension of the term resulting from the construction of the Expansion Space, the base rent will be subject to annual increases of 1.9%.

**The Market.** The State Farm Data Center property is located approximately 24.3 miles southwest of the Kansas City, Missouri central business district, within the Kansas City metropolitan statistical area ("**MSA**"). The Kansas City MSA is the second largest MSA in Missouri and the 30th largest in the United States. The market serves a role as a transportation and logistics hub given its central location in the United States. According to a third party market research report, the total population for Johnson county, the Kansas City MSA, and the state of Kansas are 584,915, 2,094,363, and 2,919,372, respectively. The average household income for Johnson county, the Kansas City MSA, and the state of Kansas are \$102,072, \$77,179, and \$71,918, respectively. The State Farm Data Center property is located south of Highway 10 with access to the neighborhood from highways K-7 and K-10. Major employers in Olathe, Kansas include Honeywell Aerospace, Hallmark, Garmin International, Farmers Insurance Federal Credit Union, a US Bank data center and ALDI Divisional Office & Distribution Center.

The State Farm Data Center property is located within the Kansas City data center market. The Kansas City data center market consists of 28 active data centers operated by 20 providers. The total data center inventory in Kansas City is approximately 520,000 square feet powered by 76 megawatts. The total data center market share within Kansas City is operated by only a handful of providers including Cavern Technologies (29%), 1102 Grand (16%), Iron Mountain (11%), TierPoint (11%) and DataBank (7%), with other providers accounting for the remaining 26% of the market.

## State Farm Data Center

According to the appraisal, Kansas City is considered an emerging data center market. Support for the data center demand in Kansas City is evidenced by the public-private efforts to transform Kansas City into a "Smart City." In June 2015, a \$15.7 million public-private partnership was formalized when Kansas City signed a strategic agreement with Cisco Systems, Inc. and its partners to develop a comprehensive smart city network. Smart City initiatives will help the city of Kansas City use real-time data to deliver basic services more efficiently through upgrades including interactive kiosks, free public WiFi, smart streetlights and sensors to provide efficiency. The State Farm Data Center property is well positioned due to its direct access to the highest concentration of fiber-optic cable in the Kansas City metro area.

| Tenant Summary <sup>(1)</sup> |   |                              |                   |                     |                    |                         |                          |
|-------------------------------|---|------------------------------|-------------------|---------------------|--------------------|-------------------------|--------------------------|
| Tenant                        | Ratings <sup>(2)</sup><br>Moody's/S&P/Fitch | Net<br>Rentable<br>Area (SF) | % of<br>Total NRA | Base<br>Rent<br>PSF | Base Rent          | % of Total<br>Base Rent | Lease<br>Expiration Date |
| State Farm                    | NA / AA / NA                                | 193,953                      | 100.0%            | \$42.00             | \$8,146,026        | 100.0%                  | 11/30/2031               |
| <b>Total</b>                  |   | <b>193,953</b>               | <b>100.0%</b>     | <b>\$42.00</b>      | <b>\$8,146,026</b> | <b>100.0%</b>           |                          |
| <b>Vacant Space</b>           |   | <b>0</b>                     | <b>0.0%</b>       |                     |                    |                         |                          |
| <b>Collateral Total</b>       |   | <b>193,953</b>               | <b>100.0%</b>     |                     |                    |                         |                          |

(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.

| Lease Rollover Schedule <sup>(1)</sup> |                                    |                                     |                         |                                      |                               |   |                                    |                                     |   |
|--|------------------------------------|-------------------------------------|-------------------------|--------------------------------------|-------------------------------|---|------------------------------------|-------------------------------------|---|
| Year                                   | Number<br>of<br>Leases<br>Expiring | Net<br>Rentable<br>Area<br>Expiring | % of<br>NRA<br>Expiring | Base Rent<br>Expiring <sup>(2)</sup> | % of Base<br>Rent<br>Expiring | Cumulative<br>Net<br>Rentable<br>Area<br>Expiring | Cumulative<br>% of NRA<br>Expiring | Cumulative<br>Base Rent<br>Expiring | Cumulative<br>% of Base<br>Rent<br>Expiring |
| Vacant                                 | NAP                                | 0                                   | 0.0%                    | NAP                                  | NAP                           | 0   | 0.0%                               | NAP                                 | NAP   |
| 2017 & MTM                             | 0                                  | 0                                   | 0.0                     | \$0                                  | 0.0%                          | 0   | 0.0%                               | \$0                                 | 0.0%  |
| 2018                                   | 0                                  | 0                                   | 0.0                     | 0                                    | 0.0                           | 0   | 0.0%                               | \$0                                 | 0.0%  |
| 2019                                   | 0                                  | 0                                   | 0.0                     | 0                                    | 0.0                           | 0   | 0.0%                               | \$0                                 | 0.0%  |
| 2020                                   | 0                                  | 0                                   | 0.0                     | 0                                    | 0.0                           | 0   | 0.0%                               | \$0                                 | 0.0%  |
| 2021                                   | 0                                  | 0                                   | 0.0                     | 0                                    | 0.0                           | 0   | 0.0%                               | \$0                                 | 0.0%  |
| 2022                                   | 0                                  | 0                                   | 0.0                     | 0                                    | 0.0                           | 0   | 0.0%                               | \$0                                 | 0.0%  |
| 2023                                   | 0                                  | 0                                   | 0.0                     | 0                                    | 0.0                           | 0   | 0.0%                               | \$0                                 | 0.0%  |
| 2024                                   | 0                                  | 0                                   | 0.0                     | 0                                    | 0.0                           | 0   | 0.0%                               | \$0                                 | 0.0%  |
| 2025                                   | 0                                  | 0                                   | 0.0                     | 0                                    | 0.0                           | 0   | 0.0%                               | \$0                                 | 0.0%  |
| 2026                                   | 0                                  | 0                                   | 0.0                     | 0                                    | 0.0                           | 0   | 0.0%                               | \$0                                 | 0.0%  |
| 2027 & Beyond                          | 1                                  | 193,953                             | 100.0                   | 8,146,026                            | 100.0                         | 193,953   | 100.0%                             | \$8,146,026                         | 100.0%                                      |
| <b>Total</b>                           | <b>1</b>                           | <b>193,953</b>                      | <b>100.0%</b>           | <b>\$8,146,026</b>                   | <b>100.0%</b>                 |   |                                    |                                     |   |

(1) Based on the underwritten rent roll.

(2) Base Rent Expiring does not include \$1,177,927 in straight-line rent based on the average of annual rent steps of 1.9% through the 15-year State Farm lease term.

## State Farm Data Center

| Operating History and Underwritten Net Cash Flow <sup>(1)</sup> |                    |                 |                  |
|---|--------------------|-----------------|------------------|
|   | Underwritten       | Per Square Foot | % <sup>(2)</sup> |
| Rents in Place  | \$8,146,026        | \$42.00         | 85.7%            |
| Straight-Line Rent <sup>(3)</sup>                               | 1,177,927          | 6.07            | 12.4             |
| Vacant Income   | 0                  | 0.0             | 0.0              |
| <b>Gross Potential Rent</b>                                     | <b>\$9,323,953</b> | <b>\$48.07</b>  | <b>98.0%</b>     |
| Total Reimbursements  | 186,403            | 0.96            | 2.0              |
| Other Rental Income   | 0                  | 0.00            | 0.0              |
| <b>Net Rental Income</b>  | <b>\$9,510,356</b> | <b>\$49.03</b>  | <b>100.0%</b>    |
| (Vacancy/Credit Loss) <sup>(4)</sup>                            | (190,207)          | (0.98)          | (2.0)            |
| Other Income  | 0                  | 0.0             | 0.0              |
| <b>Effective Gross Income</b>                                   | <b>\$9,320,149</b> | <b>\$48.05</b>  | <b>98.0%</b>     |
| <b>Total Expenses<sup>(5)</sup></b>                             | <b>\$186,403</b>   | <b>\$0.96</b>   | <b>2.0%</b>      |
| <b>Net Operating Income</b>                                     | <b>\$9,133,746</b> | <b>\$47.09</b>  | <b>98.0%</b>     |
| Total TI/LC, Capex/RR   | 29,093             | 0.15            | 0.3              |
| <b>Net Cash Flow</b>  | <b>\$9,104,653</b> | <b>\$46.94</b>  | <b>97.7%</b>     |
| <b>Occupancy<sup>(6)</sup></b>                                  | <b>98.0%</b>       |                 |                  |

(1) Historical cash flows are not available as the State Farm Data Center property was constructed in 2016.

(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) Straight-Line Rent represents the average of annual rent steps of 1.9% through the 15-year State Farm lease term of \$1,177,927.

(4) Underwritten Vacancy/Credit Loss represents a 2.0% underwriting adjustment. As of the underwritten rent roll dated February 6, 2017, the State Farm Data Center property was 100.0% leased.

(5) Total Expenses is comprised of a management fee underwritten to 2.0% of the Effective Gross Income. The State Farm Data Center property is managed by State Farm.

(6) Underwritten Occupancy represents economic occupancy. The State Farm Data Center property was 100.0% occupied as of the underwritten rent roll dated February 6, 2017.



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## Connecticut Financial Center

### Mortgage Loan Information

|  |                               |
|--|-------------------------------|
| <b>Mortgage Loan Seller:</b>                         | UBS AG                        |
| <b>Original Principal Balance<sup>(1)</sup>:</b>     | \$22,750,000                  |
| <b>Cut-off Date Principal Balance<sup>(1)</sup>:</b> | \$22,750,000                  |
| <b>% of IPB:</b>                                     | 2.7%                          |
| <b>Loan Purpose:</b>                                 | Refinance                     |
| <b>Borrower:</b>                                     | 157 Church, LLC               |
| <b>Sponsor:</b>                                      | Chase Financial Resources LLC |
| <b>Interest Rate:</b>                                | 4.79750%                      |
| <b>Note Date:</b>                                    | 1/31/2017                     |
| <b>Maturity Date:</b>                                | 2/6/2027                      |
| <b>Interest-only Period:</b>                         | None                          |
| <b>Original Term:</b>                                | 120 months                    |
| <b>Original Amortization Term:</b>                   | 360 months                    |
| <b>Amortization Type:</b>                            | Balloon                       |
| <b>Call Protection<sup>(2)</sup>:</b>                | L(24),Def(91),O(5)            |
| <b>Lockbox / Cash Management:</b>                    | Hard / Springing              |
| <b>Additional Debt:</b>                              | Yes                           |
| <b>Additional Debt Balance:</b>                      | \$22,750,000                  |
| <b>Additional Debt Type:</b>                         | Pari Passu                    |

### Property Information

|  |                              |
|--|------------------------------|
| <b>Single Asset / Portfolio:</b>                             | Single Asset                 |
| <b>Title:</b>  | Leasehold                    |
| <b>Property Type - Subtype:</b>                              | Office – CBD                 |
| <b>Net Rentable Area (SF):</b>                               | 470,251                      |
| <b>Location:</b>   | New Haven, CT                |
| <b>Year Built / Renovated:</b>                               | 1990 / N/A                   |
| <b>Occupancy<sup>(3)</sup>:</b>                              | 84.1%                        |
| <b>Occupancy Date:</b>                                       | 1/1/2017                     |
| <b>4<sup>th</sup> Most Recent NOI (As of)<sup>(4)</sup>:</b> | \$6,234,408 (12/31/2013)     |
| <b>3<sup>rd</sup> Most Recent NOI (As of):</b>               | \$5,832,909 (12/31/2014)     |
| <b>2<sup>nd</sup> Most Recent NOI (As of):</b>               | \$5,853,492 (12/31/2015)     |
| <b>Most Recent NOI (As of):</b>                              | \$6,293,876 (TTM 12/31/2016) |
| <b>UW Economic Occupancy<sup>(3)</sup>:</b>                  | 88.0%                        |
| <b>UW Revenues<sup>(3)</sup>:</b>                            | \$14,291,406                 |
| <b>UW Expenses:</b>  | \$7,284,556                  |
| <b>UW NOI:</b>   | \$7,006,849                  |
| <b>UW NCF:</b>   | \$5,596,368                  |
| <b>Appraised Value / Per SF:</b>                             | \$70,000,000 / \$149         |
| <b>Appraisal Date:</b>                                       | 12/27/2016                   |

### Escrows and Reserves

|                              | Initial     | Monthly   | Initial Cap |
|------------------------------|-------------|-----------|-------------|
| <b>Taxes:</b>                | \$411,453   | \$114,293 | N/A         |
| <b>Insurance:</b>            | \$145,683   | \$15,175  | N/A         |
| <b>Replacement Reserves:</b> | \$0         | \$5,878   | N/A         |
| <b>TI/LC:</b>                | \$0         | \$54,863  | \$2,000,000 |
| <b>Other<sup>(5)</sup>:</b>  | \$1,615,176 | Springing | N/A         |

