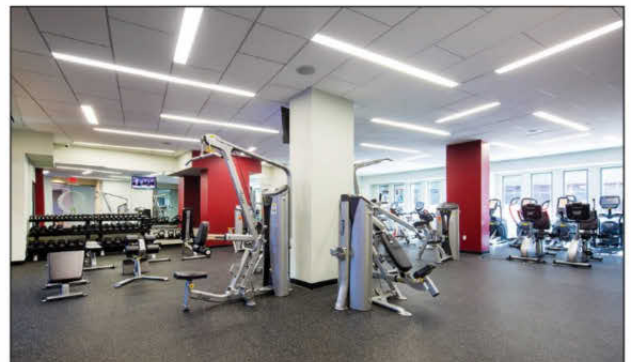
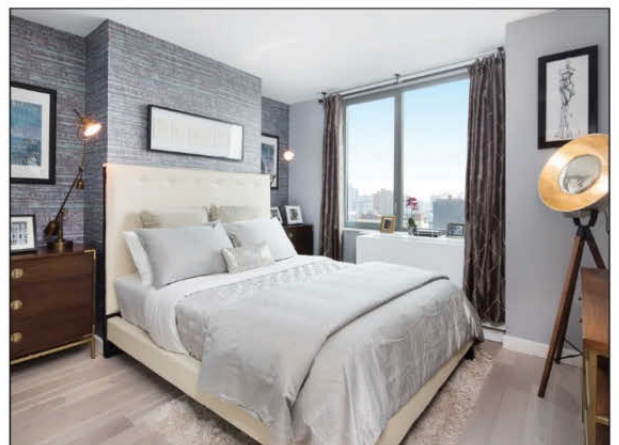
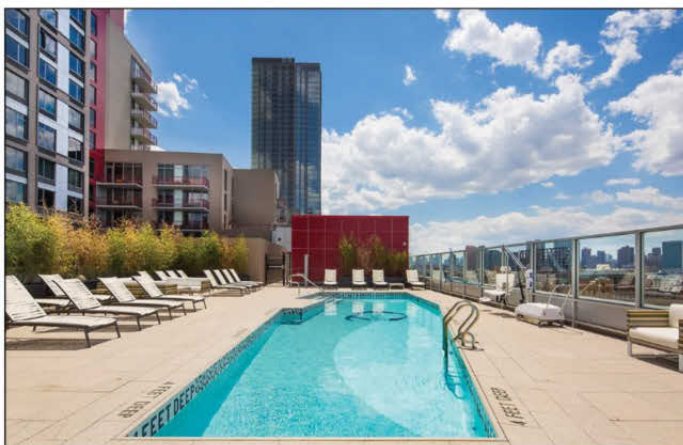


