

Los Altos Ranch Market Center

Mortgage Loan Information

Mortgage Loan Seller:	RCMC
Original Principal Balance:	\$15,500,000
Cut-off Date Principal Balance:	\$15,500,000
% of Pool by IPB:	2.0%
Loan Purpose:	Acquisition
Borrowers⁽¹⁾:	Various
Sponsors⁽¹⁾:	Various
Interest Rate:	4.69000%
Note Date:	10/29/2015
Maturity Date:	11/5/2025
Interest-only Period:	36 months
Original Term:	120 months
Original Amortization:	360 months
Amortization Type:	IO-Balloon
Call Protection:	L(24),Def(92),O(4)
Lockbox:	Springing
Additional Debt:	N/A
Additional Debt Balance:	N/A
Additional Debt Type:	N/A

Property Information

Single Asset / Portfolio:	Single Asset
Title:	Fee
Property Type - Subtype:	Retail - Anchored
Net Rentable Area (SF)⁽²⁾:	106,828
Location:	Glendale, AZ
Year Built / Renovated:	1973 / 2015
Occupancy⁽²⁾:	95.1%
Occupancy Date:	10/21/2015
Number of Tenants⁽²⁾:	20
2012 NOI:	\$1,236,403
2013 NOI⁽³⁾:	\$1,280,528
2014 NOI⁽³⁾:	\$1,482,454
TTM NOI (as of 8/2015):	\$1,399,696
UW Economic Occupancy:	90.0%
UW Revenues:	\$1,877,885
UW Expenses:	\$540,598
UW NOI:	\$1,337,287
UW NCF:	\$1,244,584
Appraised Value / Per SF:	\$20,800,000 / \$195
Appraisal Date:	10/13/2015

Escrows and Reserves

	Initial	Monthly	Initial Cap
Taxes:	\$67,436	\$16,859	N/A
Insurance:	\$10,257	\$1,026	N/A
Replacement Reserves:	\$0	\$1,476	\$35,424
TI/LC⁽⁴⁾:	\$0	\$6,250	\$300,000
Other⁽⁵⁾:	\$112,563	\$0	N/A

Financial Information

Cut-off Date Loan / SF:	\$145
Maturity Date Loan / SF:	\$128
Cut-off Date LTV:	74.5%
Maturity Date LTV:	65.5%
UW NCF DSCR:	1.29x
UW NOI Debt Yield:	8.6%

Sources and Uses

Sources	Proceeds	% of Total	Uses	Proceeds	% of Total
Mortgage Loan	\$15,500,000	73.2%	Purchase Price	\$20,700,000	97.8%
Sponsor Equity	5,662,855	26.8	Closing Costs	272,599	1.3
			Upfront Reserves	190,256	0.9
Total Sources	\$21,162,855	100.0%	Total Uses	\$21,162,855	100.0%

(1) For a full description of the Borrowers and the Loan Sponsors, please refer to "The Loan" below.

(2) Net Rentable Area (SF), Occupancy and Number of Tenants include a 4,125 square foot pad that is ground leased to McDonald's.

(3) The increase from 2013 NOI to 2014 NOI is primarily due to two new leases being signed in 2014 resulting in approximately \$71,723 of additional rent.

(4) The borrowers will not be required to make monthly deposits of \$6,250 into the TI/LC reserve so long as (i) no event of default has occurred, (ii) the funds in the reserve are no less than \$300,000, and (iii) the property maintains a physical occupancy of at least 80.0%.

(5) Initial Other Escrows and Reserves consists of an existing TI/LC reserve (\$70,851), a McDonald's CAM reserve (\$32,337) and an immediate repair reserve (\$9,375).

The Loan. The Los Altos Ranch Market Center loan has an outstanding principal balance as of the Cut-off Date of \$15.5 million and is secured by a first mortgage lien on the fee interest in a 106,828 square foot grocery anchored retail center located in Glendale, Arizona. The loan has a 10-year term and, subsequent to a three-year interest-only period, will amortize on a 30-year schedule. The existing debt was previously securitized in the CSMC 2006-C1 transaction. The borrowing entities for the loan are three tenant-in-common entities: 67th Avenue and Camelback Pro's Real Estate, LLC, an Arizona limited liability company, Los Altos-DE, LLC, a Delaware limited liability company, and 1640 DE, LLC, a Delaware limited liability company, each a special purpose entity. The nonrecourse carve-out guarantors are Michael A. Provenzano, Jr., Michael A. Provenzano, III, Jeffrey P. Branch, The Survivor's Trust of the Provenzano Family Trust Dated January 28, 1992 and Map III 2003 Trust. Michael A. Provenzano, Jr. and Michael A. Provenzano, III are members of Provenzano family which owns and operates six shopping centers. Jeffrey P. Branch has over 30 years of experience in the commercial real estate industry and owns and operates two real estate companies.