### Financial Information<sup>(1)</sup>

|                                 |       |
|---------------------------------|-------|
| <b>Cut-off Date Loan / SF:</b>  | \$97  |
| <b>Maturity Date Loan / SF:</b> | \$79  |
| <b>Cut-off Date LTV:</b>        | 65.0% |
| <b>Maturity Date LTV:</b>       | 53.1% |
| <b>UW NCF DSCR:</b>             | 1.95x |
| <b>UW NOI Debt Yield:</b>       | 15.4% |

### Sources and Uses

| Sources                      | Proceeds            | % of Total    | Uses                 | Proceeds            | % of Total    |
|------------------------------|---------------------|---------------|----------------------|---------------------|---------------|
| Mortgage Loan <sup>(1)</sup> | \$45,500,000        | 62.0%         | Payoff Existing Debt | \$70,378,275        | 96.0%         |
| Sponsor Equity               | 27,829,207          | 38.0          | Upfront Reserves     | 2,172,312           | 3.0           |
|                              |                     |               | Closing Costs        | 778,620             | 1.1           |
| <b>Total Sources</b>         | <b>\$73,329,207</b> | <b>100.0%</b> | <b>Total Uses</b>    | <b>\$73,329,207</b> | <b>100.0%</b> |

- (1) The Connecticut Financial Center loan is part of a whole loan evidenced by three *pari passu* notes with an aggregate original principal balance of \$45.5 million. The Financial Information presented in the chart above reflects the Cut-off Date balance of the \$45.5 million Connecticut Financial Center Whole Loan.
- (2) The lockout period will be at least 24 payments beginning with and including the first payment date of March 6, 2017. Defeasance of the full \$45.5 million Connecticut Financial Center Whole Loan is permitted any time after the date that is two years after the closing date of the final REMIC securitization that holds any note evidencing the Connecticut Financial Center Whole Loan. If such date has not occurred, but March 6, 2020 has occurred, then the borrower may prepay with yield maintenance premium.
- (3) Occupancy, UW Economic Occupancy and UW Revenues include two tenants that have executed leases, but have not yet taken occupancy, representing 28,134 square feet and approximately \$732,696 of underwritten rent, and exclude one tenant, representing 1,335 square feet and approximately \$18,000 of in-place base rent, which has a near term lease expiration and was underwritten as vacant. Additionally, UW Revenues also include underwritten contractual rent increases of \$394,824 through July 2017 for non-investment grade tenants and through January 2018 for investment grade tenants.
- (4) 4<sup>th</sup> Most Recent NOI is higher than other historical periods primarily due to Yale University converting its sublease with The United Illuminating Company to a direct lease with a 2014 base year. The United Illuminating Company paid a pro rata recovery with no base year.
- (5) At origination, the borrower was required to escrow \$1,171,643 in outstanding tenant improvements and leasing commissions relating to G.S.A. Hearings & Appeals, outstanding tenant improvements relating to Yale University, and \$443,533 in free rent obligations relating to Webster Bank, RGN-New Haven II, LLC, G.S.A. Hearings & Appeals and Yale University. G.S.A. Hearings & Appeals is expected to take occupancy of its space in September 2017 and Yale University is expected to take occupancy of its space in June 2017 and September 2017, with respect to 9,028 square feet and 5,834 square feet, respectively. During the occurrence and continuation of a Specified Tenant Trigger Event (as defined below), on each monthly payment date, the borrower is required to deposit with the lender all excess cash flow for tenant improvements and leasing commissions related to re-tenanting or extending the applicable Specified Tenant (as defined below) space at the property, as particularly set forth in the loan documents. A "Specified Tenant Trigger Event" will commence upon the earliest of (i) if a Specified Tenant gives notice of its intention to terminate or

## Connecticut Financial Center

cancel or not extend or renew its lease, (ii) if, on or prior to six months prior to the then applicable expiration date under its lease, a Specified Tenant does not extend or renew its lease upon terms and conditions set forth in its lease or upon other terms and conditions reasonably acceptable to the lender, (iii) if, by the date by which a Specified Tenant is required under its lease to notify the landlord of its election to extend or renew its lease, such Specified Tenant fails to give such notice, (iv) if a monetary or a material non-monetary event of default under a Specified Tenant lease occurs, (v) if the bankruptcy or insolvency of a Specified Tenant (or, if applicable, any lease guarantor) occurs, (vi) if a Specified Tenant lease terminates, or (vii) if a Specified Tenant "goes dark", vacates, ceases to occupy or discontinues its operations at the property (unless the Specified Tenant is an investment grade tenant which continues to perform the monetary obligations under its lease. In addition, with respect to any Specified Tenant that is (or whose lease guarantor is) a governmental authority or an agency or a division of any governmental unit, a "Specified Tenant Trigger Event" will commence upon the earliest of (i) if the applicable Specified Tenant (or, if applicable, any lease guarantor) fails to timely appropriate or procure sufficient funds to timely satisfy its obligations under the related lease (or, if applicable, any lease guaranty) or (ii) if the applicable Specified Tenant (or, if applicable, any lease guarantor) states or acknowledges in a public forum or otherwise admits in writing or gives notice to the borrower that it does not have sufficient funds to timely satisfy its obligations under the related lease (or, if applicable, any lease guaranty). Notwithstanding anything to the contrary, in the event that a Specified Tenant is a tenant under more than one lease at the property, a Specified Tenant Trigger Event shall, *only with respect to clauses (i), (ii), (iii), (iv), (v), (vi) or (vii) of "Specified Tenant Trigger Event,"* be deemed to occur if such Specified Tenant Trigger Event occurs under one or more of the lease(s) of such Specified Tenant, which individually or in the aggregate comprise 20% or more of either (i) the total in-place base rent at the property or (ii) the total rentable square footage at the property. If the Connecticut Financial Center Whole Loan has a debt service coverage ratio of at least 1.20x, the Specified Tenant cash sweep is capped at \$30 per square foot of applicable space. A "**Specified Tenant**" is any tenant or replacement tenant, together with its affiliates, (a) leasing 20% or more of the total rentable square footage at the property or (b) pays 20% or more of the total in-place base rent at the property. All G.S.A. and Yale University affiliates are not aggregated to qualify as Specified Tenants.

**The Loan.** The Connecticut Financial Center loan is secured by a first mortgage lien on the borrower's leasehold interest in a 27-story, 470,251 square foot, Class A office building located in the central business district ("**CBD**") of New Haven, Connecticut. The whole loan has an outstanding principal balance as of the Cut-off Date of \$45.5 million (the "**Connecticut Financial Center Whole Loan**"), and is comprised of three *pari passu* notes, Note A-1, Note A-2 and Note A-3. Note A-1 has an outstanding principal balance as of the Cut-off Date of \$22,750,000 and is being contributed to the BBCMS 2017-C1 Trust. Note A-2 and Note A-3, which have an aggregate outstanding principal balance as of the Cut-off Date of \$22,750,000, are expected to be contributed to future securitization trusts. Note A-2 serves as the controlling note under the related co-lender agreement, the rights of which will be exercised by the related trustee (or, prior to the occurrence and continuance of a control termination event under the related pooling and servicing agreement, by the related directing certificateholder). However, the BBCMS 2017-C1 Trust will be entitled, under certain circumstances, to be consulted with respect to certain major decisions (which rights will be exercised by the related directing certificateholder prior to a control termination event). Prior to the time that Note A-2 is securitized, the Connecticut Financial Center Whole Loan will be serviced pursuant to the pooling and servicing agreement for the BBCMS 2017-C1 Trust. From and after the securitization of Note A-2, the Connecticut Financial Center Whole Loan will be serviced pursuant to the pooling and servicing agreement related to such securitization. The Connecticut Financial Center Whole Loan has a 10-year term and will amortize on a 30-year schedule. The borrowing entity for the loan is 157 Church, LLC, a Connecticut limited liability company and special purpose entity with two independent directors in its ownership structure. The loan sponsor and nonrecourse carve-out guarantor is Chase Financial Resources LLC. The previously existing debt was securitized in the BACM 2007-2 transaction.

| Whole Loan Summary |                     |               |                   |
|--------------------|---------------------|---------------|-------------------|
| Note               | Original Balance    | Note Holder   | Controlling Piece |
| A-1                | \$22,750,000        | BBCMS 2017-C1 | No                |
| A-2                | 11,375,000          | UBS AG        | Yes               |
| A-3                | 11,375,000          | UBS AG        | No                |
| <b>Total</b>       | <b>\$45,500,000</b> |               |                   |

**The Property.** The Connecticut Financial Center property is a 27-story, 470,251 square foot, Class A office building located in the CBD of New Haven, Connecticut. The property was built in 1990 and comprises 449,306 square feet of office space (95.5% of the net rentable area), 9,645 square feet of ground-level retail space (2.1% of the net rentable area), 8,361 square feet of storage space (1.8% of the net rentable area) and 2,939 square feet of mezzanine-level other space (0.6% of the net rentable area), including a 1,044 square foot fitness center, all set on a 48,264 square foot parcel of land. The Connecticut Financial Center property also contains a nine-level parking garage providing 666 parking spaces with a gross area of 288,513 square feet, as well as an off-site parking lot that provides 101 parking spaces with a gross area of 33,787 square feet, for a total of 767 parking spaces resulting in a parking ratio of approximately 1.6 spaces per 1,000 square feet. The floor plates vary in size from 18,243 to 20,450 square feet and are functional for single or multi-tenancy.



## Connecticut Financial Center

As of January 1, 2017, the property was 84.1% occupied by 18 tenants. The largest tenant at the property, Yale University, leases 18.0% of the net rentable area, including two spaces, accounting for 3.2% of the net rentable area, that Yale University has executed leases on, but has not yet taken occupancy. Yale University leases multiple spaces at the property with 3,611 square feet expiring in July 2019, 9,028 square feet expiring in May 2022 and 71,803 square feet expiring in May 2027. Yale University accounts for 16.9% of the underwritten base rent and has one 10-year renewal option remaining on its 65,969 space on the eighth, ninth, tenth and eleventh floors and one two-year renewal option remaining on its 3,611 square foot space on the seventeenth floor. The second largest tenant, G.S.A. US Attorney's Office, leases 12.5% of the net rentable area through April 2022 and has been a tenant at the property since May 1992. G.S.A. US Attorney's Office currently pays an amortization component representing the repayment of tenant improvement funds previously disbursed, as part of its total rental payment equal to \$305,897 per year. As such, this amount has been excluded from the underwritten base rent. G.S.A. US Attorney's office accounts for 19.5% of the underwritten base rent. The third largest tenant, The United Illuminating Company, leases 10.9% of the net rentable area through June 2022 and has occupied its space since June 1992. The United Illuminating Company occupies 49,307 square feet of office space and 2,000 square feet of storage space and has two five-year renewal options remaining.

**The Market.** The property is located along Church Street in the CBD of New Haven, Connecticut adjacent to New Haven City Hall, Federal Plaza and the New Haven Green, which borders Yale University. The property is located approximately 75 miles northeast of New York City, 137 miles southwest of Boston and 39 miles south of Hartford, the state capital. New Haven is home to Yale University, the city's largest employer and the third-oldest institution of higher education in the United States, with over 12,000 students and over 9,000 employees. The property is part of Federal Plaza, a pedestrian concourse connecting the property to City Hall, the federal district courthouse, the Robert N. Giaimo Federal Building, and the New Haven Hall of Records. The property is located two blocks from the New Haven State Street Station, the secondary railroad station in the city, with travel time to New Haven Union Station of approximately two minutes. New Haven Union Station provides transportation services for Amtrak, Metro-North, Shore Lines East as well as busses and shuttles. According to a third party market research report, the property is located in the New Haven office submarket. As of the third quarter of 2016, the submarket comprised approximately 11.4 million square feet of office space with an overall vacancy rate of 8.2% and average Class A office rents of \$27.44 per square foot. This compares to 10.1% and \$21.65 per square foot respectively, as of the third quarter of 2015. The appraisal identified four directly competitive properties built between 1975 and 1990 with seven recent office leases ranging in size from approximately 3,479 to 32,686 square feet. Base rents for the recent leases at the comparable properties range from \$22.31 to \$25.25 per square foot. Since the beginning of 2014, the loan sponsor has executed 11 new or renewal leases totaling 135,335 square feet.