Mortgage Loan No. 4 — QLIC





Mortgage Loan No. 4 — QLIC



Mortgage Loan No. 4 — QLIC





## Mortgage Loan No. 4 – QLIC

### Mortgage Loan Information

<b>Mortgage Loan Seller:</b>	Natixis
<b>Original Principal Balance<sup>(1)</sup>:</b>	\$50,000,000
<b>Cut-off Date Principal Balance<sup>(1)</sup>:</b>	\$50,000,000
<b>% of Pool by IPB:</b>	8.2%
<b>Loan Purpose:</b>	Refinance
<b>Borrower:</b>	24 <sup>th</sup> Street LIC LLC
<b>Sponsor:</b>	Lionshead Member LLC
<b>Interest Rate:</b>	4.3997%
<b>Note Date:</b>	12/28/2015
<b>Maturity Date:</b>	1/5/2026
<b>Interest-only Period:</b>	120 months
<b>Original Term:</b>	120 months
<b>Original Amortization:</b>	None
<b>Amortization Type:</b>	Interest Only
<b>Call Protection<sup>(4)</sup>:</b>	L(35),Def(82),O(3)
<b>Lockbox<sup>(5)</sup>:</b>	Soft
<b>Additional Debt<sup>(1)</sup>:</b>	Yes
<b>Additional Debt Balance<sup>(1)</sup>:</b>	\$115,000,000
<b>Additional Debt Type<sup>(1)</sup>:</b>	<i>Pari Passu</i> ; B-Note
<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>	Multifamily – High-Rise
<b>Net Rentable Area (Units):</b>	421
<b>Location:</b>	Long Island City, NY
<b>Year Built / Renovated:</b>	2015 / N/A
<b>Occupancy:</b>	100.0%
<b>Occupancy Date:</b>	10/1/2016
<b>Number of Tenants:</b>	N/A
<b>2013 NOI<sup>(2)</sup>:</b>	N/A
<b>2014 NOI<sup>(2)</sup>:</b>	N/A
<b>2015 NOI<sup>(2)</sup>:</b>	N/A
<b>TTM NOI<sup>(2)</sup>:</b>	\$6,849,526
<b>UW Economic Occupancy<sup>(2)</sup>:</b>	94.0%
<b>UW Revenues<sup>(2)</sup>:</b>	\$15,370,016
<b>UW Expenses<sup>(2)</sup>:</b>	\$3,384,500
<b>UW NOI<sup>(2)</sup>:</b>	\$11,985,516
<b>UW NCF<sup>(2)</sup>:</b>	\$11,883,194
<b>Appraised Value / Per Unit:</b>	\$255,000,000 / \$605,701
<b>Appraisal Date:</b>	8/18/2016

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

	Initial	Monthly	Initial Cap
<b>Taxes:</b>	\$9,870	\$9,870	N/A
<b>Insurance:</b>	\$0	Springing	N/A
<b>Replacement Reserve:</b>	\$0	\$7,017	N/A
<b>Shortfall Reserve:</b>	\$2,100,000	Springing	\$1,000,000
<b>Deferred Maintenance:</b>	\$8,023,541	N/A	N/A

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

<b>Cut-off Date Loan / Unit:</b>	\$344,418
<b>Maturity Date Loan / Unit:</b>	\$344,418
<b>Cut-off Date LTV:</b>	56.9%
<b>Maturity Date LTV:</b>	56.9%
<b>UW NCF DSCR:</b>	1.84x
<b>UW NOI Debt Yield:</b>	8.3%

### Sources and Uses

Sources	Proceeds	% of Total
Mortgage Loan (A Notes)	\$145,000,000	87.9%
Mortgage Loan (B Notes)	20,000,000	12.1
<b>Total Sources</b>	<b>\$165,000,000</b>	<b>100.0%</b>

Uses	Proceeds	% of Total
Payoff Existing Debt	\$100,842,207	61.1%
Reserves	10,133,411	6.1
Closing Costs	2,492,037	1.6
Cash to Borrower	51,532,344	31.2
<b>Total Uses</b>	<b>\$165,000,000</b>	<b>100.0%</b>

- (1) The QLIC loan is part of a larger split whole loan evidenced by six *pari passu* notes (collectively, the "QLIC Senior Loan") and one subordinate note (the "QLIC Subordinate Companion Loan") with an aggregate original principal balance of \$165.0 million. The Financial Information presented in the chart above and herein reflects the cut-off date balance of the \$145.0 million QLIC Senior Loan, but not the \$20.0 million QLIC Subordinate Companion Loan. For a more detailed description of the QLIC whole loan, please refer to "The Loan" below. For a more detailed description of additional debt, please refer to "Additional Debt" below.
- (2) The property was built in 2015 and those certain historical financials were not available. Underwritten economic occupancy at the property is 94.0% and physical occupancy is 100.0% based on the October 1, 2016 rent roll. The underwritten NOI is higher mainly due to the stabilization of the QLIC property, which achieved 100.0% occupancy in October 2016.
- (3) Represents the annualized trailing three months ending June 30, 2016.
- (4) The lockout period will be at least 35 payments beginning with and including the first payment date of February 5, 2016. Defeasance of the full QLIC Whole Loan is permitted at any time after the earlier to occur of (i) 42 months after the loan origination date and (ii) the date that is two years from the closing date of the securitization that includes the note to be last securitized (the "REMIC Prohibition Period").
- (5) For a more detailed description of the lockbox, please refer to "Lockbox / Cash Management" below.
- (6) For a more detailed description of escrows and reserves, please refer to "Escrows and Reserves" below.

