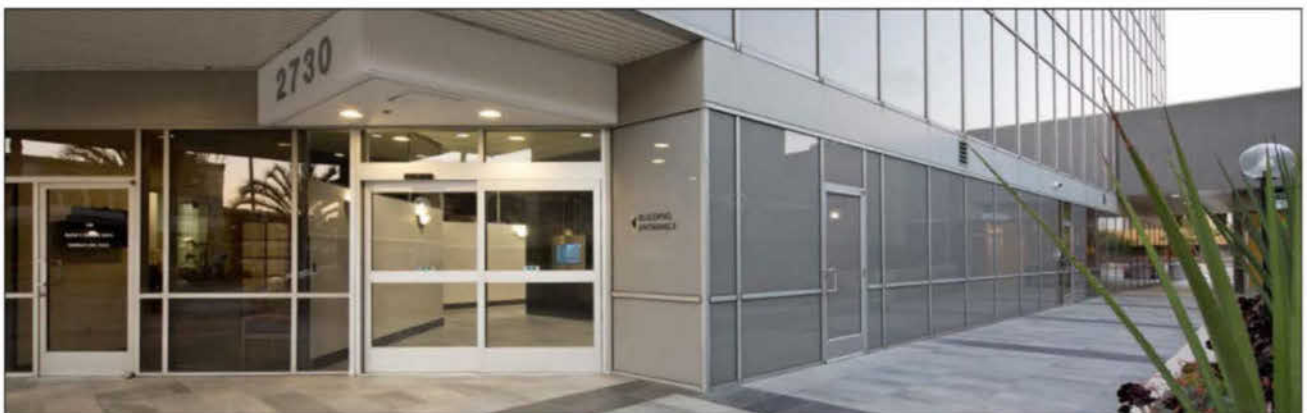
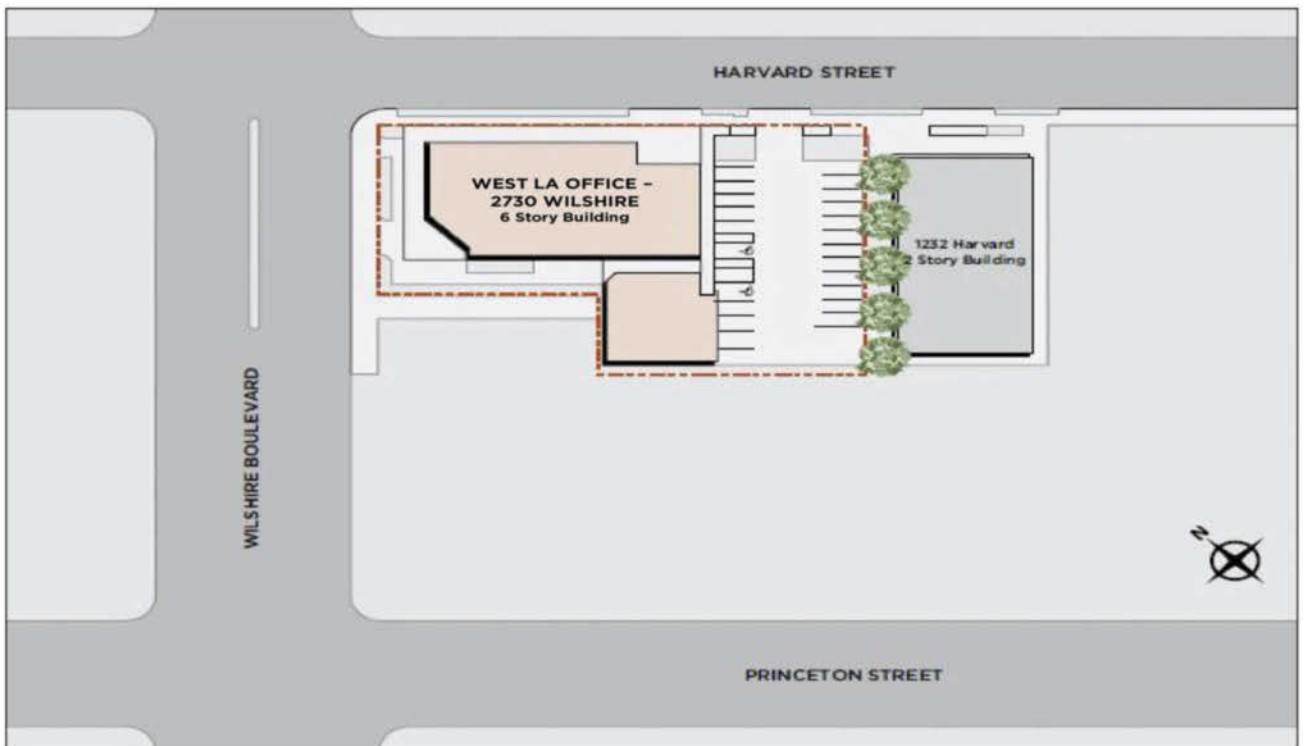