| Top Ten Tenant Summary <sup>(1)</sup>    |   |                              |                   |                  |                     |                         |                          |
|--|---|------------------------------|-------------------|------------------|---------------------|-------------------------|--------------------------|
| Tenant                                   | Ratings <sup>(2)</sup><br>Moody's/S&P/Fitch | Net<br>Rentable<br>Area (SF) | % of<br>Total NRA | Base Rent<br>PSF | Base Rent           | % of Total<br>Base Rent | Lease<br>Expiration Date |
| Yale University <sup>(3)</sup>           | NA / NA / NA                                | 84,442                       | 18.0%             | \$22.02          | \$1,859,530         | 16.9%                   | Various                  |
| G.S.A. US Attorney's Office              | Aaa / NA / AAA                              | 58,601                       | 12.5              | \$36.44          | 2,135,420           | 19.5                    | 4/18/2022                |
| The United Illuminating<br>Company       | NA / A- / A-                                | 51,307                       | 10.9              | \$16.04          | 822,880             | 7.5                     | 6/14/2022                |
| Bank of America                          | Baa1 / BBB+ / A                             | 39,835                       | 8.5               | \$28.84          | 1,148,753           | 10.5                    | 3/31/2021                |
| Withers Bergman LLP <sup>(4)</sup>       | NA / NA / NA                                | 34,303                       | 7.3               | \$28.31          | 971,268             | 8.9                     | 3/31/2025                |
| G.S.A. US Bankruptcy Court               | Aaa / NA / AAA                              | 29,907                       | 6.4               | \$35.70          | 1,067,700           | 9.7                     | 4/30/2025                |
| RGN-New Haven II, LLC                    | NA / NA / NA                                | 20,450                       | 4.3               | \$25.00          | 511,250             | 4.7                     | 11/30/2027               |
| Merrill Lynch & Co Inc.                  | NA / NA / NA                                | 20,309                       | 4.3               | \$36.00          | 731,124             | 6.7                     | 9/30/2018                |
| G.S.A. Hearings & Appeals <sup>(5)</sup> | Aaa / NA / AAA                              | 13,272                       | 2.8               | \$30.57          | 405,732             | 3.7                     | 9/30/2026                |
| Woodcreek Capital <sup>(6)</sup>         | NA / NA / NA                                | 10,100                       | 2.1               | \$31.00          | 313,100             | 2.9                     | 7/31/2026                |
| <b>Top Ten Tenants</b>                   |   | <b>362,526</b>               | <b>77.1%</b>      | <b>\$27.49</b>   | <b>\$9,966,757</b>  | <b>90.8%</b>            |                          |
| <b>Non Top Ten Tenants</b>               |   | <b>32,811</b>                | <b>7.0%</b>       | <b>\$30.61</b>   | <b>\$1,004,407</b>  | <b>9.2%</b>             |                          |
| <b>Occupied Collateral Total</b>         |   | <b>395,337</b>               | <b>84.1%</b>      | <b>\$27.75</b>   | <b>\$10,971,163</b> | <b>100.0%</b>           |                          |
| <b>Vacant Space<sup>(7)</sup></b>        |   | <b>74,914</b>                | <b>15.9%</b>      |                  |                     |                         |                          |
| <b>Collateral Total</b>                  |   | <b>470,251</b>               | <b>100.0%</b>     |                  |                     |                         |                          |

(1) Based on the underwritten rent roll.

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

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- (3) Yale University leases multiple spaces with 3,611 square feet expiring in July 2019, 9,028 square feet expiring in May 2022 and 71,803 square feet expiring in May 2027. Includes two spaces (3.2% of the net rentable area) that Yale University has executed leases on, but has not yet taken occupancy. Excluding the two spaces, Yale University occupies 14.8% of the net rentable area at the property.
- (4) Withers Bergman LLP has a one-time right to terminate its lease on March 31, 2021, with no more than 15 months' notice and no less than 12 months' notice and the payment of a termination fee approximately equal to the sum of all unamortized expenses for tenant improvements.
- (5) G.S.A. Hearings & Appeals has recently signed a new 10-year lease totaling 13,272 square feet, moving from the 17<sup>th</sup> and 22<sup>nd</sup> floors where it currently occupies 12,963 square feet to the seventh floor where it will occupy 13,272 square feet. G.S.A. Hearings & Appeals is expected to take occupancy of its space in September 2017. G.S.A. Hearings & Appeals has the right to terminate its lease on or after October 1, 2021, with 90 days' notice and no termination fee.
- (6) Woodcreek Capital has a one-time right to terminate its lease as of July 31, 2021, with notice between August 1, 2020 and September 30, 2020 and the payment of a termination fee approximately equal to the sum of (i) six months of base rent and (ii) any unamortized costs incurred by the landlord as of July 31, 2021. The termination fee is capped at \$60.00 per square feet and would total \$606,000.
- (7) Vacant Space includes G.S.A. Hearings & Appeals current space on the 17<sup>th</sup> and 22<sup>nd</sup> floors of 12,963 square feet. G.S.A. Hearings & Appeals is expected to take occupancy of its space on the seventh floor (13,272 square feet) in September 2017.

| Lease Rollover Schedule <sup>(1)</sup> |                           |                            |                   |                     |                         |                                       |                              |                               |                                    |
|--|---------------------------|----------------------------|-------------------|---------------------|-------------------------|---------------------------------------|------------------------------|-------------------------------|------------------------------------|
| Year                                   | Number of Leases Expiring | Net Rentable Area Expiring | % of NRA Expiring | Base Rent Expiring  | % of Base Rent Expiring | Cumulative Net Rentable Area Expiring | Cumulative % of NRA Expiring | Cumulative Base Rent Expiring | Cumulative % of Base Rent Expiring |
| Vacant <sup>(2)</sup>                  | NAP                       | 74,914                     | 15.9%             | NAP                 | NAP                     | 74,914                                | 15.9%                        | NAP                           | NAP                                |
| 2017 & MTM <sup>(3)</sup>              | 0                         | 1,044                      | 0.2               | \$0                 | 0.0%                    | 75,958                                | 16.2%                        | \$0                           | 0.0%                               |
| 2018                                   | 3                         | 29,646                     | 6.3               | 1,043,811           | 9.5                     | 105,604                               | 22.5%                        | \$1,043,811                   | 9.5%                               |
| 2019                                   | 1                         | 3,611                      | 0.8               | 81,248              | 0.7                     | 109,215                               | 23.2%                        | \$1,125,059                   | 10.3%                              |
| 2020                                   | 2                         | 3,500                      | 0.7               | 191,127             | 1.7                     | 112,715                               | 24.0%                        | \$1,316,186                   | 12.0%                              |
| 2021                                   | 4                         | 48,759                     | 10.4              | 1,408,326           | 12.8                    | 161,474                               | 34.3%                        | \$2,724,511                   | 24.8%                              |
| 2022 <sup>(4)</sup>                    | 3                         | 118,936                    | 25.3              | 3,156,916           | 28.8                    | 280,410                               | 59.6%                        | \$5,881,427                   | 53.6%                              |
| 2023                                   | 0                         | 0                          | 0.0               | 0                   | 0.0                     | 280,410                               | 59.6%                        | \$5,881,427                   | 53.6%                              |
| 2024                                   | 0                         | 0                          | 0.0               | 0                   | 0.0                     | 280,410                               | 59.6%                        | \$5,881,427                   | 53.6%                              |
| 2025                                   | 2                         | 64,210                     | 13.7              | 2,038,968           | 18.6                    | 344,620                               | 73.3%                        | \$7,920,395                   | 72.2%                              |
| 2026 <sup>(5)</sup>                    | 3                         | 33,378                     | 7.1               | 959,852             | 8.7                     | 377,998                               | 80.4%                        | \$8,880,247                   | 80.9%                              |
| 2027 & Beyond <sup>(6)</sup>           | 2                         | 92,253                     | 19.6              | 2,090,916           | 19.1                    | 470,251                               | 100.0%                       | \$10,971,163                  | 100.0%                             |
| <b>Total</b>                           | <b>20</b>                 | <b>470,251</b>             | <b>100.0%</b>     | <b>\$10,971,163</b> | <b>100.0%</b>           |                                       |                              |                               |                                    |

(1) Based on the underwritten rent roll.

(2) Vacant includes G.S.A. Hearings & Appeals current space on the 17th and 22nd floors of 12,963 square feet. G.S.A. Hearings & Appeals is expected to take occupancy of its space on the seventh floor (13,272 square feet) in September 2017.

(3) Net Rentable Area Expiring includes a 1,044 square foot fitness center.

(4) Includes one tenant, Yale University, that has an executed lease, but has not yet taken occupancy, representing 9,028 square feet and approximately \$198,616 of underwritten rent.

(5) Includes one tenant, G.S.A. Hearings & Appeals, that has an executed lease, but has not yet taken occupancy of its current space on the seventh floor, representing 13,272 square feet and approximately \$405,732 of underwritten rent.

(6) Includes one tenant, Yale University, that has an executed lease, but has not yet taken occupancy, representing 5,834 square feet and approximately \$128,348 of underwritten rent.

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### Operating History and Underwritten Net Cash Flow

|                                     | 2013                | 2014                | 2015                | 2016                | Underwritten        | Per Square Foot | % <sup>(1)</sup> |
|-------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-----------------|------------------|
| Rents in Place <sup>(2)</sup>       | \$9,572,276         | \$9,384,067         | \$9,958,273         | \$10,311,135        | \$10,971,163        | \$23.33         | 78.2%            |
| Vacant Income                       | 0                   | 0                   | 0                   | 0                   | 1,622,864           | 3.45            | 11.6             |
| <b>Gross Potential Rent</b>         | <b>\$9,572,276</b>  | <b>\$9,384,067</b>  | <b>\$9,958,273</b>  | <b>\$10,311,135</b> | <b>\$12,594,027</b> | <b>\$26.78</b>  | <b>89.8%</b>     |
| Total Reimbursements <sup>(3)</sup> | 2,711,644           | 2,339,568           | 1,172,924           | 1,237,050           | 1,427,891           | 3.04            | 10.2             |
| Other Rental Income                 | 0                   | 0                   | 0                   | 0                   | 0                   | 0               | 0.0              |
| <b>Net Rental Income</b>            | <b>\$12,283,921</b> | <b>\$11,723,635</b> | <b>\$11,131,197</b> | <b>\$11,548,186</b> | <b>\$14,021,918</b> | <b>\$29.82</b>  | <b>100.0%</b>    |
| (Vacancy/Credit Loss)               | (13,619)            | (25,735)            | 84,376              | 285,242             | (1,682,630)         | (3.58)          | (12.0)           |
| Other Income <sup>(4)</sup>         | 1,549,273           | 1,576,859           | 1,738,091           | 1,952,117           | 1,952,117           | 4.15            | 13.9             |
| <b>Effective Gross Income</b>       | <b>\$13,819,575</b> | <b>\$13,274,759</b> | <b>\$12,953,665</b> | <b>\$13,785,546</b> | <b>\$14,291,406</b> | <b>\$30.39</b>  | <b>101.9%</b>    |
| <b>Total Expenses</b>               | <b>\$7,585,166</b>  | <b>\$7,441,849</b>  | <b>\$7,100,172</b>  | <b>\$7,491,670</b>  | <b>\$7,284,556</b>  | <b>\$15.49</b>  | <b>51.0%</b>     |
| <b>Net Operating Income</b>         | <b>\$6,234,408</b>  | <b>\$5,832,909</b>  | <b>\$5,853,492</b>  | <b>\$6,293,876</b>  | <b>\$7,006,849</b>  | <b>\$14.90</b>  | <b>49.0%</b>     |
| Total TI/LC, Capex/RR               | 0                   | 0                   | 0                   | 0                   | 1,410,481           | 3.00            | 9.9              |
| <b>Net Cash Flow</b>                | <b>\$6,234,408</b>  | <b>\$5,832,909</b>  | <b>\$5,853,492</b>  | <b>\$6,293,876</b>  | <b>\$5,596,368</b>  | <b>\$11.90</b>  | <b>39.2%</b>     |
| <b>Occupancy<sup>(5)</sup></b>      | <b>71.0%</b>        | <b>73.0%</b>        | <b>79.0%</b>        | <b>84.1%</b>        | <b>88.0%</b>        |                 |                  |

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

(2) Underwritten Rents in Place consist of in-place rents as of January 1, 2017, including (i) two tenants that have executed leases, but have not yet taken occupancy, representing 28,134 square feet and approximately \$732,696 of underwritten rent, and (ii) underwritten contractual rent increases of \$394,824 through August 2017 for non-investment grade tenants and through February 2018 for investment grade tenants, and excluding one tenant, representing 1,335 square feet and \$18,000 of in-place base rent, which has a near term lease expiration and was underwritten as vacant.

(3) 2013 Total Reimbursements and 2014 Total Reimbursements are higher than other historical periods primarily due to Yale University converting its sublease with The United Illuminating Company to a direct lease with a 2014 base year. The United Illuminating Company paid a pro rata recovery with no base year.

(4) Other Income is comprised of parking and tenant service income.

(5) Historical occupancies are as of December 31 for each respective year. TTM Occupancy is as of January 1, 2017. Underwritten Occupancy represents economic occupancy.

**Ground Lease.** The Connecticut Financial Center property is subject to a ground lease with The City of New Haven. The lease commenced on October 30, 1986 and expires October 31, 2111. The ground rent began on September 5, 1990 based on the following schedule: Years 1-10: \$50,000 per year, Years 11-20: \$200,000 per year, Year 21: \$125 per year and Years 22-120: \$0 per year. The ground lease has no ground rent for the remainder of the ground lease, other than the payment of real estate taxes.



