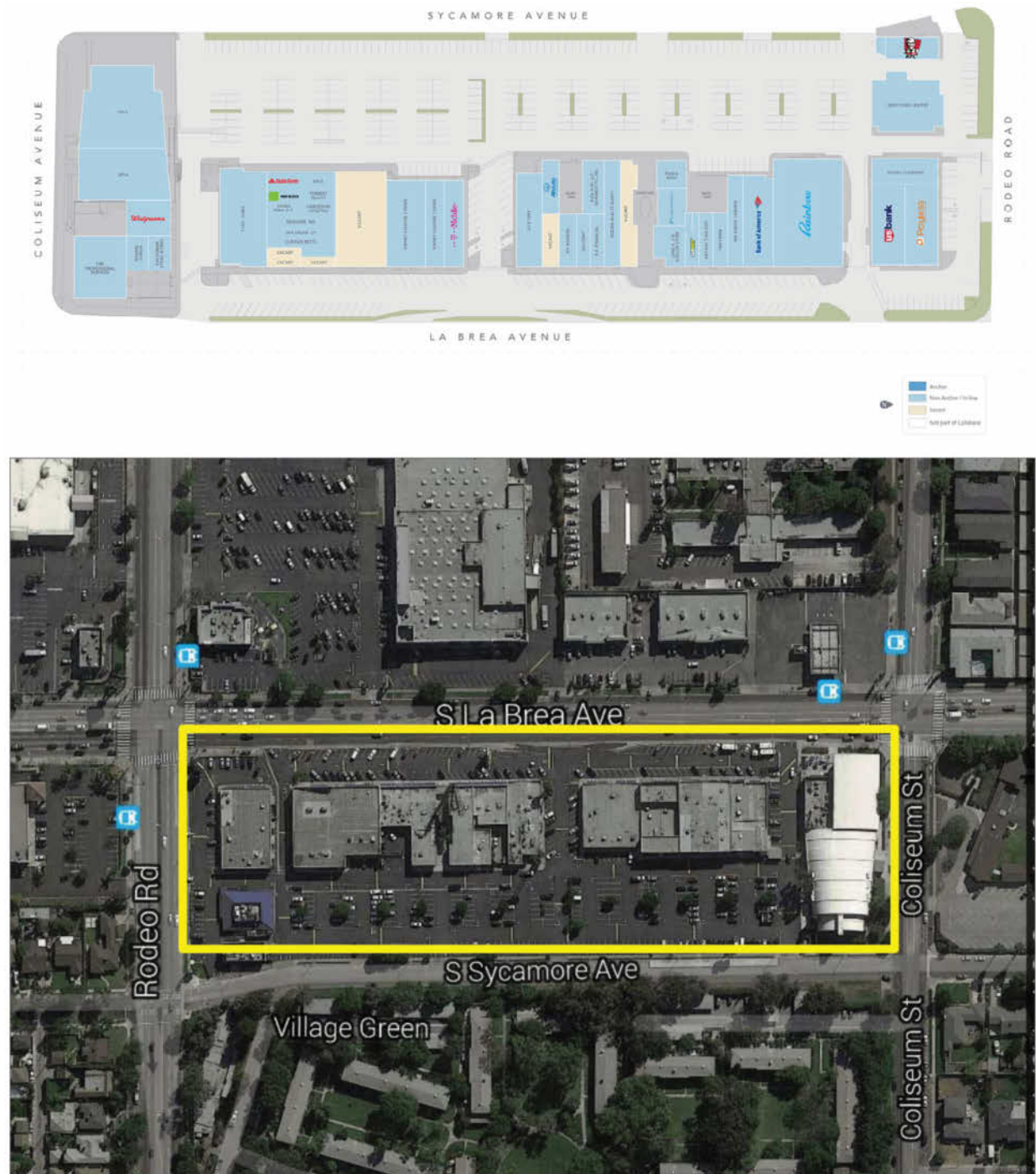


Mortgage Loan No. 6 — Baldwin Hills Center



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Mortgage Loan No. 6 — Baldwin Hills Center

Mortgage Loan Information

Mortgage Loan Seller:	SPREF
Original Principal Balance:	\$33,000,000
Cut-off Date Principal Balance:	\$33,000,000
% of Pool by IPB:	3.5%
Loan Purpose:	Refinance
Borrower:	Baldwin Hills Investors, Ltd.
Sponsor:	John F. Karubian
Interest Rate:	4.6900%
Note Date:	11/2/2015
Maturity Date:	11/6/2025
Interest-only Period:	60 months
Original Term:	120 months
Original Amortization:	360 months
Amortization Type:	IO-Balloon
Call Protection:	L(27),YM2(89),O(4)
Lockbox⁽¹⁾:	Springing
Additional Debt:	No
Additional Debt Balance:	N/A
Additional Debt Type:	N/A
Additional Future Debt Permitted:	No