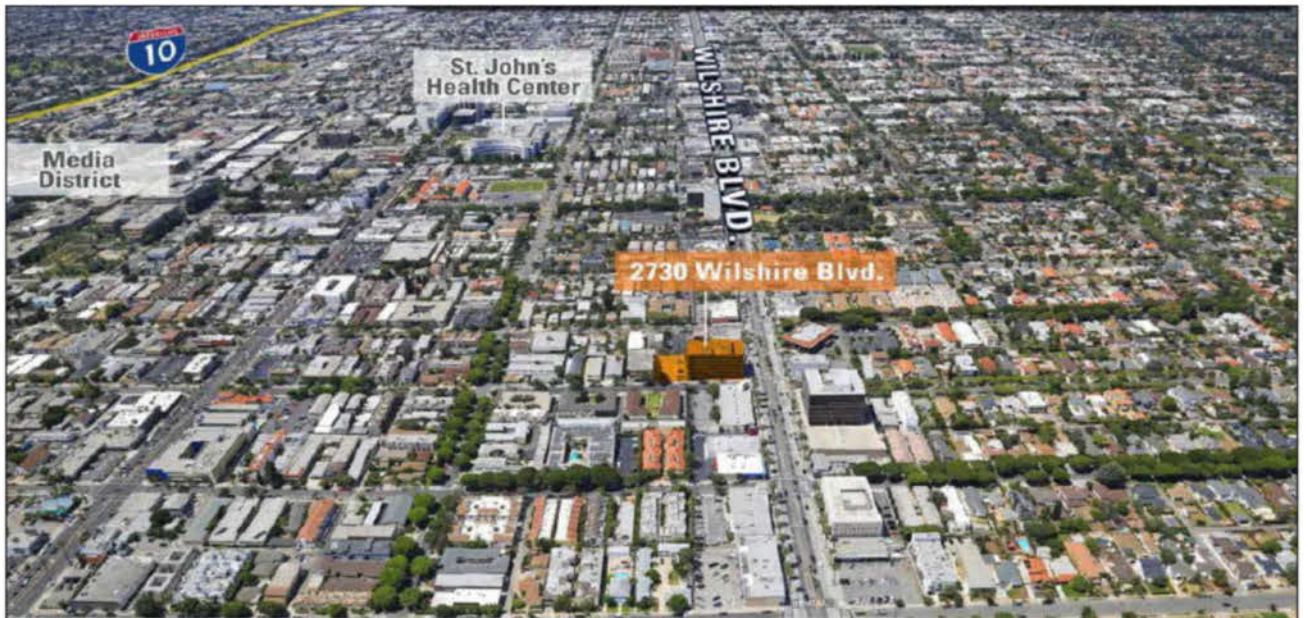