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## Casa Del Sol (Sierra Springs) & Boardwalk-Park Place

### Mortgage Loan Information<sup>(1)</sup>

|  |  |
|--|--|
| <b>Mortgage Loan Seller:</b>           | Barclays   |
| <b>Original Principal Balance:</b>     | \$21,870,000   |
| <b>Cut-off Date Principal Balance:</b> | \$21,784,782   |
| <b>% of Pool by IPB:</b>               | 2.5%   |
| <b>Loan Purpose:</b>                   | Refinance  |
| <b>Borrowers:</b>                      | 26030 E. Baseline Street, Inc. and Boardwalk Apts., Inc. |
| <b>Sponsor<sup>(2)</sup>:</b>          | J.K. Properties, Inc.                                    |
| <b>Interest Rate:</b>                  | 4.26910%   |
| <b>Note Date:</b>                      | 10/11/2016   |
| <b>Maturity Date:</b>                  | 11/6/2026  |
| <b>Interest-only Period:</b>           | None   |
| <b>Original Term:</b>                  | 120 months   |
| <b>Original Amortization:</b>          | 360 months   |
| <b>Amortization Type:</b>              | Balloon  |
| <b>Call Protection:</b>                | L(27),Def(88),O(5)                                       |
| <b>Lockbox / Cash Management:</b>      | Springing  |
| <b>Additional Debt:</b>                | N/A  |
| <b>Additional Debt Balance:</b>        | N/A  |
| <b>Additional Debt Type:</b>           | N/A  |

### Property Information<sup>(1)</sup>

|  |                              |
|--|------------------------------|
| <b>Single Asset / Portfolio:</b>               | Crossed Assets               |
| <b>Title:</b>                                  | Fee                          |
| <b>Property Type— Subtype:</b>                 | Multifamily – Garden         |
| <b>Net Rentable Area (Units):</b>              | 319                          |
| <b>Location<sup>(3)</sup>:</b>                 | Various / CA                 |
| <b>Year Built / Renovated<sup>(3)</sup>:</b>   | Various / N/A                |
| <b>Occupancy:</b>                              | 93.7%                        |
| <b>Occupancy Date<sup>(3)</sup>:</b>           | Various                      |
| <b>4<sup>th</sup> Most Recent NOI (As of):</b> | \$982,681 (12/31/2013)       |
| <b>3<sup>rd</sup> Most Recent NOI (As of):</b> | \$1,386,457 (12/31/2014)     |
| <b>2<sup>nd</sup> Most Recent NOI (As of):</b> | \$1,676,712 (12/31/2015)     |
| <b>Most Recent NOI (As of):</b>                | \$2,077,020 (TTM 11/30/2016) |
| <b>UW Economic Occupancy:</b>                  | 89.4%                        |
| <b>UW Revenues:</b>                            | \$3,305,478                  |
| <b>UW Expenses:</b>                            | \$1,261,350                  |
| <b>UW NOI:</b>                                 | \$2,044,127                  |
| <b>UW NCF:</b>                                 | \$1,962,001                  |
| <b>Appraised Value / Per Unit:</b>             | \$33,800,000 / \$105,956     |
| <b>Appraisal Date<sup>(3)</sup>:</b>           | Various                      |

### Escrows and Reserves<sup>(1)</sup>

|                              | Initial  | Monthly   | Initial Cap |
|------------------------------|----------|-----------|-------------|
| <b>Taxes:</b>                | \$69,389 | \$13,878  | N/A         |
| <b>Insurance:</b>            | \$0      | Springing | N/A         |
| <b>Replacement Reserves:</b> | \$0      | \$6,844   | N/A         |
| <b>TI/LC:</b>                | \$0      | \$0       | N/A         |
| <b>Other<sup>(4)</sup>:</b>  | \$37,631 | \$0       | N/A         |

### Financial Information<sup>(1)</sup>

|                                   |          |
|-----------------------------------|----------|
| <b>Cut-off Date Loan / Unit:</b>  | \$68,291 |
| <b>Maturity Date Loan / Unit:</b> | \$54,977 |
| <b>Cut-off Date LTV:</b>          | 64.5%    |
| <b>Maturity Date LTV:</b>         | 51.9%    |
| <b>UW NCF DSCR:</b>               | 1.52x    |
| <b>UW NOI Debt Yield:</b>         | 9.4%     |

### Sources and Uses – Casa Del Sol (Sierra Springs)

| Sources                      | Proceeds            | % of Total    | Uses                 | Proceeds            | % of Total    |
|------------------------------|---------------------|---------------|----------------------|---------------------|---------------|
| Mortgage Loan <sup>(1)</sup> | \$11,170,000        | 98.7%         | Payoff Existing Debt | \$11,194,221        | 98.9%         |
| Sponsor Equity               | 145,144             | 1.3           | Closing Costs        | 83,504              | 0.7           |
|                              |                     |               | Upfront Reserves     | 37,419              | 0.3           |
| <b>Total Sources</b>         | <b>\$11,315,144</b> | <b>100.0%</b> | <b>Total Uses</b>    | <b>\$11,315,144</b> | <b>100.0%</b> |

### Sources and Uses – Boardwalk-Park Place

| Sources                      | Proceeds            | % of Total    | Uses                 | Proceeds            | % of Total    |
|------------------------------|---------------------|---------------|----------------------|---------------------|---------------|
| Mortgage Loan <sup>(1)</sup> | \$10,700,000        | 100.0%        | Payoff Existing Debt | \$7,120,545         | 66.5%         |
|                              |                     |               | Return of Equity     | 3,417,862           | 31.9          |
|                              |                     |               | Closing Costs        | 91,991              | 0.9           |
|                              |                     |               | Upfront Reserves     | 69,601              | 0.7           |
| <b>Total Sources</b>         | <b>\$10,700,000</b> | <b>100.0%</b> | <b>Total Uses</b>    | <b>\$10,700,000</b> | <b>100.0%</b> |

(1) The Casa Del Sol (Sierra Springs) loan and the Boardwalk-Park Place loan (collectively, "**The Casa Del Sol (Sierra Springs) & Boardwalk-Park Place Crossed Mortgage Loans**") are cross-collateralized and cross-defaulted with one another. All information herein represents the Casa Del Sol (Sierra Springs) mortgage loan and the Boardwalk-Park Place mortgage loan presented as one mortgage loan, except as otherwise specified below. With respect to each of the Casa Del Sol (Sierra Springs) mortgage loan and the Boardwalk-Park Place mortgage loan, the Cut-off Date Loan / Unit, Maturity Date Loan / Unit, Cut-off Date LTV, Maturity Date LTV, UW NCF DSCR and UW NOI Debt Yield are based upon the ratio or yield (as applicable) for the aggregate indebtedness evidenced by both mortgage loans.

## Casa Del Sol (Sierra Springs) & Boardwalk-Park Place

- (2) J.K. Properties, Inc., the sponsor, is affiliated with the sponsor of the Hollywood Pointe – Inglewood mortgage loan, the North Pointe – Rayen mortgage loan and the Indian Creek Villas mortgage loan which each are also being contributed to the BBCMS 2017-C1 Trust.
- (3) See “Casa Del Sol (Sierra Springs) & Boardwalk-Park Place Crossed Mortgage Loans Summary” below.
- (4) Initial Other Escrows and Reserves represent \$32,461 of deferred maintenance for the Boardwalk-Park Place property and \$5,170 of deferred maintenance for the Casa Del Sol (Sierra Springs) property.

**The Loans.** The Casa Del Sol (Sierra Springs) mortgage loan and the Boardwalk-Park Place mortgage loan are two cross-collateralized and cross-defaulted mortgage loans with outstanding principal balances as of the Cut-off Date of \$11,126,475 and \$10,658,307, respectively. The Casa Del Sol (Sierra Springs) & Boardwalk-Park Place Crossed Mortgage Loans are secured by two first mortgage liens on two multifamily garden apartments complexes totaling 319 units located in California. Each mortgage loan has a 10-year term and will amortize on a 30-year schedule. The mortgage loan sponsor and nonrecourse carve-out guarantor is J.K. Properties, Inc. The previously existing debt securing the Casa Del Sol (Sierra Springs) property and the Boardwalk-Park Place property was securitized in JPMCC 2007-LDPX.

**The Properties.** The Casa Del Sol (Sierra Springs) property is a 220-unit, Class B multifamily property located in San Bernardino, California. Developed in 1986, the property is situated on 7.1 acres and consists of 26 two-story garden-style apartment buildings. Primary access to the property is provided by the 210 Freeway which connects the San Bernardino neighborhood to the majority of the other freeways that make up the Southern California Freeway Grid. The property is located approximately 1.8 miles north of the San Bernardino International Airport. As of November 30, 2016 the property was 91.4% occupied. Property amenities include a pool, playground area and a laundry room. The property also has 370 parking spaces, comprised of 150 open surface spaces and 220 carports, resulting in a parking ratio of approximately 1.7 spaces per unit.

The Boardwalk-Park Place property is a 99-unit, Class B multifamily property located in Buena Park, California. Developed in 1959, the property is situated on 2.90 acres and consists of seven two-story garden-style apartment buildings. The property is located on the north side of the 91 Freeway at the west side corridor of the 5 Freeway, both of which provide access to the property. There are two major theme parks (including Disneyland Resort) and the California State University at Fullerton campus located within seven miles of the property. As of November 20, 2016 the property was 99.0% occupied. Property amenities include a pool, playground area, lounge area and a laundry room. The property also has 101 parking spaces resulting in a parking ratio of approximately 1.0 space per unit.

**Casa Del Sol (Sierra Springs) & Boardwalk-Park Place Crossed Mortgage Loans Summary**

| Property                      | Location           | Year Built | Units      | Occupancy <sup>(1)</sup> | Cut-off Date Allocated Loan Amount | % of Allocated Loan Amount | Appraised Value <sup>(2)</sup> | Underwritten Net Cash Flow |
|-------------------------------|--------------------|------------|------------|--------------------------|------------------------------------|----------------------------|--------------------------------|----------------------------|
| Casa Del Sol (Sierra Springs) | San Bernardino, CA | 1986       | 220        | 91.4%                    | \$11,126,475                       | 51.1%                      | \$17,060,000                   | \$1,059,221                |
| Boardwalk-Park Place          | Buena Park, CA     | 1959       | 99         | 99.0%                    | 10,658,307                         | 48.9                       | 16,740,000                     | 902,780                    |
| <b>Total / Wtd. Average</b>   |                    |            | <b>319</b> | <b>93.8%</b>             | <b>\$21,784,782</b>                | <b>100.0%</b>              | <b>\$33,800,000</b>            | <b>\$1,962,001</b>         |

(1) Casa Del Sol (Sierra Springs) occupancy is as of November 30, 2016 and Boardwalk-Park Place occupancy is as of November 20, 2016.

(2) Casa Del Sol (Sierra Springs) appraised value is as of April 28, 2016 and Boardwalk-Park Place appraised value is as of April 21, 2016.

**The Markets.** The Casa Del Sol (Sierra Springs) property is located within the Inland Empire market and the San Bernardino submarket. The submarket had a 3.8% vacancy rate as of the first quarter of 2016 and has experienced an average occupancy of 95.5% over the previous nine quarters. The submarket contained 4,180 units with an average per unit asking rental rate of \$1,081 as of the first quarter of 2016, a 10.3% year over year increase. The appraisal identified five comparable properties proximate to the Casa Del Sol (Sierra Springs) property which ranged in size from 80 to 192 units and indicated an occupancy range of 95% to 98% with a weighted average of 97.5%.

The Boardwalk-Park Place property is located within the Orange County market and the Buena Park submarket. The submarket had a 5.7% vacancy rate as of the first quarter of 2016 and has experienced an average occupancy of 95.8% over the previous nine quarters. The submarket contained 11,859 units with an average per unit asking rental rate of \$1,651 as of the first quarter of 2016, a 5.6% year over year increase. The appraisal identified four comparable properties proximate to the Boardwalk-Park Place property which ranged in size from 140 to 186 units and indicated an occupancy range of 95% to 98% with a weighted average of 96.5%.



## Casa Del Sol (Sierra Springs) & Boardwalk-Park Place

| Casa Del Sol (Sierra Springs) Multifamily Unit Mix <sup>(1)</sup> |            |               |                |              |                                       |  |  |
|---|------------|---------------|----------------|--------------|---------------------------------------|--|--|
| Unit Type   | # of Units | % of Total    | Occupied Units | Occupancy    | Average Unit Size (SF) <sup>(2)</sup> | Average Monthly Rental Rate <sup>(2)</sup> | Average Monthly Rental Rate PSF <sup>(2)</sup> |
| 1 Bedroom, 1 Bath   | 122        | 55.5%         | 111            | 91.0%        | 850                                   | \$739                                      | \$0.87   |
| 2 Bedroom, 1 Bath   | 84         | 38.2          | 77             | 91.7%        | 949                                   | \$842                                      | \$0.89   |
| 2 Bedroom, 2 Bath   | 12         | 5.5           | 11             | 91.7%        | 1,000                                 | \$897                                      | \$0.90   |
| 3 Bedroom, 2 Bath   | 2          | 0.9           | 2              | 100.0%       | 1,200                                 | \$1,185                                    | \$0.99   |
| <b>Total/Wtd. Avg.</b>  | <b>220</b> | <b>100.0%</b> | <b>201</b>     | <b>91.4%</b> | <b>899</b>                            | <b>\$792</b>                               | <b>\$0.88</b>                                  |

(1) Based on the underwritten rent roll.