Los Altos Ranch Market Center

The Property. Los Altos Ranch Market Center is a Class B, grocery anchored retail center comprised of approximately 106,828 square feet located in Glendale, Arizona. The property consists of four buildings and a 4,125 square foot pad site which is ground leased to McDonald's. The property contains 368 surface parking spots with an overall parking ratio of 3.44 per 1,000 square feet. The Los Altos Ranch Market Center property was constructed in 1973 and has been upgraded over the years including an approximately \$3.0 million (\$28.08 per square foot) renovation between 2005 and 2015 that included a new façade, and upgrades to the exterior paint, tilework, and parking lot. In addition, the anchor tenant spent approximately \$7.0 million on their store build out in 2005.

As of October 21, 2015, the property was 95.1% occupied by 20 tenants. Since 2005, the center has achieved an average occupancy of 94.1%. The anchor tenant, Los Altos Ranch Market ("Los Altos"), leases approximately 40.1% of the net rentable area through September 30, 2032 (without a termination option and four five-year extension options remaining) and has occupied the space since December 1, 2005. Los Altos Ranch Market is a privately held Hispanic grocery chain with 10 stores in Arizona, New Mexico and Texas. Catering to the Hispanic consumers, Los Altos stores feature tortilleria, taqueria and cremeria departments in addition to the traditional grocery, meat, bakery and produce departments. Los Altos formerly operated as a Pro's Ranch Market until 2014 when the company was acquired by CNG Ranch, LLC – an entity formed via partnership between Cardenas Market and Northgate Market - following a corporate Chapter 11 bankruptcy filing in 2013. Post-acquisition, all Pro's Ranch Markets continued operating under the Los Altos brand. As of the trailing 12-months ending September 30, 2015, the tenant reported approximately \$21.0 million in sales (\$491 per square foot) with an occupancy cost of approximately 3.8%. The second largest tenant at the property, Dollar Tree, leases 9.4% of the net rentable area through January 31, 2018 with three five-year extension options remaining and has been at the property since January 12, 2013. The third largest tenant at the property, Audio Express, leases 5.2% of the net rentable area through August 31, 2016 and has been at the property since August 14, 1998. Audio Express is a car audio sales and installation company founded in 1974 with multiple locations in Arizona.

The Market. The Los Altos Ranch Market Center property is located in an in-fill area in Glendale, Arizona, approximately 10 miles from the Phoenix, Arizona central business district. The property is located at the northwest corner of the intersection of West Camelback Road and North 67th Avenue, which has a combined traffic count of over 44,000 vehicles per day. The property is located approximately 10 miles from the Metrocenter, the second largest regional mall in the Phoenix metropolitan area. The 1.3 million square foot, two-story, enclosed regional shopping center was developed in 1973 and is anchored by Macy's, Dillard's, Sears and a 12-screen movie theater. According to the appraisal, the one-, three- and five-mile 2015 population is 26,963, 201,100 and 433,853, respectively, while the average household income is \$42,077, \$41,844 and \$44,240, respectively.

According to a third party data provider, the property is located in the North Phoenix retail submarket. As of the second quarter 2015, the submarket contains an inventory of approximately 39.2 million square feet of retail space with a vacancy rate of 12.7%. The appraisal identified six comparable retail properties built between 1975 and 2007 ranging in size from 71,002 to 206,040 square feet. The comparable properties reported occupancy ranging from 69.0% to 98.0%, with a weighted average of 88.5%. Asking rents for the comparable properties range from \$8.50 to \$25.00 per square foot. The appraisal concluded to a market rent of \$14.00 per square foot for grocery anchored space, \$20.00 per square foot for in-line space and \$24.00 per square foot for pad sites. The average in-place rent for the property excluding Los Altos is \$18.23 per square foot.

Los Altos Ranch Market Center

Tenant Summary ⁽¹⁾						
Tenant	Ratings Moody's/S&P/Fitch ⁽²⁾	Net Rentable Area (SF)	% of Total NRA	Base Rent PSF	% of Total Base Rent	Lease Expiration Date
Los Altos Ranch Market ⁽³⁾	NA / NA / NA	42,881	40.1%	\$14.00	39.7%	9/30/2032
Dollar Tree ⁽⁴⁾	Ba2 / BB / BBB-	10,000	9.4%	\$9.75	6.4%	1/31/2018
Audio Express	NA / NA / NA	5,568	5.2%	\$13.50	5.0%	8/31/2016
Bonita Fashions	NA / NA / NA	4,992	4.7%	\$12.36	4.1%	6/30/2020
Rent-A-Center ⁽⁵⁾	Ba3 / BB / NA	4,576	4.3%	\$14.50	4.4%	4/30/2020
McDonald's ⁽⁶⁾	A3 / A- / BBB+	4,125	3.9%	\$10.75	2.9%	2/04/2019
Pro's Ranch Wash ⁽⁷⁾	NA / NA / NA	3,802	3.6%	\$19.86	5.0%	2/29/2020
Los Altos Ranch Market Warehouse ⁽³⁾	NA / NA / NA	3,424	3.2%	\$12.31	2.8%	9/30/2032
A-Affordable Insurance	NA / NA / NA	2,850	2.7%	\$22.00	4.1%	12/31/2016
Wingstop ⁽⁸⁾	NA / NA / NA	2,700	2.5%	\$17.34	3.1%	2/28/2025