Mortgage Loan No. 9 – West LA Office – 2730 Wilshire

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Mortgage Loan No. 9 – West LA Office – 2730 Wilshire





Mortgage Loan No. 9 – West LA Office – 2730 Wilshire



## Mortgage Loan No. 9 – West LA Office – 2730 Wilshire

### Mortgage Loan Information

<b>Mortgage Loan Seller:</b>	BNYM
<b>Original Principal Balance:</b>	\$24,450,000
<b>Cut-off Date Principal Balance:</b>	\$24,450,000
<b>% of Pool by IPB:</b>	3.2%
<b>Loan Purpose:</b>	Acquisition
<b>Borrower:</b>	Wilshire Capital Ventures, LLC
<b>Sponsor:</b>	Albert Taban
<b>Interest Rate:</b>	5.0700%
<b>Note Date:</b>	12/29/2015
<b>Maturity Date:</b>	1/6/2026
<b>Interest-only Period:</b>	48 months
<b>Original Term:</b>	120 months
<b>Original Amortization:</b>	360 months
<b>Amortization Type:</b>	IO-Balloon
<b>Call Protection:</b>	L(24),YM1(89),O(7)
<b>Lockbox<sup>(1)</sup>:</b>	Springing
<b>Additional Debt:</b>	No
<b>Additional Debt Balance:</b>	N/A
<b>Additional Debt Type:</b>	N/A
<b>Additional Future Debt Permitted:</b>	No

### 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>	58,369
<b>Location:</b>	Santa Monica, CA
<b>Year Built / Renovated:</b>	1985 / N/A
<b>Occupancy:</b>	95.9%
<b>Occupancy Date:</b>	3/1/2016
<b>Number of Tenants:</b>	26
<b>2013 NOI:</b>	\$1,253,132
<b>2014 NOI:</b>	\$1,214,200
<b>2015 NOI<sup>(2)(3)</sup>:</b>	\$1,237,214
<b>TTM NOI:</b>	N/A
<b>UW Economic Occupancy:</b>	95.0%
<b>UW Revenues:</b>	\$3,058,446
<b>UW Expenses:</b>	\$1,082,515
<b>UW NOI<sup>(2)</sup>:</b>	\$1,975,931
<b>UW NCF:</b>	\$1,927,294
<b>Appraised Value / Per SF:</b>	\$36,100,000 / \$618
<b>Appraisal Date:</b>	11/11/2015

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

	Initial	Monthly	Initial Cap
<b>Taxes:</b>	\$0	\$30,083	N/A
<b>Insurance:</b>	\$0	Springing	N/A
<b>Replacement Reserves:</b>	\$0	\$1,411	\$50,796
<b>TI/LC:</b>	\$395,000	\$6,080	N/A

### Financial Information

<b>Cut-off Date Loan / SF:</b>	\$419
<b>Maturity Date Loan / SF:</b>	\$379
<b>Cut-off Date LTV:</b>	67.7%
<b>Maturity Date LTV:</b>	61.3%
<b>UW NCF DSCR<sup>(5)</sup>:</b>	1.21x
<b>UW NOI Debt Yield:</b>	8.1%

### Sources and Uses

Sources	Proceeds	% of Total
Mortgage Loan	\$24,450,000	68.8%
Borrower Equity	11,086,389	31.2
<b>Total Sources</b>	<b>\$35,536,389</b>	<b>100.0%</b>

Uses	Proceeds	% of Total
Purchase Price	\$35,000,000	98.5%
Upfront Reserves	395,000	1.1
Closing Costs	141,389	0.4
<b>Total Uses</b>	<b>\$35,536,389</b>	<b>100.0%</b>

- (1) For a more detailed description of lockbox, please refer to "Lockbox / Cash Management" below.
- (2) UW NOI exceeds 2015 NOI as a result of free rent burning off, parking income and new / renewing tenants.
- (3) Financials for 2015 NOI is annualized trailing 10 months ending October 31, 2015.
- (4) For a more detailed description of escrows and reserves, please refer to "Escrows and Reserves" below.
- (5) Based on amortizing debt service payments. Based on the current interest only payments, UW NOI DSCR and UW NCF DSCR are 1.57x and 1.53x, respectively.

## Mortgage Loan No. 9 – West LA Office – 2730 Wilshire

**The Loan.** The West LA Office - 2730 Wilshire loan is an approximately \$24.5 million first mortgage loan secured by the borrower's fee interest in a 58,369 SF office building located at 2730 Wilshire Boulevard, Santa Monica, California. The West LA Office - 2730 Wilshire loan has a 10-year term and will amortize on a 30-year schedule after a four-year interest-only period.