(2) Wtd. Avg. based on number of units of each unit type.

| Boardwalk-Park Place Multifamily Unit Mix <sup>(1)</sup> |            |               |                |              |                                       |  |  |
|--|------------|---------------|----------------|--------------|---------------------------------------|--|--|
| Unit Type  | # of Units | % of Total    | Occupied Units | Occupancy    | Average Unit Size (SF) <sup>(2)</sup> | Average Monthly Rental Rate <sup>(2)</sup> | Average Monthly Rental Rate PSF <sup>(2)</sup> |
| 1 Bedroom, 1 Bath  | 55         | 55.6%         | 55             | 100.0%       | 551                                   | \$1,108                                    | \$2.01   |
| 2 Bedroom, 1 Bath  | 44         | 44.4          | 43             | 97.7%        | 690                                   | \$1,408                                    | \$2.04   |
| <b>Total/Wtd. Avg.</b>                                   | <b>99</b>  | <b>100.0%</b> | <b>98</b>      | <b>99.0%</b> | <b>613</b>                            | <b>\$1,240</b>                             | <b>\$2.02</b>                                  |

(1) Based on the underwritten rent roll.

(2) Wtd. Avg. based on number of units of each unit type.

| Casa Del Sol (Sierra Springs) Operating History and Underwritten Net Cash Flow |                  |                    |                    |                    |                    |                |                  |
|--|------------------|--------------------|--------------------|--------------------|--------------------|----------------|------------------|
|  | 2013             | 2014               | 2015               | TTM <sup>(1)</sup> | Underwritten       | Per Unit       | % <sup>(2)</sup> |
| Rents in Place   | \$884,353        | \$1,303,337        | \$1,533,528        | \$1,766,534        | \$1,838,418        | \$8,356        | 83.9%            |
| Vacant Income  | 0                | 0                  | 0                  | 0                  | 246,462            | 1,120          | 11.3             |
| <b>Gross Potential Rent<sup>(3)</sup></b>                                      | <b>\$884,353</b> | <b>\$1,303,337</b> | <b>\$1,533,528</b> | <b>\$1,766,534</b> | <b>\$2,084,880</b> | <b>\$9,477</b> | <b>95.2%</b>     |
| Total Reimbursements   | 0                | 0                  | 0                  | 0                  | 0                  | 0              | 0.0              |
| Other Income <sup>(4)</sup>  | 112,235          | 76,370             | 91,637             | 105,715            | 105,715            | 481            | 4.8              |
| <b>Net Rental Income</b>   | <b>\$996,588</b> | <b>\$1,379,706</b> | <b>\$1,625,164</b> | <b>\$1,872,248</b> | <b>\$2,190,595</b> | <b>\$9,957</b> | <b>100.0%</b>    |
| (Vacancy/Credit Loss)  | 0                | 0                  | 0                  | 0                  | (302,382)          | (1,374)        | (13.8)           |
| <b>Effective Gross Income</b>  | <b>\$996,588</b> | <b>\$1,379,706</b> | <b>\$1,625,164</b> | <b>\$1,872,248</b> | <b>\$1,888,213</b> | <b>\$8,583</b> | <b>86.2%</b>     |
| <b>Total Expenses</b>  | <b>\$680,826</b> | <b>\$727,683</b>   | <b>\$756,783</b>   | <b>\$731,647</b>   | <b>\$773,991</b>   | <b>\$3,518</b> | <b>41.0%</b>     |
| <b>Net Operating Income</b>  | <b>\$315,762</b> | <b>\$652,024</b>   | <b>\$868,381</b>   | <b>\$1,140,601</b> | <b>\$1,114,221</b> | <b>\$5,065</b> | <b>59.0%</b>     |
| Replacement Reserves   | 0                | 0                  | 0                  | 0                  | 55,000             | 250            | 2.9              |
| <b>Net Cash Flow</b>   | <b>\$315,762</b> | <b>\$652,024</b>   | <b>\$868,381</b>   | <b>\$1,140,601</b> | <b>\$1,059,221</b> | <b>\$4,815</b> | <b>56.1%</b>     |
| <b>Occupancy<sup>(5)</sup></b>   | <b>66.3%</b>     | <b>78.8%</b>       | <b>84.1%</b>       | <b>91.4%</b>       | <b>86.2%</b>       |                |                  |

(1) The TTM column represents the trailing 12-month period ending November 30, 2016.

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

(3) The increase in 2013 Gross Potential Rent to TTM Gross Potential Rent is due to submarket improvement, a new on-site property manager who has focused on improving tenant quality.

(4) Other Income is comprised of other recurring income, such as laundry, phone and cable.

(5) Historical occupancies are as of December 31 for each respective year. TTM occupancy is as of November 30, 2016. Underwritten Occupancy represents economic occupancy.

### Casa Del Sol (Sierra Springs) & Boardwalk-Park Place

| Boardwalk-Park Place Operating History and Underwritten Net Cash Flow |                    |                    |                    |                    |                    |                 |                  |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|-----------------|------------------|
|   | 2013               | 2014               | 2015               | TTM <sup>(1)</sup> | Underwritten       | Per Unit        | % <sup>(2)</sup> |
| Rents in Place  | \$1,020,320        | \$1,123,526        | \$1,216,831        | \$1,363,041        | \$1,399,174        | \$14,133        | 92.8%            |
| Vacant Income   | 0                  | 0                  | 0                  | 0                  | 75,386             | 761             | 5.0              |
| <b>Gross Potential Rent</b>   | <b>\$1,020,320</b> | <b>\$1,123,526</b> | <b>\$1,216,831</b> | <b>\$1,363,041</b> | <b>\$1,474,560</b> | <b>\$14,895</b> | <b>97.8%</b>     |
| Total Reimbursements  | 0                  | 0                  | 0                  | 0                  | 0                  | 0               | 0.0              |
| Other Income <sup>(3)</sup>   | 35,989             | 42,723             | 36,226             | 33,169             | 33,169             | 335             | 2.2              |
| <b>Net Rental Income</b>  | <b>\$1,056,309</b> | <b>\$1,166,248</b> | <b>\$1,253,057</b> | <b>\$1,396,211</b> | <b>\$1,507,729</b> | <b>\$15,230</b> | <b>100.0%</b>    |
| (Vacancy/Credit Loss)   | 0                  | 0                  | 0                  | 0                  | (90,464)           | (914)           | (6.0)            |
| <b>Effective Gross Income</b>   | <b>\$1,056,309</b> | <b>\$1,166,248</b> | <b>\$1,253,057</b> | <b>\$1,396,211</b> | <b>\$1,417,265</b> | <b>\$14,316</b> | <b>94.0%</b>     |
| <b>Total Expenses</b>   | <b>\$389,391</b>   | <b>\$431,815</b>   | <b>\$444,726</b>   | <b>\$459,791</b>   | <b>\$487,359</b>   | <b>\$4,923</b>  | <b>34.4%</b>     |
| <b>Net Operating Income</b>   | <b>\$666,919</b>   | <b>\$734,433</b>   | <b>\$808,331</b>   | <b>\$936,419</b>   | <b>\$929,906</b>   | <b>\$9,393</b>  | <b>65.6%</b>     |
| Replacement Reserves  | 0                  | 0                  | 0                  | 0                  | 27,126             | 274             | 1.9              |
| <b>Net Cash Flow</b>  | <b>\$666,919</b>   | <b>\$734,433</b>   | <b>\$808,331</b>   | <b>\$936,419</b>   | <b>\$902,780</b>   | <b>\$9,119</b>  | <b>63.7%</b>     |
| <b>Occupancy<sup>(4)</sup></b>  | <b>89.7%</b>       | <b>93.5%</b>       | <b>96.3%</b>       | <b>99.0%</b>       | <b>94.0%</b>       |                 |                  |

(1) The TTM column represents the trailing 12-month period ending November 30, 2016.

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

(3) Other Income is comprised of other recurring income, such as laundry, phone and cable.

(4) Historical occupancies are as of December 31 for each respective year. TTM occupancy is as of November 20, 2016. Underwritten Occupancy represents economic occupancy.

**Release of Individual Loans in Connection with a Prepayment.** The borrowers may obtain the release of either the Casa Del Sol (Sierra Springs) property or the Boardwalk-Park Place property after the lockout period with the payment of a defeasance deposit equal to 115% of the remaining principal amount of the applicable note plus the sum of the applicable expenses required under the mortgage loan documents provided (i) the debt service coverage ratio for the remaining property is greater than the greater of (a) the debt service coverage ratio for the 12 calendar months at loan closing and (b) the debt service coverage ratio for the 12 calendar months prior to the release; (ii) the loan to value ratio for the remaining property is no greater than the lesser of (x) the loan to value ratio at loan closing and (y) the loan to value ratio immediately prior to the release and (iii) the debt yield for the remaining property is greater than the greater of (a) the debt yield at loan closing and (b) the debt yield immediately prior to the release.

## Sunnymead Towne Center

### Mortgage Loan Information

|  |                          |
|--|--------------------------|
| <b>Mortgage Loan Seller:</b>           | UBS AG                   |
| <b>Original Principal Balance:</b>     | \$18,000,000             |
| <b>Cut-off Date Principal Balance:</b> | \$17,981,310             |
| <b>% of IPB:</b>                       | 2.1%                     |
| <b>Loan Purpose:</b>                   | Refinance                |
| <b>Borrower:</b>                       | Bhullar Investments, LLC |
| <b>Sponsor:</b>                        | Sunny Bhullar            |
| <b>Interest Rate:</b>                  | 5.09800%                 |
| <b>Note Date:</b>                      | 1/4/2017                 |
| <b>Maturity Date:</b>                  | 1/6/2027                 |
| <b>Interest-only Period:</b>           | None                     |
| <b>Original Term:</b>                  | 120 months               |
| <b>Original Amortization Term:</b>     | 360 months               |
| <b>Amortization Type:</b>              | Balloon                  |
| <b>Call Protection:</b>                | L(25),Def(88),O(7)       |
| <b>Lockbox / Cash Management:</b>      | Springing                |
| <b>Additional Debt:</b>                | N/A                      |
| <b>Additional Debt Balance:</b>        | N/A                      |
| <b>Additional Debt Type:</b>           | N/A                      |

### Property Information

|  |                              |
|--|------------------------------|
| <b>Single Asset / Portfolio:</b>               | Single Asset                 |
| <b>Title:</b>                                  | Fee                          |
| <b>Property Type - Subtype:</b>                | Retail – Anchored            |
| <b>Net Rentable Area (SF):</b>                 | 161,793                      |
| <b>Location:</b>                               | Moreno Valley, CA            |
| <b>Year Built / Renovated:</b>                 | 1975 / 2006                  |
| <b>Occupancy:</b>                              | 93.3%                        |
| <b>Occupancy Date:</b>                         | 12/6/2016                    |
| <b>4<sup>th</sup> Most Recent NOI (As of):</b> | \$1,070,363 (12/31/2013)     |
| <b>3<sup>rd</sup> Most Recent NOI (As of):</b> | \$1,172,765 (12/31/2014)     |
| <b>2<sup>nd</sup> Most Recent NOI (As of):</b> | \$1,393,030 (12/31/2015)     |
| <b>Most Recent NOI (As of):</b>                | \$1,306,688 (TTM 10/31/2016) |
| <b>UW Economic Occupancy:</b>                  | 90.0%                        |
| <b>UW Revenues:</b>                            | \$2,441,635                  |
| <b>UW Expenses:</b>                            | \$707,809                    |
| <b>UW NOI:</b>                                 | \$1,733,827                  |
| <b>UW NCF:</b>                                 | \$1,625,257                  |
| <b>Appraised Value / Per SF:</b>               | \$26,400,000 / \$163         |
| <b>Appraisal Date:</b>                         | 12/13/2016                   |

### Escrows and Reserves

|                              | Initial     | Monthly   | Initial Cap |
|------------------------------|-------------|-----------|-------------|
| <b>Taxes:</b>                | \$106,395   | \$23,129  | N/A         |
| <b>Insurance:</b>            | \$0         | Springing | N/A         |
| <b>Replacement Reserves:</b> | \$0         | \$2,022   | \$200,000   |
| <b>TI/LC:</b>                | \$0         | \$8,090   | \$200,000   |
| <b>Other<sup>(1)</sup>:</b>  | \$1,278,669 | Springing | N/A         |

### Financial Information

|                                 |       |
|---------------------------------|-------|
| <b>Cut-off Date Loan / SF:</b>  | \$111 |
| <b>Maturity Date Loan / SF:</b> | \$92  |
| <b>Cut-off Date LTV:</b>        | 68.1% |
| <b>Maturity Date LTV:</b>       | 56.2% |
| <b>UW NCF DSCR:</b>             | 1.39x |
| <b>UW NOI Debt Yield:</b>       | 9.6%  |