(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) Los Altos Ranch Market and Los Altos Ranch Market Warehouse have four five-year extension options remaining.

(4) Dollar Tree has three five-year extension options remaining.

(5) Rent-A-Center has one five-year extension option remaining.

(6) McDonald's ground leases the pad through February 4, 2019 with three five-year extension options remaining.

(7) Pro's Ranch Wash has two five-year extension options remaining.

(8) Wingstop has two five-year extension options remaining.

Lease Rollover Schedule ⁽¹⁾									
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	5,225	4.9%	NAP	NAP	5,225	4.9%	NAP	NAP
2015 & MTM	1	1,500	1.4	\$29,250	1.9%	6,725	6.3%	\$29,250	1.9%
2016	4	10,770	10.1	186,746	12.3	17,495	16.4%	\$215,996	14.3%
2017	2	3,191	3.0	74,041	4.9	20,686	19.4%	\$290,037	19.2%
2018	2	12,404	11.6	144,787	9.6	33,090	31.0%	\$434,823	28.7%
2019 ⁽²⁾	2	5,325	5.0	75,828	5.0	38,415	36.0%	\$510,651	33.7%
2020	5	16,923	15.8	271,794	18.0	55,338	51.8%	\$782,446	51.7%
2021	0	0	0.0	0	0.0	55,338	51.8%	\$782,446	51.7%
2022	1	2,485	2.3	42,245	2.8	57,823	54.1%	\$824,691	54.5%
2023	0	0	0.0	0	0.0	57,823	54.1%	\$824,691	54.5%
2024	0	0	0.0	0	0.0	57,823	54.1%	\$824,691	54.5%
2025	1	2,700	2.5	46,818	3.1	60,523	56.7%	\$871,509	57.6%
2026 & Beyond	2	46,305	43.3	642,483	42.4	106,828	100.0%	\$1,513,992	100.0%
Total	20	106,828	100.0%	\$1,513,992	100.0%				

(1) Based on the underwritten rent roll.

(2) 2019 Net Rentable Area Expiring includes a 4,125 square foot pad site ground leased to McDonald's.

Los Altos Ranch Market Center

Operating History and Underwritten Net Cash Flow							
	2012	2013	2014	TTM ⁽¹⁾	Underwritten	Per Square Foot	% ⁽²⁾
Rents in Place ⁽³⁾	\$1,294,852	\$1,305,332	\$1,556,430	\$1,450,913	\$1,513,992	\$14.17	72.6%
Vacant Income	0	0	0	0	73,150	0.68	3.5
Gross Potential Rent	\$1,294,852	\$1,305,332	\$1,556,430	\$1,450,913	\$1,587,142	\$14.86	76.1%
Total Reimbursements	444,637	496,150	437,344	451,728	499,397	4.67	23.9
Net Rental Income	\$1,739,488	\$1,801,482	\$1,993,774	\$1,902,641	\$2,086,539	\$19.53	100.0%
Other Income	5,408	5,315	101	14,653	0	0.00	0.0
(Vacancy/Credit Loss)	0	0	0	0	(208,654)	(1.95)	(10.0)
Effective Gross Income	\$1,744,897	\$1,806,797	\$1,993,874	\$1,917,294	\$1,877,885	\$17.58	90.0%
Total Expenses	\$508,494	\$526,269	\$511,420	\$517,598	\$540,598	\$5.06	28.8%
Net Operating Income	\$1,236,403	\$1,280,528	\$1,482,454	\$1,399,696	\$1,337,287	\$12.52	71.2%
Total TI/LC, Capex/RR	3,410	20,615	20,915	4,711	92,703	0.87	4.9
Net Cash Flow	\$1,232,993	\$1,259,913	\$1,461,539	\$1,394,985	\$1,244,584	\$11.65	66.3%
Occupancy⁽³⁾	92.8%	92.8%	100.0%	95.1%	90.0%		

(1) TTM column represents the trailing 12-month period ending on August 31, 2015.

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

(3) Historical Occupancy is as of December 31 of each respective year and TTM Occupancy is as of October 21, 2015. Underwritten occupancy represents economic occupancy.