**The Borrower.** The borrowing entity for the West LA Office - 2730 Wilshire loan is Wilshire Capital Ventures, LLC, a California limited liability company which is a special purpose entity. The borrower is managed by Mr. David Taban and controlled by JADE Enterprises, LLC.

**The Sponsor.** The West LA Office - 2730 Wilshire loan's sponsor and non-recourse carve-out guarantor is Albert Taban, who is involved in a family-owned business, JADE Enterprises, LLC. JADE Enterprises, LLC is a private, family-owned developer, operator and owner with real estate holdings primarily in California, with a concentration in Los Angeles. Three brothers, Albert, David, and Jacob Taban, are the primary controllers of the business. Albert Taban has an ownership interest in over 40 properties and the combined valuation of his real estate holdings is over \$1.0 billion.

**The Property.** The West LA Office - 2730 Wilshire property is a 58,369 SF six-story Class B office building located in Santa Monica, California. The West LA Office - 2730 Wilshire property is located approximately 15 miles west of downtown Los Angeles. The West LA Office - 2730 Wilshire property was constructed in 1985, is located on Wilshire Boulevard with immediate accessibility to the 405 and 10 Freeways and is in close proximity to the Saint John's Health Center. The West LA Office - 2730 Wilshire property is 95.9% occupied as of March 1, 2016 with 26 tenants with no single tenant responsible for more than 16.5% of the total rental income. The borrower acquired the West LA Office 2730 Wilshire property in connection with the origination of the loan. From 2013-2015 the prior owner of the property invested \$376,546 in CapEx (\$2.15 PSF per year) in order to upgrade the building and increase its appeal to tenants in the area.

The West LA Office - 2730 Wilshire property collateral also includes a 206-space parking garage. Historically, the prior owner operated the garage in-house; however, the sponsor leased the parking garage to United Valet Parking, Inc. The lease is for five years at an initial rate of \$370,800 per year, increasing by 3.0% annually.

The West LA Office - 2730 Wilshire property's tenancy consists of 26 distinct tenants at a weighted average in-place rent of \$42.67 PSF. The largest tenant, Schaffell Development Co. ("Schaffell Development"), is an office development contractor, and occupies 17.3% of the NRA. None of the other 25 tenants lease more than 6.5% of the West LA Office - 2730 Wilshire property. Schaffell Development has been a tenant since 2000. Nine tenants, accounting for 21,162 SF (36.3% of NRA), have each occupied space at the West LA Office - 2730 Wilshire property for at least 10 years. Furthermore, 33.0% of NRA (19,242 SF) is currently occupied by eight tenants that have each been at the West LA Office - 2730 Wilshire property for at least 15 years. In-place rents at the West LA Office - 2730 Wilshire property are \$42.72 PSF, or 13.1%, below market, based upon the appraiser's concluded market rent.

**The Master Lease.** The borrower entered into a 10-year master lease with JADE Enterprises, LLC to cover suite 425 (2,019 SF; 3.5% of NRA) for an annual rental amount of \$115,083. The master lease payments are guaranteed by Albert Taban during the loan term. So long as no event of default is continuing under the West LA Office - 2730 Wilshire loan, if the borrower is able to lease suite 425 to a third party for rental amounts equal to or greater than the rental amounts under the master lease for a term of at least five years, the master lease may be terminated upon delivery to lender of an estoppel evidencing that a tenant has taken occupancy of suite 425 and is paying full unabated rent.

**The Market.** The West LA Office - 2730 Wilshire property is in the Santa Monica Office submarket located in Los Angeles, California. As of third quarter 2015, the Santa Monica submarket contained approximately 15.4 million SF of total NRA with a vacancy rate of 11.7% and average asking rent of \$53.76 PSF. The overall market is characterized as having high barriers to entry, further evidenced by limited supply entering the market over the past 10 years. Total office supply increased approximately 349,724 SF between 2005 and third quarter 2015. According to the appraisal the Santa Monica submarket saw significant negative impact during the national market downturn. The submarket continues to recover with stable fundamentals and high asking rents. Overall the area is mostly built out and remains a highly desirable office location. Over 250,000 people live within the 3.0 mile radius of the West LA Office - 2730 Wilshire property and the median home value in a 3.0 mile radius is \$902,036.