### Sources and Uses

| Sources              | Proceeds            | % of Total    | Uses                 | Proceeds            | % of Total    |
|----------------------|---------------------|---------------|----------------------|---------------------|---------------|
| Mortgage Loan        | \$18,000,000        | 84.9%         | Payoff Existing Debt | \$19,703,202        | 92.9%         |
| Sponsor Equity       | 3,207,598           | 15.1          | Upfront Reserves     | 1,385,064           | 6.5           |
|                      |                     |               | Closing Costs        | 119,332             | 0.6           |
| <b>Total Sources</b> | <b>\$21,207,598</b> | <b>100.0%</b> | <b>Total Uses</b>    | <b>\$21,207,598</b> | <b>100.0%</b> |

- (1) At origination, the borrower was required to escrow \$118,750 into an environmental reserve for performing certain soil remediation work at the property, \$377,625 into an immediate repair reserve, \$738,593 into an EI Super reserve representing 18 months of rent due under the EI Super lease, \$28,660 in outstanding tenant improvements and leasing commissions relating to Giriraj Corporation and Valley Live Scan Plus, \$6,311 in outstanding tenant improvements relating to Distribution Wireless, LLC and \$8,731 in free rent obligations relating to Giriraj Corporation and Valley Live Scan Plus. During the occurrence and continuation of a Specified Tenant Trigger Event (as defined below), on each monthly payment date, the borrower is required to deposit with the lender all excess cash flow for tenant improvements and leasing commissions related to re-tenanting or extending the applicable Specified Tenant (as defined below) space at the property, as particularly set forth in the loan documents. A "**Specified Tenant Trigger Event**" will commence upon the earliest of (i) if a Specified Tenant gives notice of its intention to terminate or cancel or not extend or renew its lease, (ii) if, on or prior to six months prior to the then applicable expiration date under its lease, a Specified Tenant does not extend or renew its lease upon terms and conditions set forth in its lease or upon other terms and conditions reasonably acceptable to the lender, (iii) if, by the date by which a Specified Tenant is required under its lease to notify the landlord of its election to extend or renew its lease, such Specified Tenant fails to give such notice, (iv) if an event of default under a Specified Tenant lease occurs, (v) if the bankruptcy or insolvency of a Specified Tenant (or, if applicable, any lease guarantor) occurs, (vi) if a Specified Tenant lease terminates, or (vii) if a Specified Tenant "goes dark", vacates, ceases to occupy or discontinues its operations at the property. Notwithstanding the foregoing, in lieu of deposits of excess cash flow, the borrower may deposit cash or a letter of credit in an amount equal to \$6.00 per square foot of the applicable Specified Tenant space. A "**Specified Tenant**" is (i) EI Super, or (ii) any tenant or replacement tenant, together with its affiliates leases space comprising 20% or more of either (a) the total rentable square footage at the property or (b) the total in-place base rent at the property. In addition, on or before April 3, 2017, the borrower will deposit cash or a letter of credit in an amount equal to \$850,000 with the lender unless the borrower, prior to April 3, 2017, has received written confirmation from the lender that certain reserve release conditions have been met as further detailed in the loan documents. If the borrower fails to make the deposit on or before April 3, 2017, a cash sweep event will occur and on each monthly payment date all excess cash flow will be deposited with the lender until the amount deposited in such reserve equals \$850,000.

## Sunnymead Towne Center

**The Loan.** The Sunnymead Towne Center loan has an outstanding principal balance as of the Cut-off Date of \$17,981,310 and is secured by the borrower's fee interest in a 161,793 square foot anchored retail neighborhood center located in Moreno Valley, California. The loan has a 10-year term and will amortize on a 30-year schedule. The borrowing entity for the loan is Bhullar Investments, LLC, a Delaware limited liability company and special purpose entity. The loan sponsor and nonrecourse carve-out guarantor is Sunny Bhullar.

**The Property.** Sunnymead Towne Center is a 161,793 square foot anchored retail neighborhood center located in Moreno Valley, California. The property was built in 1975, renovated in 2006 and is situated on an 11.8-acre site. The property is comprised of five multi-tenant retail buildings anchored by El Super and 99 Cents Only Store. The largest tenant, El Super, is a food retailer and discount grocer focused on providing high quality food products in a friendly, clean and modern environment. El Super leases 32.4% of the net rentable area accounting for 16.5% of underwritten base rent, through October 2018 and has occupied its space since January 2003. El Super exercised its first extension option in November 2014 and has four five-year renewal options remaining. El Super reported sales of \$462 per square foot in 2016 with an occupancy cost of 2.0%. The second largest tenant, 99 Cents Only Store, is a discount store offering a wide selection of food and basic household items at discounted prices. 99 Cents Only Store leases 19.3% of the net rentable area accounting for 11.3% of underwritten base rent, through January 2020 and has occupied its space since February 2000. 99 Cents Only Store recently renewed its lease in February 2015 and has two five-year renewal options remaining. The property contains 638 parking spaces with an overall parking ratio of approximately 3.9 spaces per 1,000 square feet of net rentable area. As of December 6, 2016, the property was 93.3% occupied by a diverse mixture of 32 retail tenants, three roof tenants and a Bank of America ATM. There is a standalone Rite Aid located on the northeastern portion of the site that is not considered part of the collateral.

**The Market.** Sunnymead Towne Center is located in the city of Moreno Valley, approximately 63.9 miles east of the Los Angeles central business district. The City of Moreno Valley is home to the March Air Reserve Base, located approximately 5.3 miles southwest of the property. March Air Reserve Base is the home of the Air Force Reserve Command's 4th Air Force Headquarters, and the largest air mobility wing of the 4th Air Force. The property's neighborhood is comprised primarily of a mixture of commercial and residential uses. The property is located in a retail node at the corner of Alessandro Boulevard and Perris Boulevard, major thoroughfares in the neighborhood, and is located approximately 3.2 miles east of Interstate 215, a north/south interstate running from Murrieta to northern San Bernardino. Other retailers located at the intersection include Smart & Final, Walgreens, Sally Beauty Supply, WSS Shoes and Rite Aid. According to a third party market research report, the property's 2016 estimated population within a one-, three-, and five-mile radius is 26,774, 159,852, and 227,152 people, respectively, with average household income of \$54,069, \$61,277, and \$70,396, respectively. According to a third party market research report, the property is located in the Inland Empire retail market and the Riverside retail submarket. As of third quarter 2016, the Inland Empire retail market contained approximately 187.2 million square feet of retail space with a vacancy rate of 7.9%, 40 basis points lower than third quarter 2015, with an average asking rental rate of \$16.74 per square foot. As of third quarter 2016, the Riverside retail submarket contained approximately 34.9 million square feet of retail space with an average vacancy rate of 5.8% with an average asking rental rate of \$17.25 per square foot. The appraisal identified seven directly competitive anchor retail leases ranging in size from 23,000 square feet to 76,360 square feet.



## Sunnymead Towne Center

| Top Ten Tenant Summary <sup>(1)</sup>          |                                  |                              |                   |                  |                    |                         |                    |
|--|----------------------------------|------------------------------|-------------------|------------------|--------------------|-------------------------|--------------------|
| Tenant   | Ratings<br>Moody's/S&P/<br>Fitch | Net<br>Rentable<br>Area (SF) | % of<br>Total NRA | Base<br>Rent PSF | Base Rent          | % of Total<br>Base Rent | Lease<br>Exp. Date |
| El Super                                       | NA / NA / NA                     | 52,400                       | 32.4%             | \$6.07           | \$318,173          | 16.5%                   | 10/31/2018         |
| 99 Cents Only Store                            | NA / NA / NA                     | 31,200                       | 19.3              | \$6.98           | 217,800            | 11.3                    | 1/31/2020          |
| W.W. Fashion                                   | NA / NA / NA                     | 10,903                       | 6.7               | \$9.23           | 100,599            | 5.2                     | 8/31/2019          |
| Molina Healthcare                              | NA / NA / NA                     | 8,714                        | 5.4               | \$25.46          | 221,872            | 11.5                    | 3/31/2020          |
| Aarons, Inc.                                   | NA / NA / NA                     | 7,705                        | 4.8               | \$12.00          | 92,460             | 4.8                     | 3/31/2023          |
| Mountain Mike's Pizza                          | NA / NA / NA                     | 6,869                        | 4.2               | \$19.80          | 136,006            | 7.1                     | 9/30/2021          |
| Pho Ha Vietnamese Restaurant                   | NA / NA / NA                     | 3,105                        | 1.9               | \$26.88          | 83,466             | 4.3                     | 12/31/2018         |
| Panda Wok                                      | NA / NA / NA                     | 2,400                        | 1.5               | \$21.63          | 51,912             | 2.7                     | 11/30/2020         |
| Los Amaya Electronics <sup>(2)</sup>           | NA / NA / NA                     | 1,895                        | 1.2               | \$22.00          | 41,692             | 2.2                     | 1/31/2020          |
| US Laundry                                     | NA / NA / NA                     | 1,827                        | 1.1               | \$21.36          | 39,024             | 2.0                     | MTM                |
| <b>Top Ten Tenants</b>                         |                                  | <b>127,018</b>               | <b>78.5%</b>      | <b>\$10.26</b>   | <b>\$1,303,003</b> | <b>67.6%</b>            |                    |
| <b>Non Top Ten Tenants<sup>(3)</sup></b>       |                                  | <b>24,000</b>                | <b>14.8%</b>      | <b>\$23.03</b>   | <b>\$624,228</b>   | <b>32.4%</b>            |                    |
| <b>Occupied Collateral Total<sup>(3)</sup></b> |                                  | <b>151,018</b>               | <b>93.3%</b>      | <b>\$12.29</b>   | <b>\$1,927,232</b> | <b>100.0%</b>           |                    |
| <b>Vacant Space</b>                            |                                  | <b>10,775</b>                | <b>6.7%</b>       |                  |                    |                         |                    |
| <b>Collateral Total</b>                        |                                  | <b>161,793</b>               | <b>100.0%</b>     |                  |                    |                         |                    |

(1) Based on the underwritten rent roll.

(2) Los Amaya Electronics has a right to terminate its lease up to 945 square feet at any time during the initial term of its lease. If Los Amaya Electronics exercises its right to terminate, the remaining occupied square footage shall be leased by Los Amaya Electronics at a rate of \$1.85 per square foot per month, with annual increases according to the CPI factor, but in no event shall the base rent be reduced below the base rent in effect immediately preceding such adjustment time to permit a minimum annual increase of 4.0%. Los Amayas Electronics has one three-year renewal option remaining.

(3) Includes three cell tower site leases and a parking lease comprising of \$71,454 in underwritten base rent. Base Rent PSF excludes these four leases as they contain no square footage.

| Lease Rollover Schedule <sup>(1)</sup> |                                    |                                     |                         |                       |                               |   |                                    |                                     |   |
|--|------------------------------------|-------------------------------------|-------------------------|-----------------------|-------------------------------|---|------------------------------------|-------------------------------------|---|
| Year                                   | Number<br>of<br>Leases<br>Expiring | Net<br>Rentable<br>Area<br>Expiring | % of<br>NRA<br>Expiring | Base Rent<br>Expiring | % of Base<br>Rent<br>Expiring | Cumulative<br>Net<br>Rentable<br>Area<br>Expiring | Cumulative<br>% of NRA<br>Expiring | Cumulative<br>Base Rent<br>Expiring | Cumulative<br>% of Base<br>Rent<br>Expiring |
| Vacant                                 | NAP                                | 10,775                              | 6.7%                    | NAP                   | NAP                           | 10,775  | 6.7%                               | NAP                                 | NAP   |
| 2017 & MTM <sup>(2)</sup>              | 4                                  | 3,527                               | 2.2                     | \$108,137             | 5.6%                          | 14,302  | 8.8%                               | \$108,137                           | 5.6%  |
| 2018                                   | 6                                  | 60,621                              | 37.5                    | 507,857               | 26.4                          | 74,923  | 46.3%                              | \$615,994                           | 32.0%                                       |
| 2019 <sup>(3)</sup>                    | 6                                  | 15,620                              | 9.7                     | 224,712               | 11.7                          | 90,543  | 56.0%                              | \$840,706                           | 43.6%                                       |
| 2020 <sup>(4)</sup>                    | 13                                 | 52,744                              | 32.6                    | 755,351               | 39.2                          | 143,287   | 88.6%                              | \$1,596,057                         | 82.8%                                       |
| 2021 <sup>(5)</sup>                    | 4                                  | 9,699                               | 6.0                     | 207,902               | 10.8                          | 152,986   | 94.6%                              | \$1,803,959                         | 93.6%                                       |
| 2022                                   | 2                                  | 1,102                               | 0.7                     | 30,813                | 1.6                           | 154,088   | 95.2%                              | \$1,834,772                         | 95.2%                                       |
| 2023                                   | 1                                  | 7,705                               | 4.8                     | 92,460                | 4.8                           | 161,793   | 100.0%                             | \$1,927,232                         | 100.0%                                      |
| 2024                                   | 0                                  | 0                                   | 0.0                     | 0                     | 0.0                           | 161,793   | 100.0%                             | \$1,927,232                         | 100.0%                                      |
| 2025                                   | 0                                  | 0                                   | 0.0                     | 0                     | 0.0                           | 161,793   | 100.0%                             | \$1,927,232                         | 100.0%                                      |
| 2026                                   | 0                                  | 0                                   | 0.0                     | 0                     | 0.0                           | 161,793   | 100.0%                             | \$1,927,232                         | 100.0%                                      |
| 2027 & Beyond                          | 0                                  | 0                                   | 0.0                     | 0                     | 0.0                           | 161,793   | 100.0%                             | \$1,927,232                         | 100.0%                                      |
| <b>Total</b>                           | <b>36</b>                          | <b>161,793</b>                      | <b>100.0%</b>           | <b>\$1,927,232</b>    | <b>100.0%</b>                 |   |                                    |                                     |   |

(1) Based on the underwritten rent roll.