## Mortgage Loan No. 4 — QLIC

**The Loan.** The QLIC loan is part of a larger split whole loan and is a first mortgage loan secured by the fee interest in a newly-constructed 421-unit high rise Class-A multifamily property located in Long Island City, New York.

The QLIC whole loan has an outstanding principal balance as of the cut-off date of \$165.0 million (the “QLIC Whole Loan”) and is comprised of six *pari passu* notes, Note A-1, Replacement Note A-2, Note A-3, Note A-4, Note A-5 and Note A-6, with an aggregate outstanding principal balance as of the cut-off date of \$145.0 million, and one subordinate B-Note with an aggregate outstanding principal balance as of the cut-off date of \$20.0 million. Note A-1 and Note A-6 which have an aggregate outstanding principal balance as of the cut-off date of \$50.0 million are being contributed to the CSMC 2016-NXSR Commercial Mortgage Trust. Replacement Note A-2 and Note A-3, with an aggregate outstanding principal balance as of the cut-off date of \$75.0 million, were contributed to the WFCM 2016-NXS6 Commercial Mortgage Trust. The QLIC Subordinate Companion Loan was sold to SM Core Credit Finance LLC. Under the related Co-Lender Agreement, prior to a control appraisal period with respect to the QLIC Subordinate Companion Loan, Note B is the controlling note, and after a control appraisal period occurs with respect to the QLIC Subordinate Companion Loan, Note A-2 will be the controlling note. The QLIC Whole Loan has a 10-year term and is interest-only for the full term of the loan.

### Whole Loan Note Summary

	Original Balance	Cut-Off Date Balance	Note Holder	Controlling Piece
Note A-1 and A-6	\$50,000,000	\$50,000,000	CSMC 2016-NXSR	No
Note A-4 and A-5	20,000,000	20,000,000	Natixis	No
Replacement Note A-2 and Note A-3	75,000,000	75,000,000	WFCM 2016-NXS6	No
B-Note	20,000,000	20,000,000	SM Core Credit Finance LLC	Yes
<b>Total</b>	<b>\$165,000,000</b>	<b>\$165,000,000</b>		

**The Borrower.** The borrowing entity for the QLIC Whole Loan is 24<sup>th</sup> Street LIC LLC, a special purpose entity.

**The Sponsor.** The loan’s sponsor is Lionshead Member LLC, which is owned and controlled by the World-Wide Holdings Corporation (“WWG”). WWG is a New York City-based company that has developed over \$7.0 billion of residential, commercial and mixed-use properties for more than 65 years. James Stanton and David Lowenfeld are the president and chief operating officer, respectively, of WWG. Lionshead Member LLC is the guarantor of nonrecourse carveouts and the Shortfall Reserve Obligations (as defined below) under the QLIC Whole Loan.

**The Property.** The QLIC property is a 421-unit Class A high-rise apartment complex consisting of one 21-story residential building, a management office, an outdoor swimming pool, and a 108-car garage. The property was developed by the sponsor for \$163.3 million, commenced construction in September 2013 and was substantially completed by September 2015. Initial leasing started in September 2015 and the property was 42.8% occupied at origination. The property obtained temporary certificates of occupancy (“TCO”) in sections. The final TCO was obtained in May 2016. The QLIC Whole Loan was originated by Natixis on December 28, 2015 and warehoused during the stabilization of the property. As of October 1, 2016, the property was 100.0% occupied. The property is located approximately 1 mile southeast of midtown Manhattan, New York.