## Mortgage Loan No. 9 – West LA Office – 2730 Wilshire

Average household income within 3.0 miles from the West LA Office - 2730 Wilshire property is \$114,376. The Santa Monica submarket has seen rent growth of 18.9% since 2011, over which time vacancy decreased market-wide from 9.8% to 8.2%. Furthermore, rents are still 12.1% below peak levels in 2008.

According to the appraisal, the West LA Office - 2730 Wilshire property's office competitive set consists of the five office properties detailed in the table below. Based on the comparable leases below, the appraiser concluded a market rent of \$49.20 PSF (\$4.10 PSF per month).

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

Property	Year Built / Renovated	Total GLA (SF)	Est. Rent PSF	Est. Occ.	Proximity (miles)
<b>West LA Office - 2730 Wilshire</b>	<b>1985</b>	<b>58,369<sup>(2)</sup></b>	<b>\$42.67<sup>(2)</sup></b>	<b>95.9%<sup>(2)</sup></b>	<b>N/A</b>
1447 Cloverfield Boulevard	1998	16,500	\$55.20	100.0%	0.5
2225 Broadway	1905	1,400	\$51.00	100.0%	0.5
2428 Santa Monica Boulevard	1923	32,369	\$46.80	100.0%	0.4
2716 Ocean Park Boulevard	1978	101,440	\$39.00	94.0%	1.7
2812-2820 Santa Monica Boulevard	1990	15,087	\$47.04	100.0%	0.3

(1) Source: Appraisal.

(2) Based on underwritten rent roll dated March 1, 2016.

### Historical and Current Occupancy <sup>(1)</sup>

2013	2014	2015	Current <sup>(2)</sup>
91.0%	87.1%	88.7%	95.9%

(1) Historical Occupancies reflect the average occupancy for the indicated year as provided by the borrower.

(2) Based on the underwritten rent roll dated March 1, 2016.

### Tenant Summary <sup>(1)</sup>

Tenant	Ratings Moody's/S&P/Fitch	Net Rentable Area (SF)	% of Total NRA	Base Rent PSF	Lease Expiration Date
Schaffell Development	NA / NA / NA	10,091	17.3%	\$40.14	8/31/2017
B. Daniel Shabani, PHD	NA / NA / NA	3,777	6.5%	\$29.16	11/30/2017
Brett P. Lent and Tricia S. Feist Dental Corporation <sup>(2)</sup>	NA / NA / NA	3,652	6.3%	\$48.84	5/31/2023 <sup>(2)</sup>
LSG Imaging	NA / NA / NA	2,854	4.9%	\$50.92	5/31/2023
Green Bridge Medical <sup>(3)</sup>	NA / NA / NA	2,834	4.9%	\$55.80	5/31/2022
Skin by Lovely, a Medical Corp.	NA / NA / NA	2,802	4.8%	\$44.39	12/31/2019
Samuel & Videgain	NA / NA / NA	2,707	4.6%	\$52.20	10/31/2021
Rehab Specialists	NA / NA / NA	2,360	4.0%	\$40.87	12/31/2016
Pablo Pazmino MD	NA / NA / NA	2,143	3.7%	\$40.56	5/31/2016
Dr. Julien Chen	NA / NA / NA	2,001	3.4%	\$41.88	8/31/2022

(1) Based on underwritten rent roll dated March 1, 2016.

(2) Brett P. Lent and Tricia S. Feist Dental Corporation, the third largest tenant, has the right to terminate his lease upon four months prior notice if both Brett P. Lent and Tricia S. Feist are unable to conduct their business as a result of either a physical disability that is expected to continue for at least 180 days or death. If Brett P. Lent exercises such right to terminate, Brett P. Lent is required to pay an acceleration fee equal to an amount based on a calculation determined by the then unamortized portion of the Brett P. Lent and Tricia S. Feist Dental Corporation lease, allocable base rent, operating costs and certain allowances set forth in the Brett P. Lent and Tricia S. Feist Dental Corporation lease.