Property Information

Single Asset / Portfolio:	Single Asset
Title:	Fee
Property Type - Subtype:	Retail – Unanchored
Net Rentable Area (SF):	127,054
Location:	Los Angeles, CA
Year Built / Renovated:	1955 / 1993, 2001, 2004, 2012-2014
Occupancy:	85.9%
Occupancy Date:	10/16/2015
Number of Tenants:	38
2012 NOI:	\$2,620,466
2013 NOI:	\$1,947,438
2014 NOI⁽²⁾:	\$2,328,067
TTM NOI⁽²⁾⁽³⁾:	\$2,533,317
UW Economic Occupancy:	85.9%
UW Revenues:	\$4,465,651
UW Expenses:	\$1,338,160
UW NOI⁽²⁾:	\$3,127,491
UW NCF:	\$2,920,393
Appraised Value / Per SF:	\$51,400,000 / \$405
Appraisal Date:	10/10/2015

Escrows and Reserves⁽⁴⁾

	Initial	Monthly	Initial Cap
Taxes:	\$85,374	\$17,075	N/A
Insurance:	\$96,470	\$8,039	N/A
Replacement Reserves:	\$0	\$2,118	\$76,233
TI/LC:	\$0	\$15,141	\$545,062
Engineering Reserve:	\$21,844	N/A	N/A
Litigation Reserve:	\$54,025	N/A	N/A
Rent Reserve:	\$258,016	N/A	N/A
Special Rollover Reserve:	\$0	Springing	N/A

Financial Information

Cut-off Date Loan / SF:	\$260
Maturity Date Loan / SF:	\$238
Cut-off Date LTV:	64.2%
Maturity Date LTV:	58.9%
UW NCF DSCR:	1.42x
UW NOI Debt Yield:	9.5%

Sources and Uses

Sources	Proceeds	% of Total
Mortgage Loan	\$33,000,000	100.0%
Total Sources	\$33,000,000	100.0%

Uses	Proceeds	% of Total
Payoff Existing Debt	\$24,094,941	73.0%
Return of Equity	7,844,724	23.8
Closing Costs	544,606	1.7
Upfront Reserves	515,729	1.6
Total Uses	\$33,000,000	100.0%

(1) For a more detailed description of Lockbox, please refer to "Lockbox / Cash Management" below.

(2) The increase in UW NOI compared to 2014 and TTM NOI is due in part to existing tenant APLA expanding into 15,266 SF of previously vacant space and PAE Professional Services executing a new lease for 6,940 SF.

(3) Represents trailing twelve months ending August 31, 2015.

(4) For a more detailed description of Escrows and Reserves, please refer to "Escrows and Reserves" below.

Mortgage Loan No. 6 — Baldwin Hills Center

The Loan. The Baldwin Hills Center loan is a \$33.0 million first mortgage loan secured by the fee interest in a 127,054 SF unanchored retail center located in Los Angeles, California. The loan has a 10-year term and will amortize on a 30-year schedule after a five-year interest only period.

The Borrower. The borrowing entity for the loan is Baldwin Hills Investors, Ltd., a California limited partnership and special purpose entity.

The Sponsor. The loan's sponsor and nonrecourse carve-out guarantor is John F. Karubian. Mr. Karubian is a local real estate professional who has been investing, managing, and developing real estate in the Los Angeles area for over three decades. Throughout his career, Mr. Karubian has acquired approximately 900 residential units and nine commercial and storage properties with an estimated value of nearly \$250 million.

The Property. The property is a 127,054 SF unanchored retail center located in Los Angeles, California. The property was constructed in 1955 and is situated on approximately 8.0 acres, in a residential area southwest of downtown Los Angeles. There are 433 surface parking spaces at the property which are included in the collateral, resulting in a parking ratio of 3.4 spaces per 1,000 SF of net rentable area. A 9,490 SF building that is part of the property is currently being renovated. The sponsor plans to add additional mezzanine space along the north side of the building connecting the current mezzanine areas on the east and west ends of the building and both open and raise the roof in the center of the building to create an atrium that provides natural light to the first and second floors. The sponsor executed a completion guarantee for the space at origination.