The property features 421 units including 56 studio units (13.3% of total units), 169 one-bedroom units (40.1% of total units), 127 junior one-bedroom units (30.2% of total units), 27 two-bedroom one-bathroom units (6.4% of total units), 26 two-bedroom two-bathroom units (6.2% of total units) and 16 three-bedroom units (3.8% of total units). Property amenities include a rooftop outdoor pool, fitness center, landscaped courtyard, rooftop deck with theater and dining area, media lounge, 24-hour concierge, on-site management, lobby lounge, lobby library, bike storage, valet dry cleaning, dog grooming station and indoor parking. All units include stainless steel appliances, white quartz countertops, oversized closets, washer & dryer, and Gigabit Ethernet. Parking at the property consists of 108 total covered parking spaces for a ratio of 0.3 spaces per unit. In addition, the property contains a retail component that consists of 8,742 SF; T-Mobile currently leases 1,073 SF of the retail component.

## Mortgage Loan No. 4 — QLIC

### Multifamily Unit Mix <sup>(1)</sup>

Unit Type	No. of Units	% of Total	Occupied Units	Occupancy	Average Unit Size (SF)	Average Monthly Rental Rate	Average Monthly Rental Rate PSF	Monthly Market Rental Rate <sup>(2)</sup>	Monthly Market Rental Rate PSF <sup>(2)</sup>
Studio	56	13.3%	56	100.0%	446	\$2,486	\$5.57	\$2,486	\$5.57
Jr. 1 BD / 1 BA	127	30.2	127	100.0%	556	\$2,808	\$5.05	\$2,808	\$5.05
1 BD / 1 BA	169	40.1	169	100.0%	646	\$2,998	\$4.64	\$2,998	\$4.64
2 BD / 1 BA	27	6.4	27	100.0%	894	\$3,867	\$4.33	\$3,867	\$4.33
2 BD / 2 BA	26	6.2	26	100.0%	983	\$4,102	\$4.17	\$4,102	\$4.17
3 BD / 3 BA	16	3.8	16	100.0%	1,204	\$4,976	\$4.13	\$4,976	\$4.13
<b>Total/Wtd. Avg.</b>	<b>421</b>	<b>100.0%</b>	<b>421</b>	<b>100.0%</b>	<b>650</b>	<b>\$3,072</b>	<b>\$4.72</b>	<b>\$3,072</b>	<b>\$4.72</b>

(1) Based on the rent roll dated October 1, 2016.

(2) Monthly Market Rental Rate is based on contract rent.

**The Market.** The property is located in Long Island City, Queens, New York, on Queens Plaza North between 23<sup>rd</sup> and 24<sup>th</sup> Street, approximately one mile southeast of midtown Manhattan, New York. The Long Island Expressway is 1.1 miles south of the property. The property is also located within a one-block radius of the 7, Q, N and R subway lines, a three-block radius of the F subway line, and approximately 1.0 mile from the LIRR train station, providing access to Manhattan, Brooklyn, Queens and Long Island. The property entrance is adjacent to Long Island City's bike path to Manhattan, the Queens Plaza Bicycle and Pedestrian Improvement Project, which was a \$45.0 million enhancement of the Long Island City streetscape extending from Northern Boulevard to 21st Street.

According to the appraisal, the property is located within Long Island City, a submarket of the New York market. In 2001, 37 blocks around Queens Plaza and Court Square were rezoned for large-scale development and the city designated the area a central business district. According to a Long Island City economic group, the neighborhood has added 2.0 million SF of new Class A office space and 24 hotels since 2001 and 10,845 apartment units since 2006. Long Island City's population grew over 9.9% between 2010 and 2015, and the 22,450 residential units that are either planned or under construction will add approximately 40,000 new residents. The total projected 2020 population is 70,702. Long Island City is home to LaGuardia Community College (approximately 20,000 students and teachers), which was joined by the CUNY School of Law (approximately 500 students and teachers) at Two Court Square in August of 2012. Cornell University and the Technion-Israel Institute of Technology are expected to open a technology-focused campus on Roosevelt Island by 2017. Long Island City is also home to several museums dedicated to contemporary art, such as the Metropolitan Museum of Art PS1 (an affiliate of the Museum of Modern Art), Socrates Sculpture Park, the Sculpture Center and the Noguchi Museum. The Long Island City neighborhood is also home to nearly 6,300 businesses employing over 93,000 people. Major office tenants include Citibank, Publicis, MetLife, WeWork, New York City Department of Health, JetBlue, and Silvercup Studios.