(3) Green Bridge Medical leases two suites; the first covers 2,019 SF (\$57.00 PSF) and expires May 31, 2022 and the second lease covers 815 SF (\$51.28 PSF) and expires October 31, 2017. The Base Rent PSF shown is the weighted average of the two leases.

## Mortgage Loan No. 9 – West LA Office – 2730 Wilshire

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

Year	Number of Leases Expiring <sup>(2)</sup>	NRA (SF) Expiring	% of NRA Expiring	Base Rent Expiring	% of Base Rent Expiring	Cumulative NRA (SF) Expiring	Cumulative % of NRA Expiring	Cumulative Base Rent Expiring	Cumulative % of Base Rent Expiring
Vacant	NAP	2,406	4.1%	NAP	NAP	2,406	4.1%	NAP	NAP
MTM	0	0	0.0	\$0	0.00%	2,406	4.1%	\$0	0.0%
2016	5	8,215	14.1	324,261	13.2	10,621	18.2%	\$324,261	13.2%
2017	6	18,142	31.1	697,825	28.4	28,763	49.3%	\$1,022,086	41.6%
2018	3	5,167	8.9	240,888	9.8	33,930	58.1%	\$1,262,974	51.4%
2019	1	2,802	4.8	124,381	5.1	36,732	62.9%	\$1,387,354	56.5%
2020	4	4,402	7.5	211,685	8.6	41,134	70.5%	\$1,599,040	65.1%
2021	1	2,707	4.6	141,305	5.8	43,841	75.1%	\$1,740,345	70.9%
2022	3	5,151	8.8	257,459	10.5	48,992	83.9%	\$1,997,805	81.4%
2023	3	8,056	13.8	388,620	15.8	57,048	97.7%	\$2,386,425	97.2%
2024	0	0	0.0	0	0.00	57,048	97.7%	\$2,386,425	97.2%
2025	1	1,321	2.3	69,247	2.8	58,369	100.0%	\$2,455,671	100.0%
2026 & Beyond	0	0	0.0	0	0.00	58,369	100.0%	\$2,455,671	100.0%
<b>Total</b>	<b>27</b>	<b>58,369</b>	<b>100.0%</b>	<b>\$2,455,671</b>	<b>100.0%</b>				

(1) Based on the underwritten rent roll, including contractual rent increases occurring through April 1, 2017 and exclude any gross up of vacant space.

(2) Tenants with multiple leases with different expiration dates are to be treated as separate entities.

### Operating History and Underwritten Net Cash Flow

	2013	2014	2015 <sup>(1)</sup>	Underwritten	PSF	% <sup>(2)</sup>
Rents in Place <sup>(3)</sup>	\$1,896,811	\$1,896,673	\$1,973,690	\$2,455,671	\$42.07	88.9%
Vacant Income	0	0	0	122,712	2.10	4.4%
Rent Abatements	(128,031)	(83,334)	(111,010)	0	0.00	0.0%
<b>Gross Potential Rent</b>	<b>\$1,768,780</b>	<b>\$1,813,339</b>	<b>\$1,862,681</b>	<b>\$2,578,383</b>	<b>\$44.17</b>	<b>93.3%</b>
Total Reimbursements	30,972	107,002	36,618	185,054	3.17	6.7%
<b>Net Rental Income</b>	<b>\$1,799,752</b>	<b>\$1,920,341</b>	<b>\$1,899,299</b>	<b>\$2,763,438</b>	<b>\$47.34</b>	<b>100.0%</b>
(Vacancy/Collection Loss)	(1,423)	(5,284)	0	(139,293)	(2.39)	(5.0%)
Other Income	320,430	339,341	378,845	434,301	7.44	15.7%
<b>Effective Gross Income</b>	<b>\$2,118,759</b>	<b>\$2,254,398</b>	<b>\$2,278,144</b>	<b>\$3,058,446</b>	<b>\$52.40</b>	<b>100.0%</b>
<b>Total Expenses</b>	<b>\$865,627</b>	<b>\$1,040,198</b>	<b>\$1,040,929</b>	<b>\$1,082,515</b>	<b>\$18.55</b>	<b>35.4%</b>
<b>Net Operating Income</b>	<b>\$1,253,132</b>	<b>\$1,214,200</b>	<b>\$1,237,214</b>	<b>\$1,975,931</b>	<b>\$33.85</b>	<b>64.6%</b>
Total TI/LC, Capex/RR	0	0	0	48,637	0.83	1.6%
<b>Net Cash Flow</b>	<b>\$1,253,132</b>	<b>\$1,214,200</b>	<b>\$1,237,214</b>	<b>\$1,927,294</b>	<b>\$33.02</b>	<b>63.0%</b>

