

1 Teterboro Drive  
Teterboro, NJ 07608

Collateral Asset Summary – Loan No. 11

## Walmart Supercenter Teterboro

**Cut-off Date Balance:** \$25,300,000  
**Cut-off Date LTV:** 67.5%  
**U/W NCF DSCR:** 1.58x  
**U/W NOI Debt Yield:** 7.3%

### Mortgage Loan Information

**Loan Seller:** GACC  
**Loan Purpose:** Acquisition  
**Borrower Sponsor:** Brian E. Bergersen  
**Borrowers:** Various<sup>(1)</sup>  
**Original Balance:** \$25,300,000  
**Cut-off Date Balance:** \$25,300,000  
**% by Initial UPB:** 3.5%  
**Interest Rate:** 4.55300%  
**Payment Date:** 6<sup>th</sup> of each month  
**First Payment Date:** September 6, 2018  
**Maturity Date:** August 6, 2028  
**Amortization:** Interest Only  
**Additional Debt:** None  
**Call Protection:** L(24), D(91), O(5)  
**Lockbox / Cash Management<sup>(2)</sup>:** Hard / Springing

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

	Initial	Monthly
<b>Taxes:</b>	\$0	Springing
<b>Insurance:</b>	\$0	Springing
<b>Replacement:</b>	\$0	Springing
<b>TI/LC:</b>	\$0	Springing
<b>Lease Sweep Reserve<sup>(4)</sup>:</b>	\$0	Springing

### Financial Information

<b>Cut-off Date Balance / Sq. Ft.:</b>	\$40
<b>Balloon Balance / Sq. Ft.:</b>	\$40
<b>Cut-off Date LTV:</b>	67.5%
<b>Balloon LTV:</b>	67.5%
<b>Underwritten NOI DSCR:</b>	1.58x
<b>Underwritten NCF DSCR:</b>	1.58x
<b>Underwritten NOI Debt Yield:</b>	7.3%
<b>Underwritten NCF Debt Yield:</b>	7.3%

### Property Information

**Single Asset / Portfolio:** Single Asset  
**Property Type:** Leased Fee  
**Collateral:** Fee Simple  
**Location:** Teterboro, NJ  
**Year Built / Renovated:** NAP / NAP  
**Total Sq. Ft.:** 628,135  
**Property Management:** NAP  
**Underwritten NOI:** \$1,844,055  
**Underwritten NCF:** \$1,844,055  
**Appraised Value:** \$37,500,000  
**Appraisal Date:** May 1, 2018

### Historical NOI<sup>(5)</sup>

**Most Recent NOI:** NAV  
**2017 NOI:** NAV  
**2016 NOI:** NAV  
**2015 NOI:** NAV

### Historical Occupancy

**Most Recent Occupancy:** NAP  
**2017 Occupancy:** NAP  
**2016 Occupancy:** NAP  
**2015 Occupancy:** NAP

- (1) The Borrowers are: TTB-Preston Urban Renewal, LLC; TTB-Meadowstone Urban Renewal, LLC; TTB-PPA Urban Renewal, LLC; TTB-PPH Urban Renewal, LLC; TTB-1401 Urban Renewal, LLC; TTB-MOB Urban Renewal, LLC.
- (2) In place cash management will be triggered (i) upon an event of default, (ii) if the debt service coverage ratio falls below 1.25x until such time that the debt service coverage ratio is at least 1.30x for two consecutive quarters or (iii) the commencement of a Lease Sweep Period.
- (3) Borrower will not be required to make monthly deposits into reserve accounts so long as, among other thing per the loan documents, (i) no event of default has occurred, (ii) the Walmart lease is in full force and effect, (iii) with respect to the tax and insurance reserves, Walmart is paying both real estate taxes and insurance premiums and provides satisfactory evidence and (iv) there is no default under the Walmart lease. In addition, if an acceptable blanket insurance policy is no longer in place, the borrower is required to deposit 1/12 of the annual insurance premiums into the insurance account.
- (4) On each payment date during a Lease Sweep Period, the borrower will be required to deposit all excess cash into the lease sweep reserve. A "Lease Sweep Period" commences (a) upon a monetary or material non-monetary default by Walmart under the Walmart lease ("Lease Sweep Lease"), (ii) upon an insolvency proceeding of or (iii) upon a decline in the credit rating of Walmart under a Lease Sweep Lease (or its parent), to below "BBB-" or equivalent by any rating agency.
- (5) The Walmart Teterboro property was recently acquired by the sponsor. As a result, Historical NOI is not available.

## TRANSACTION HIGHLIGHTS

- **Property and Tenancy.** The property is a 14.42 acre plot of land located at 1 Teterboro Drive in Teterboro, New Jersey, 6.2 miles from Manhattan. The property is 100.0% ground leased to Wal-Mart Stores East, LP ("Walmart"), whose obligations are guaranteed by Wal-Mart Stores, Inc. (Fitch/Moody's/S&P: AA/Aa2/AA) as of April 2015, via a 20-year absolute triple net lease with a 10.0% rent escalation in 2025. The lease features twelve, 5-year extension options with 5.0% rent increases, for a fully-extended lease term of 80 years. The Walmart located on site at the property completed its construction of a 159,542 sq. ft. store in 2015. Established in 1962, Walmart is the world's leading merchant and grocery chain by revenue, as well as the largest private employer with 2.3 million workers in 11,718 stores that span 28 countries. The Bentonville, Arkansas headquartered company utilizes its massive size to gain bargaining power over its many suppliers. Walmart achieves cost savings from suppliers by selling at large volumes and subsequently offers consumers name-brand goods at discounted prices.
- **Market.** The property is located within the South Bergen / West Bergen submarket which has an average vacancy rate of 5.6%. The county's close proximity to New York City, affluent population, limited land availability and high construction costs help keep retail inventory low and occupancy rates high across market cycles. Given the Teterboro Airport's large footprint, there are no other large parcels of land in the immediate area that are available for development. The property is located at the intersection of the Route 46 and Route 17 Retail Corridors. The corridors contain over 6.8 million square feet of retail space in aggregate.
- **Borrower Sponsor.** The nonrecourse carve-out guarantor and sponsor is Brian E. Bergersen. Mr. Bergersen founded Spectrum Properties, Ltd. ("Spectrum") in 1993 as a real estate development and management company. The guarantor has been developing projects for over 25 years primarily operating within the Dallas / Fort Worth area. Spectrum has a history of property development and management of independent retirement communities, apartment communities and professional office buildings.