## Mortgage Loan No. 4 — QLIC

According to the appraisal, the property's competitive set includes the five properties detailed in the table below.

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

Property	Year Built	No. of Units	Average Unit Size (SF) <sup>(2)</sup>	Average Monthly Rental Rate <sup>(2)</sup>	Occupancy	Distance from Property
QLIC	2015	421 <sup>(3)</sup>	650 <sup>(3)</sup>	\$3,072 <sup>(3)</sup>	100.0% <sup>(3)</sup>	N/A
East Coast	2012	367	772	\$3,824	97.5%	1.5 miles
Avalon Riverview North II	2008	602	740	\$3,795	94.7%	1.5 miles
The Crescent Club	2012	86	716	\$3,718	96.9%	0.1 miles
27 on 27	2013	142	685	\$3,946	95.8%	0.5 miles
Packard Square	2008	140	699	\$2,717	98.5%	0.1 miles
<b>Total/Wtd. Avg.<sup>(4)</sup></b>		<b>1,758</b>	<b>722</b>	<b>\$3,602</b>	<b>96.7%</b>	

(1) Source: Appraisal, unless otherwise indicated.

(2) Average Unit Size SF and Average Monthly Rental Rate were unavailable in the appraisal, the numbers above reflect Average Unit Size and Average Monthly Rental Rate assuming that the competitive properties have the same unit mix as the QLIC property (13.3% studio, 70.3% 1BD counting both the 1BD and Junior 1BD units, 12.6% 2BD counting both the 2BD / 1BA and 2BD / 2BA units, and 3.8% 3BD. In some instances the competitive property did not have 3BD units, in which case the 3BD SF and Average Monthly Rent of the QLIC property was applied).

(3) Based on the underwritten rent roll.

(4) Excludes the subject property.

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

2013	2014	2015	Current <sup>(2)</sup>
N/A	N/A	N/A	100.0%

(1) Historical occupancy is not available as the property was built in 2015 and initial leasing started in September 2015. The property obtained TCOs in sections. The final TCO was obtained in April 2016.

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

## Mortgage Loan No. 4 — QLIC

### Operating History and Underwritten Net Cash Flow<sup>(1)</sup>

	Annualized Trailing Three Months <sup>(2)</sup>	Underwritten	Per Unit	% <sup>(3)</sup>
Rents in Place <sup>(4)</sup>	\$10,067,024	\$15,520,488	\$36,866	100.0%
Vacant Income	0	0	0	0.0
<b>Gross Potential Rent</b>	<b>\$10,067,024</b>	<b>\$15,520,488</b>	<b>\$36,866</b>	<b>100.0%</b>
Total Reimbursements	0	0	0	0.0
<b>Net Rental Income</b>	<b>\$10,067,024</b>	<b>\$15,520,488</b>	<b>\$36,866</b>	<b>100.0%</b>
(Vacancy/Collection Loss) <sup>(5)</sup>	(529,964)	(982,012)	(2,333)	(6.3)
Other Income <sup>(6)</sup>	298,965	831,540	1,975	5.4
<b>Effective Gross Income</b>	<b>\$9,836,024</b>	<b>\$15,370,016</b>	<b>\$36,508</b>	<b>99.0%</b>
<b>Total Expenses<sup>(7)(8)</sup></b>	<b>\$2,986,498</b>	<b>\$3,384,500</b>	<b>\$8,039</b>	<b>22.0%</b>
<b>Net Operating Income<sup>(9)</sup></b>	<b>\$6,849,526</b>	<b>\$11,985,516</b>	<b>\$28,469</b>	<b>78.0%</b>
Replacement Reserves	0	84,200	200	0.5
Elective Upfront Reserves	0	18,123	43	0.1
<b>Net Cash Flow</b>	<b>\$6,849,526</b>	<b>\$11,883,194</b>	<b>\$28,226</b>	<b>77.3%</b>

(1) Historical financials are not available as the property was built in 2015.

(2) The Annualized Trailing Three Months Column represents the three months ending June 30, 2016.