(1) The 2015 column represents trailing 10 months ending October 31, 2015 annualized.

(2) % 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 includes rent increases occurring through April 1, 2017.



## Mortgage Loan No. 9 – West LA Office – 2730 Wilshire

**Property Management.** The West LA Office - 2730 Wilshire property is managed by Beverly Management Group, Inc., an affiliate of the sponsor.

**Escrows and Reserves.** At closing, the borrower deposited into escrow \$395,000 for TI/LC reserves.

*Tax Escrows* – On a monthly basis, the borrower is required to escrow 1/12<sup>th</sup> of the annual estimated tax payments, currently equal to \$30,083.

*Insurance Escrows* – The borrower will be required to deposit 1/12<sup>th</sup> of the annual insurance premiums into the insurance account (i) upon an event of default, (ii) if an acceptable blanket insurance policy is no longer in place, (iii) if borrower fails to provide evidence of renewal of insurance or (iv) if borrower fails to provide evidence that insurance has been paid.

*Replacement Reserves* – On a monthly basis, the borrower is required to escrow \$1,411 (\$0.29 PSF annually) for replacement reserves subject to a replacement reserve cap equal to \$50,796.

*TI/LC Reserves* – On a monthly basis, the borrower is required to escrow \$6,080 for TI/LC reserves.

**Lockbox / Cash Management.** The West LA Office - 2730 Wilshire loan is structured with a springing lockbox and springing cash management structure that will be triggered upon the commencement of a Cash Trap Event Period.

A “Cash Trap Event Period” will occur upon the earlier of (i) an event of default under the West LA Office - 2730 Wilshire loan, (ii) (1) notice of non-renewal or termination by Schaffell Development of its lease, or (2) the date that is 11 months prior to the expiration of the Schaffell Development lease if Schaffell Development has not renewed its lease in accordance with its terms or (iii) if the debt service coverage ratio (assuming a 30-year amortization, irrespective of any interest-only periods) falls below 1.10x. Such Cash Trap Event Period will expire (A) with respect to a Cash Trap Event Period commencing in connection with clause (i) above, upon the cure of such event of default under the West LA Office - 2730 Wilshire loan, (B) (1) with respect to a Cash Trap Event Period commencing in connection with clause (ii) (1) above, (x) upon the unconditional revocation by Schaffell Development of all termination or cancellation notices, (y) an extension of the Schaffell Development lease on terms and conditions reasonably acceptable to the lender and otherwise in accordance with the loan documents or (z) a new tenant has entered into a lease for the Schaffell Development premises on terms and conditions reasonably acceptable to the lender and otherwise in accordance with the loan documents, (B) (2) with respect to a Cash Trap Event Period commencing in connection with clause (ii) (2) above, upon (x) an extension of the Schaffell Development lease on terms and conditions in accordance with the loan documents or (y) a new tenant has entered into a lease for the Schaffell Development premises, with such lease on terms and conditions in accordance with the loan documents and (C) with respect to a Cash Trap Event Period commencing in connection with clause (iii) above, upon the date that the debt service coverage ratio is equal to or greater than 1.20x for one calendar quarter.