As of October 16, 2015, the property was approximately 85.9% leased by 38 tenants. The property's tenancy caters to mid-price point customers with both national and local tenants that include APLA, Rainbow USA, Inc., and PAE Professional Services. The largest tenant at the property, APLA, leases 22,928 SF (18.0% of the net rentable area) pursuant to multiple leases which have expiration dates between August 2021 and September 2022. APLA is a non-profit organization dedicated to improving lives of people affected by HIV/AIDS, reducing the incidence of HIV infection, and advocating for fair and effective HIV-related public policy. The second largest tenant at the property, Rainbow USA, Inc., leases 10,150 SF (8.0% of the net rentable area) through January 2022. Rainbow USA, Inc. is a neighborhood boutique founded in 1935 in New York City. Rainbow USA, Inc. offers a wide assortment of clothing for juniors, plus sizes, and children, as well as a large shoe collection. Today, along with sister brands 579 and Marianne, the company operates over 1,000 locations within 37 states, Puerto Rico, and the U.S. Virgin Islands. The third largest tenant at the property, PAE Professional Services, leases 6,940 SF (5.5% of the net rentable area) through June 2021. PAE Professional Services provides support for the essential missions of a wide range of customers, including the U.S. government, its allied partners and international organizations. PAE Professional Services' current portfolio includes capabilities in aviation, capacity building and stabilization, critical infrastructure, expeditionary logistics, identity and information management solutions, integrated security solutions, test and training ranges, and training solutions.

The property benefits from its location on the southwest corner of Rodeo Road and La Brea Avenue which provides good frontage. Primary access to the location is provided by Interstate 10.

The Market. The property is located in the Greater Los Angeles market, approximately 8.0 miles from downtown Los Angeles and approximately 7.0 miles from Los Angeles International Airport. The corner of Rodeo Road and La Brea Avenue contain two grocery anchored centers. A Ralphs anchored center is situated directly across from the property at the southeastern corner of the intersection, and a Superior Grocers and Rite Aid anchored center is situated at the northeastern corner of the intersection. A free standing CVS Drug store is located at the northwest corner of the intersection.

According to the appraisal, the 3-mile radius of the property contains approximately 331,199 people, with an average household income of \$68,907 as of 2015. The appraisal concluded per square foot market rents of \$30.60. According to the appraisal, the Culver City/Inglewood/El Segundo submarket reported an overall vacancy rate of 2.7% as of 2015. According to the appraisal, the property's competitive set consists of the 8 properties detailed in the table below.

Mortgage Loan No. 6 — Baldwin Hills Center

Competitive Set Summary⁽¹⁾

Property	Year Built / Renovated	Total GLA (SF)	Est. Occ.	Proximity (miles)	Major Tenants
Baldwin Hills Center	1955 / 2014	127,054⁽²⁾	86%⁽²⁾		APLA, Rainbow USA, Inc., PAE Professional Services⁽²⁾
Crenshaw Town Plaza	1969 / 1994	138,083	90%	3.6	Ralphs Grocery
Chesterfield Square	2002 / NAP	215,755	98%	4.6	Home Depot, Food 4 Less, Walgreens
Gage Village Shopping Center	2003 / NAP	102,685	96%	8.2	El Super
Crenshaw Imperial Shopping Center	1958 / NAP	222,690	73%	7.8	Dd's Discount (Ross), General Discount, Fallas Paredes
Cheviot Hills Shopping Center	1967 / NAP	50,306	100%	3.4	Vons, Rite Aid
Athens Westmont Shopping Center	1967 / NAP	183,173	97%	8.8	Food 4 Less
Northgate Slauson Marketplace	2014 / NAP	77,096	100%	7.4	Gonzalez Northgate Market, CVS
Superior Grocers Shopping Center	1961 / 1993	93,535	80%	9.0	Superior Grocers

(1) Source: Appraisal.

(2) Based on underwritten rent roll.

Historical and Current Occupancy⁽¹⁾

2012	2013	2014	TTM ⁽²⁾	Current ⁽³⁾
74.5%	76.6%	74.8 %	87.4 %	85.9%

(1) Source: Historical Occupancy is provided by the sponsor.

(2) The TTM is based on the trailing-twelve month period ending August 31, 2015.

(3) Based on the October 2015 underwritten rent roll.