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

(4) Underwritten Rents in Place are based on the October 1, 2016 underwritten rent roll.

(5) The underwritten economic vacancy is 6.0%. The property started leasing up in September 2015 when it opened. The underwritten economic vacancy includes 5.0% applied to the parking and retail income.

(6) Other income includes parking rent of \$215,000 and base rent for the retail space.

(7) The property is subject to a 15-year 421a tax abatement that will commence in July 2017. The 15-year 421a tax abatement program allows the property's increase in assessed value to be 100.0% exempt for 11 years. The increase in the assessment is phased in with 20.0% increments every year beginning in the 12th year of the abatement. Full taxes will not be incurred until the 2032 tax year.

(8) Variable expenses are underwritten based on the appraisal.

(9) The underwritten NOI is higher mainly due to the stabilization of the QLIC property, which achieved 100.0% occupancy in October 2016.

**Property Management.** The property is managed by FirstService Residential New York, Inc. FirstService Residential New York, Inc. is a New York subsidiary of Toronto-based FirstService Corporation, a North American leader in the essential property services sector. FirstService Residential is North America's largest manager of residential communities. It manages more than 7,400 properties representing more than 1.6 million residential units and administers annual client expenditures of \$7.0 billion annually.

**Escrows and Reserves.** At origination, the borrower deposited into escrow \$9,870 for real estate taxes, \$2,100,000 for monthly payment shortfalls, and \$8,023,541 for deferred maintenance. The upfront payment shortfall reserve was structured to cover debt service while the property was being leased up and cash flow stabilizing. The upfront deferred maintenance reserve was mainly for unfinished construction work and has since been fully drawn while the property was being completed.

**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 \$9,870.

**Insurance Escrows** – The loan documents do not require monthly escrows for insurance provided that (i) no event of default under the loan has occurred and is continuing; (ii) the insurance required to be provided by the borrower is maintained pursuant to one or more blanket insurance policies; and (iii) the borrower provides the lender with timely proof of payment of insurance premiums.

**Replacement Reserves** – On a monthly basis, the borrower is required to escrow \$7,017 (\$200 per unit annually) for replacement reserves.



## Mortgage Loan No. 4 — QLIC

*Shortfall Reserves* – The loan documents provide that if at any time, the balance of the shortfall reserve falls below \$500,000, the borrower is obligated to deposit all remaining excess cash flow in the shortfall reserve until the balance equals \$1,000,000 (the “Shortfall Reserve Obligations”). As of November 7, 2016, the balance of the shortfall reserve was \$384,256. The property has stabilized and the shortfall reserve has been released.

**Lockbox / Cash Management.** The loan is structured with a soft lockbox, which is already in place, and springing cash management. The commercial tenants of the property are required to directly deposit all commercial tenant rents into the lockbox account. The borrower and/or manager are required to directly deposit all received rents (including, but not limited to, rents from residential tenants) into the lockbox account.

A cash management period will be triggered (i) upon a default or an event of default under the loan (“EOD”) or (ii) if the debt service coverage ratio on a trailing twelve month period basis falls below 1.08x at the end of a calendar quarter. A cash management period based on clause (i) and clause (ii) of the preceding sentence will end if the debt service coverage ratio equals or exceeds 1.13x for three consecutive calendar months, no default or EOD has occurred, and no event that would trigger another cash management period has occurred. During a cash management period, all funds held in the lockbox account are required to be swept into a lender-controlled cash management account, where funds are required to be deposited monthly into subaccounts for taxes, insurance, debt service, other reserves and expenses related to the loan or property.

**Additional Debt.** In addition to Note A-1 and Note A-6, the mortgaged property is also security for the *pari passu* Replacement Note A-2, Note A-3, Note A-4, Note A-5 and the QLIC Subordinate Companion Loan. The QLIC Subordinate Companion Loan has an outstanding principal balance as of the cut-off date of \$20.0 million. The QLIC Whole Loan (inclusive of the QLIC Subordinate Companion Loan) has a Cut-off Date LTV of 64.7%, an UW NCF DSCR of 1.54x and an UW NOI Debt Yield of 7.3%.