(2) Includes one cell tower site lease with T-Mobile comprising of \$18,151 in underwritten base rent.

(3) Includes one cell tower site lease with AT&T comprising of \$16,641 in underwritten base rent.

(4) Includes one cell tower site lease with Nextel comprising of \$18,662 in underwritten base rent.

(5) Includes one parking lease comprising of \$18,000 in underwritten base rent.

## Sunnymead Towne Center

### Operating History and Underwritten Net Cash Flow

|                                     | 2013               | 2014               | 2015               | TTM <sup>(1)</sup> | Underwritten       | Per Square Foot | % <sup>(2)</sup> |
|-------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|-----------------|------------------|
| Rents in Place <sup>(3)(4)(5)</sup> | \$1,359,562        | \$1,467,551        | \$1,634,676        | \$1,636,402        | \$1,927,232        | \$11.91         | 71.2%            |
| Vacant Income                       | 0                  | 0                  | 0                  | 0                  | 220,663            | 1.36            | 8.1              |
| <b>Gross Potential Rent</b>         | <b>\$1,359,562</b> | <b>\$1,467,551</b> | <b>\$1,634,676</b> | <b>\$1,636,402</b> | <b>\$2,147,895</b> | <b>\$13.28</b>  | <b>79.3%</b>     |
| Total Reimbursements <sup>(4)</sup> | 335,750            | 326,379            | 434,420            | 410,119            | 559,730            | 3.46            | 20.7             |
| <b>Net Rental Income</b>            | <b>\$1,695,312</b> | <b>\$1,793,931</b> | <b>\$2,069,096</b> | <b>\$2,046,521</b> | <b>\$2,707,625</b> | <b>\$16.74</b>  | <b>100.0%</b>    |
| (Vacancy/Credit Loss)               | 0                  | 0                  | 0                  | 0                  | (270,847)          | (1.67)          | (10.0)           |
| Other Income                        | 4,416              | 4,844              | 4,857              | 379                | 4,857              | 0.03            | 0.2              |
| <b>Effective Gross Income</b>       | <b>\$1,699,728</b> | <b>\$1,798,775</b> | <b>\$2,073,953</b> | <b>\$2,046,900</b> | <b>\$2,441,635</b> | <b>\$15.09</b>  | <b>90.2%</b>     |
| <b>Total Expenses</b>               | <b>\$629,365</b>   | <b>\$626,010</b>   | <b>\$680,923</b>   | <b>\$740,212</b>   | <b>\$707,809</b>   | <b>\$4.37</b>   | <b>29.0%</b>     |
| <b>Net Operating Income</b>         | <b>\$1,070,363</b> | <b>\$1,172,765</b> | <b>\$1,393,030</b> | <b>\$1,306,688</b> | <b>\$1,733,827</b> | <b>\$10.72</b>  | <b>71.0%</b>     |
| Total TI/LC, Capex/RR               | 127,017            | 258,707            | 141,086            | 136,465            | 108,570            | 0.67            | 4.4              |
| <b>Net Cash Flow</b>                | <b>\$943,346</b>   | <b>\$914,057</b>   | <b>\$1,251,944</b> | <b>\$1,170,223</b> | <b>\$1,625,257</b> | <b>\$10.05</b>  | <b>66.6%</b>     |
| <b>Occupancy<sup>(6)</sup></b>      | <b>85.0%</b>       | <b>84.0%</b>       | <b>94.0%</b>       | <b>93.3%</b>       | <b>90.0%</b>       |                 |                  |

(1) TTM reflects the trailing 12-month period ending October 31, 2016.

(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) Underwritten Rents in Place consist of in-place rents as of December 6, 2016 and includes (i) underwritten contractual rent increases of \$40,628 through April 2017 and (ii) an ATM lease, three cell tower site leases and a parking lease.

(4) Underwritten Rents in Place and Total Reimbursements are higher than historicals due to recent leasing totaling 18,346 square feet and \$298,775 in base rent. Recent leases include Aaron's, Inc., Mountain Mike's Pizza, Distribution Wireless, LLC, Giriraj Corporation and Valley Live Scan Plus.

(5) Giriraj Corporation (0.7% of net rentable area, 1.0% of Underwritten Base Rent) has taken occupancy and is currently building out its space. The tenant is currently waiting for approval for the pharmacy board and has not yet commenced rent payments. At closing, a \$6,130 free rent reserve was escrowed for three months of rent and recoveries until Giriraj Corporation's expected rent commencement date of April 1, 2017.

(6) Historical occupancies are as of December 31 of each year. TTM Occupancy is as of December 6, 2016. Underwritten Occupancy represents economic occupancy.

## Gateway Plaza at Meridian

### Mortgage Loan Information

|  |                                      |
|--|--------------------------------------|
| <b>Mortgage Loan Seller:</b>           | Barclays                             |
| <b>Original Principal Balance:</b>     | \$17,050,000                         |
| <b>Cut-off Date Principal Balance:</b> | \$17,050,000                         |
| <b>% of IPB:</b>                       | 2.0%                                 |
| <b>Loan Purpose:</b>                   | Acquisition                          |
| <b>Borrower:</b>                       | Denver Meridian Gateway Equities LLC |
| <b>Sponsors:</b>                       | William Felton and Matthew J. Felton |
| <b>Interest Rate:</b>                  | 4.87300%                             |
| <b>Note Date:</b>                      | 12/21/2016                           |
| <b>Maturity Date:</b>                  | 1/6/2027                             |
| <b>Interest-only Period:</b>           | 36 months                            |
| <b>Original Term:</b>                  | 120 months                           |
| <b>Original Amortization Term:</b>     | 360 months                           |
| <b>Amortization Type:</b>              | IO-Balloon                           |
| <b>Call Protection:</b>                | L(25),Def(91),O(4)                   |
| <b>Lockbox / Cash Management:</b>      | Springing                            |
| <b>Additional Debt:</b>                | N/A                                  |
| <b>Additional Debt Balance:</b>        | N/A                                  |
| <b>Additional Debt Type:</b>           | N/A                                  |

### Property Information

|   |                            |
|---|----------------------------|
| <b>Single Asset / Portfolio:</b>                                | Single Asset               |
| <b>Title:</b>   | Fee                        |
| <b>Property Type–Subtype:</b>                                   | Office – Suburban          |
| <b>Net Rentable Area (SF):</b>                                  | 138,598                    |
| <b>Location:</b>  | Englewood, CO              |
| <b>Year Built / Renovated:</b>                                  | 1994 / 2008                |
| <b>Occupancy:</b>   | 95.7%                      |
| <b>Occupancy Date:</b>  | 11/30/2016                 |
| <b>4<sup>th</sup> Most Recent NOI (As of):</b>                  | \$595,305 (12/31/2013)     |
| <b>3<sup>rd</sup> Most Recent NOI (As of)<sup>(1)</sup>:</b>    | \$999,207 (12/31/2014)     |
| <b>2<sup>nd</sup> Most Recent NOI (As of)<sup>(1)(2)</sup>:</b> | (\$423,955) (12/31/2015)   |
| <b>Most Recent NOI (As of)<sup>(2)(3)</sup>:</b>                | \$539,681 (TTM 11/30/2016) |
| <b>UW Economic Occupancy:</b>                                   | 93.0%                      |
| <b>UW Revenues:</b>   | \$3,222,659                |
| <b>UW Expenses:</b>   | \$1,293,796                |
| <b>UW NOI<sup>(3)</sup>:</b>                                    | \$1,928,864                |
| <b>UW NCF:</b>  | \$1,659,027                |
| <b>Appraised Value / Per SF:</b>                                | \$23,600,000 / \$170       |
| <b>Appraisal Date:</b>  | 12/12/2016                 |

### Escrows and Reserves

|                              | Initial   | Monthly   | Initial Cap |
|------------------------------|-----------|-----------|-------------|
| <b>Taxes:</b>                | \$415,445 | \$46,161  | N/A         |
| <b>Insurance:</b>            | \$0       | Springing | N/A         |
| <b>Replacement Reserves:</b> | \$0       | \$2,310   | 138,600     |
| <b>TI/LC:</b>                | \$0       | \$11,550  | N/A         |
| <b>Other<sup>(4)</sup>:</b>  | \$450,000 | Springing | 2,200,000   |

### Financial Information

|                                 |       |
|---------------------------------|-------|
| <b>Cut-off Date Loan / SF:</b>  | \$123 |
| <b>Maturity Date Loan / SF:</b> | \$109 |
| <b>Cut-off Date LTV:</b>        | 72.2% |
| <b>Maturity Date LTV:</b>       | 63.8% |
| <b>UW NCF DSCR:</b>             | 1.53x |
| <b>UW NOI Debt Yield:</b>       | 11.3% |

### Sources and Uses

| Sources              | Proceeds            | % of Total    | Uses              | Proceeds            | % of Total    |
|----------------------|---------------------|---------------|-------------------|---------------------|---------------|
| Mortgage Loan        | \$17,050,000        | 75.2%         | Purchase Price    | \$21,550,000        | 95.0%         |
| Sponsor Equity       | 5,628,319           | 24.8          | Upfront Reserves  | 865,445             | 3.8           |
|                      |                     |               | Closing Costs     | 262,874             | 1.2           |
| <b>Total Sources</b> | <b>\$22,678,319</b> | <b>100.0%</b> | <b>Total Uses</b> | <b>\$22,678,319</b> | <b>100.0%</b> |

- (1) Occupancy and NOI has decreased from 2014 to 2015 primarily due to two tenants vacating their spaces in December 2014 and May 2015. According to the seller, Virtual Flight vacated their space coinciding with Kaiser Permanente (as defined below) pursuing a lease at the Gateway Plaza at Meridian property, which commenced in February 2016.
- (2) Occupancy and NOI increased from 2015 to TTM November 2016 driven by three new leases totaling 121,759 square feet (87.9% of net rentable area). Kaiser Permanente's lease of 80,917 square feet (58.4% of net rentable area) commenced in February 2016, Balfour's lease of 20,421 square feet (14.7% of net rentable area) commenced in May 2016 and Sierra Nevada's lease of 20,421 square feet (14.7% of net rentable area) commenced in September 2016.
- (3) NOI has increased from TTM to UW NOI primarily due to the inclusion of leases executed in 2016 underwritten to in-place rents and \$202,293 of straight line rent attributable to Kaiser Permanente through its lease expiration in 2026.
- (4) Upfront Other Reserves in the amount of \$450,000 are for deferred maintenance primarily with respect to pavement repairs, roofing, interior finishes and facades. Monthly Other Reserves include the Kaiser Permanente Lease Expiration Reserve in which the borrower shall deposit all excess cash flow generated by the Gateway Plaza at Meridian property, which will commence upon the earliest to occur of (i) 12 months prior to the lease expiration of Kaiser Permanente and (ii) Kaiser Permanente giving notice of its intention to terminate its lease and continue until the earliest to occur of (a) Kaiser Permanente extends their lease at the terms required under the loan documents, (b) a replacement tenant acceptable to lender replaces Kaiser Permanente as required under the loan documents, (c) the amount of the sum of the Kaiser Permanente Lease Expiration Reserve and the TI/LC Reserve equals or exceeds \$2,200,000 (approximately \$27.19 per square foot of leased space), or (d) the date upon which the Borrower deposits \$1,000,000 (approximately \$12.36 per square foot of leased space) in cash into the Kaiser Permanente Reserve Account or a delivers to lender a letter of credit in the amount of \$1,000,000.

## Gateway Plaza at Meridian

**The Loan.** The Gateway Plaza at Meridian loan has an outstanding principal balance as of the Cut-off Date of \$17.05 million and is secured by a first mortgage lien on a four-story, 138,598 square foot, Class A office building located in Englewood, Colorado. The loan has a 10-year term and is interest-only for the first 36 months of the loan. The borrowing entity for the loan is Denver Meridian Gateway Equities LLC, a Delaware limited liability company and special purpose entity. The loan sponsors are William Felton and Matthew J. Felton and the nonrecourse carve-out guarantor is Matthew J. Felton. Matthew J. Felton is the CEO of Felton Properties Inc., which manages approximately 3.0 million square feet of real estate in Oregon, Washington, Colorado, Utah and Minnesota.

**The Property.** The Gateway Plaza at Meridian is a four-story, 138,598 square foot, Class A office building located in Meridian International Business Center in Englewood, Colorado. The property was built in 1994, fully renovated in 2008 and is set on an approximately 13.8-acre parcel of land. Between 2014 and 2016, approximately \$746,781 was spent on capital expenditures including building improvements and a parking lot expansion. The largest tenant, Kaiser Permanente ("**Kaiser**"), executed a lease for 58.4% of the net rentable area in February 2016 through March 2026. According to the appraisal, Kaiser is one of the nation's largest healthcare systems and serves more than 9.6 million members. Kaiser currently maintains an AA- investment grade credit rating from S&P. Additionally, the second and third largest tenants, Sierra Nevada and Balfour, executed leases for 14.7% of net rentable area each in September 2016 and May 2016, respectively. The property features on-site amenities including a fitness center, IT infrastructure, a shuttle service to the RTD Light Rail and two outdoor patios on the fourth floor which feature views of the Rocky Mountains and the Meridian Golf Course. The property offers 572 parking spaces, resulting in a parking ratio of approximately 4.1 spaces per 1,000 square feet. As of November 30, 2016, the property was 95.7% occupied by four tenants.

**The Market.** The property is located approximately 20 miles southeast of the Denver central business district in the Meridian International Business Center located at the intersection of Lincoln Avenue and Interstate 25, which links the entire Front Range of Colorado with New Mexico and Wyoming. The Meridian International Business Center is a 1,692-acre business park that includes office buildings, retail and multi-family developments employing approximately 8,000 people in a variety of businesses such as EchoStar, American Family Insurance, McAfee and Liberty Media. The property also benefits from its close proximity to local bus stops through the Regional Transportation District, the Lincoln light rail and the Centennial Airport, located 4 miles northeast of the property.

According to the appraisal, the property is located in the Denver office market and the Meridian office submarket of Colorado. As of the third quarter of 2016, the submarket comprised approximately 3.4 million square feet of office space with an overall vacancy rate of 7.6% and average triple net office rents of \$21.92 per square foot. The appraisal identified five competitive properties built between 1995 and 2008 and ranging in size from approximately 85,535 to 170,985 square feet. The comparable properties reported occupancy rates ranging from 78.0% to 100.0% with a weighted average of approximately 89.3%. Asking rents for the comparable properties range from \$19.75 to \$26.00 per square foot.

| Top Four Tenant Summary <sup>(1)</sup> |   |                              |                      |                  |                    |                            |                          |
|--|---|------------------------------|----------------------|------------------|--------------------|----------------------------|--------------------------|
| Tenant                                 | Ratings <sup>(2)</sup><br>Moody's/S&P/Fitch | Net<br>Rentable<br>Area (SF) | % of<br>Total<br>NRA | Base Rent<br>PSF | Base Rent          | % of Total<br>Base<br>Rent | Lease<br>Expiration Date |
| Kaiser Permanente <sup>(3)</sup>       | NA / AA- / NA                               | 80,917                       | 58.4%                | \$25.50          | \$2,063,384        | 62.5%                      | 3/31/2026                |
| Balfour                                | NA / NA / NA                                | 20,421                       | 14.7                 | \$24.73          | 505,011            | 15.3%                      | 4/30/2019                |
| Sierra Nevada                          | NA / NA / NA                                | 20,421                       | 14.7                 | \$24.50          | 500,315            | 15.1%                      | 8/31/2018                |
| Janeway Law Firm <sup>(4)</sup>        | NA / NA / NA                                | 10,922                       | 7.9                  | \$21.45          | 234,277            | 7.1%                       | 2/28/2021                |
| <b>Top Four Tenants</b>                |   | <b>132,681</b>               | <b>95.7%</b>         | <b>\$24.89</b>   | <b>\$3,302,986</b> | <b>100%</b>                |                          |
| <b>Occupied Collateral Total</b>       |   | <b>132,681</b>               | <b>95.7%</b>         | <b>\$24.89</b>   | <b>\$3,302,986</b> | <b>100%</b>                |                          |
| <b>Vacant Space</b>                    |   | <b>5,917</b>                 | <b>4.3%</b>          |                  |                    |                            |                          |
| <b>Collateral Total</b>                |   | <b>138,598</b>               | <b>100%</b>          |                  |                    |                            |                          |

(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) Kaiser Permanente has the right to terminate its lease on June 30, 2023 upon 12-months' written notice and payment of a termination fee equal to the sum of (i) unamortized portion of the tenant improvement allowance, the abated base rent, and leasing commissions applicable to the lease, amortized at an 8.0% annual interest rate, and (ii) three months base rent applicable to the leased space. After December 31, 2022, Kaiser Permanente can terminate its lease with respect to part of its leased premises, consisting of 12,710 square feet of space (the "**Contraction Space**") upon payment of a termination fee equal to the sum of (1) the unamortized portion of the tenant improvement allowance, the abated base rent, and leasing commissions applicable to the Contraction Space on a prorated basis, amortized at an 8.0% annual interest rate; and (2) two months' base rent applicable to the Contraction Space.

(4) Janeway Law Firm has the right to terminate its lease on February 28, 2019 with notice by June 1, 2018 and payment of a termination fee equal to five months' base rent plus unamortized leasing costs.



## Gateway Plaza at Meridian

| Lease Rollover Schedule <sup>(1)</sup> |                           |                            |                   |                    |                         |                                       |                              |                               |                                    |
|--|---------------------------|----------------------------|-------------------|--------------------|-------------------------|---------------------------------------|------------------------------|-------------------------------|------------------------------------|
| Year                                   | Number of Leases Expiring | Net Rentable Area Expiring | % of NRA Expiring | Base Rent Expiring | % of Base Rent Expiring | Cumulative Net Rentable Area Expiring | Cumulative % of NRA Expiring | Cumulative Base Rent Expiring | Cumulative % of Base Rent Expiring |
| Vacant                                 | NAP                       | 5,917                      | 4.3%              | NAP                | NAP                     | 5,917                                 | 4.3%                         | NAP                           | NAP                                |
| 2017 & MTM                             | 0                         | 0                          | 0.0               | \$0                | 0.0%                    | 5,917                                 | 4.3%                         | \$0                           | 0.0%                               |
| 2018                                   | 1                         | 20,421                     | 14.7              | 500,315            | 15.1                    | 26,338                                | 19.0%                        | \$500,315                     | 15.1%                              |
| 2019                                   | 1                         | 20,421                     | 14.7              | 505,011            | 15.3                    | 46,759                                | 33.7%                        | \$1,005,326                   | 30.4%                              |
| 2020                                   | 0                         | 0                          | 0.0               | 0                  | 0.0                     | 46,759                                | 33.7%                        | \$1,005,326                   | 30.4%                              |
| 2021                                   | 1                         | 10,922                     | 7.9               | 234,277            | 7.1                     | 57,681                                | 41.6%                        | \$1,239,603                   | 37.5%                              |
| 2022                                   | 0                         | 0                          | 0.0               | 0                  | 0.0                     | 57,681                                | 41.6%                        | \$1,239,603                   | 37.5%                              |
| 2023                                   | 0                         | 0                          | 0.0               | 0                  | 0.0                     | 57,681                                | 41.6%                        | \$1,239,603                   | 37.5%                              |
| 2024                                   | 0                         | 0                          | 0.0               | 0                  | 0.0                     | 57,681                                | 41.6%                        | \$1,239,603                   | 37.5%                              |
| 2025                                   | 0                         | 0                          | 0.0               | 0                  | 0.0                     | 57,681                                | 41.6%                        | \$1,239,603                   | 37.5%                              |
| 2026                                   | 1                         | 80,917                     | 58.4              | 2,063,384          | 62.5                    | 138,598                               | 100.0%                       | \$3,302,986                   | 100.0%                             |
| 2027 & Beyond                          | 0                         | 0                          | 0.0               | 0                  | 0.0                     | 138,598                               | 100.0%                       | \$3,302,986                   | 100.0%                             |
| <b>Total</b>                           | <b>4</b>                  | <b>138,598</b>             | <b>100.0%</b>     | <b>\$3,302,986</b> | <b>100.0%</b>           |                                       |                              |                               |                                    |

(1) Based on the underwritten rent roll.

| Operating History and Underwritten Net Cash Flow |                    |                    |                    |                    |                    |                 |                  |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|-----------------|------------------|
|  | 2013               | 2014               | 2015               | TTM <sup>(1)</sup> | Underwritten       | Per Square Foot | % <sup>(2)</sup> |
| Rents in Place <sup>(3)</sup>                    | \$1,642,120        | \$2,155,921        | \$718,631          | \$1,767,297        | \$3,302,986        | \$23.83         | 95.3%            |
| Vacant Income                                    | 0                  | 0                  | 0                  | 0                  | 142,008            | 1.02            | 4.1              |
| <b>Gross Potential Rent</b>                      | <b>\$1,642,120</b> | <b>\$2,155,921</b> | <b>\$718,631</b>   | <b>\$1,767,297</b> | <b>\$3,444,994</b> | <b>\$24.86</b>  | <b>99.4%</b>     |
| Total Reimbursements                             | 173,866            | 196,857            | 17,655             | 47,492             | 20,231             | 0.15            | 0.6              |
| <b>Net Rental Income</b>                         | <b>\$1,815,986</b> | <b>\$2,352,778</b> | <b>\$736,286</b>   | <b>\$1,814,788</b> | <b>\$3,465,225</b> | <b>\$25.00</b>  | <b>100.0%</b>    |
| (Vacancy/Credit Loss)                            | 0                  | 0                  | 0                  | 0                  | (242,566)          | (1.75)          | (7.0)            |
| Other Income                                     | 6,285              | 6,537              | 0                  | 4,211              | 0                  | 0.00            | 0.0              |
| <b>Effective Gross Income</b>                    | <b>\$1,822,270</b> | <b>\$2,359,315</b> | <b>\$736,286</b>   | <b>\$1,818,999</b> | <b>\$3,222,659</b> | <b>\$23.25</b>  | <b>93.0%</b>     |
| <b>Total Expenses</b>                            | <b>\$1,226,966</b> | <b>\$1,360,108</b> | <b>\$1,160,241</b> | <b>\$1,279,319</b> | <b>\$1,293,796</b> | <b>\$9.33</b>   | <b>40.1%</b>     |
| <b>Net Operating Income<sup>(3)</sup></b>        | <b>\$595,305</b>   | <b>\$999,207</b>   | <b>(\$423,955)</b> | <b>\$539,681</b>   | <b>\$1,928,864</b> | <b>\$13.92</b>  | <b>59.9%</b>     |
| Total TI/LC, Capex/RR                            | 0                  | 0                  | 0                  | 0                  | 269,837            | 1.95            | 8.4              |
| <b>Net Cash Flow</b>                             | <b>\$595,305</b>   | <b>\$999,207</b>   | <b>(\$423,955)</b> | <b>\$539,681</b>   | <b>\$1,659,027</b> | <b>\$11.97</b>  | <b>51.5%</b>     |
| <b>Occupancy<sup>(3)(4)</sup></b>                | <b>57.6%</b>       | <b>42.1%</b>       | <b>37.3%</b>       | <b>95.7%</b>       | <b>93.0%</b>       |                 |                  |

(1) TTM reflects the trailing 12-month period ending November 2016.

(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) Occupancy and Net Operating Income has decreased from 2014 to 2015 primarily due to two tenants vacating their spaces in December 2014 and May 2015. According to the seller, Virtual Flight vacated their space coinciding with Kaiser pursuing a lease at the property, which commenced in February 2016. Occupancy and Net Operating Income increased from 2015 to TTM November 2016 driven by three new leases totaling 121,759 square feet (87.9% of net rentable area). Kaiser Permanente's lease of 80,917 square feet (58.4% of net rentable area) commenced in February 2016, Balfour's lease of 20,421 square feet (14.7% of net rentable area) commenced in May 2016 and Sierra Nevada's lease of 20,421 square feet (14.7% of net rentable area) commenced in September 2016. Net Operating Income has increased from TTM November 2016 to Underwritten Net Operating Income primarily due to the inclusion of leases executed in 2016 underwritten to in-place rents and \$202,293 of straight line rent attributable to Kaiser Permanente through its lease expiration in 2026.

(4) Historical Occupancies are based on December 31 of each respective year. TTM Occupancy is as of November 30, 2016. Underwritten Occupancy represents economic occupancy.

**Gateway Plaza at Meridian**

**Future Mezzanine Debt.** Future mezzanine debt is permitted in the event of a sale of the mortgaged property and assumption of the Gateway Plaza mortgage loan provided (i) no event of default has occurred or is continuing, (ii) a combined loan-to-value ratio as determined under the loan documents is not greater than 75.0%, (iii) a debt yield as determined under the loan documents is equal to or greater than 9.94%, (iv) a debt service coverage ratio as determined under the loan documents is equal to or greater than 1.45x, (v) an intercreditor agreement satisfactory to the lender in its reasonable discretion is provided, (vi) lender's approval of the mezzanine loan documents, (vii) rating agency confirmation, and (viii) (a) if the guarantor of the mortgage loan is also the guarantor of the mezzanine loan, the mezzanine loan will be nonrecourse to principal and interest, (b) the mezzanine loan will have a maturity date earlier than the maturity date of the existing loan, and (c) the mezzanine loan will not be secured by a lien against the mortgaged property.