Tenant Summary⁽¹⁾

Tenant	Ratings Moody's/S&P/Fitch ⁽²⁾	Net Rentable Area (SF)	% of Total NRA	Base Rent PSF	Sales PSF ⁽³⁾	Occupancy Costs ⁽³⁾	Lease Expiration Date
APLA	NA / NA / NA	22,928	18.0%	\$23.55	N/A	N/A	Various ⁽⁴⁾
Rainbow USA, Inc. ⁽⁵⁾	NA / NA / NA	10,150	8.0%	\$22.29	\$159	21.0%	1/31/2022
PAE Professional Services ⁽⁶⁾	NA / NA / NA	6,940	5.5%	\$33.00	N/A	N/A	6/30/2021
Kidney Dialysis Center	NA / NA / NA	6,750	5.3%	\$28.14	N/A	N/A	12/31/2022
T.H.E. Clinic	NA / NA / NA	5,700	4.5%	\$50.36	N/A	N/A	11/30/2020
New Panda Buffet	NA / NA / NA	4,620	3.6%	\$22.80	N/A	N/A	12/31/2020
Bank of America	Baa1 / A- / A	3,840	3.0%	\$30.48	N/A	N/A	9/30/2019
US Bank	A1 / A+ / AA	3,640	2.9%	\$40.01	N/A	N/A	6/30/2017
Payless Shoes ⁽⁷⁾	NA / NA / NA	3,615	2.8%	\$30.00	N/A	N/A	12/31/2017
Jessica Padilla (CJ's Café)	NA / NA / NA	3,250	2.6%	\$38.08	N/A	N/A	2/28/2022

(1) Based on the underwritten rent roll, including rent increases occurring through October 31, 2016.

(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) Sales PSF and Occupancy Costs represent comparable tenant sales (tenants with 12 months reported sales) and occupancy costs for the twelve-month period ending on August 31, 2015 as provided by the sponsors for tenants that are required to report.

(4) APLA occupies three spaces, with 15,266 SF expiring September 30, 2022, 6,712 SF expiring August 31, 2021, and 950 SF expiring August 31, 2021.

(5) In the event, that more than 50% of the floor area of the shopping area is not open for business for a consecutive period of more than 30 days, Rainbow USA, Inc. will have the right to terminate the lease upon 60 days' written notice to landlord, unless after 30 days after giving such notice the condition is satisfied.

(6) If at any time prior to the 30th month of the initial term, PAE Professional Services receives instructions from the United States Federal Government to terminate the lease, the tenant will have a one-time option to terminate the lease effective on the last day of the 36th month of the initial term.

(7) Payless Shoes may close its store when in its sole judgment the operation of the store cannot be economically justified. In the event the tenant should close for a period of more than ten calendar days, the borrower will have the right to terminate the lease with 30 days' prior written notice to the tenant.

Mortgage Loan No. 6 — Baldwin Hills Center

Lease Rollover Schedule⁽¹⁾

Year	Number of Leases Expiring ⁽²⁾	NRA Expiring	% of NRA Expiring	Base Rent Expiring	% of Base Rent Expiring	Cumulative NRA Expiring	Cumulative % of NRA Expiring	Cumulative Base Rent Expiring	Cumulative % of Base Rent Expiring
Vacant	NAP	17,956	14.1%	NAP	NAP	17,956	14.1%	NAP	NAP
2016	2	3,648	2.9	\$101,123	3.1%	21,604	17.0%	\$101,123	3.1%
2017	6	12,857	10.1	358,494	11.1	34,461	27.1%	\$459,616	14.2%
2018	2	3,435	2.7	93,755	2.9	37,896	29.8%	\$553,372	17.1%
2019	6	9,753	7.7	321,334	9.9	47,649	37.5%	\$874,705	27.0%
2020	8	16,505	13.0	563,307	17.4	64,154	50.5%	\$1,438,012	44.4%
2021	4	16,701	13.1	439,167	13.6	80,855	63.6%	\$1,877,179	57.9%
2022	7	37,409	29.4	1,033,672	31.9	118,264	93.1%	\$2,910,851	89.8%
2023	2	2,400	1.9	92,096	2.8	120,664	95.0%	\$3,002,947	92.7%
2024	3	5,331	4.2	190,470	5.9	125,995	99.2%	\$3,193,418	98.5%
2025	1	1,059	0.8	47,652	1.5	127,054	100.0%	\$3,241,070	100.0%
2026 & Beyond	0	0	0.0	0	0.0	127,054	100.0%	\$3,241,070	100.0%
Total	41	127,054	100.0%	\$3,241,070	100.0%				

(1) Based on the underwritten rent roll. Rent includes base rent and rent increases occurring through October 31, 2016.

(2) Certain tenants have more than one lease.

Operating History and Underwritten Net Cash Flow

	2012	2013	2014 ⁽¹⁾	TTM ⁽¹⁾⁽²⁾	Underwritten ⁽¹⁾⁽³⁾	PSF	% ⁽⁴⁾
Rents in Place ⁽³⁾	\$2,759,358	\$2,297,735	\$2,621,345	\$2,736,507	\$3,241,070	\$25.51	65.4%
Vacant Income	0	0	0	0	506,076	3.98	10.2%
Gross Potential Rent	\$2,759,358	\$2,297,735	\$2,621,345	\$2,736,507	\$3,747,146	\$29.49	75.6%
Total Reimbursements	941,654	761,495	811,339	872,627	1,209,185	9.52	24.4%
Net Rental Income	\$3,701,012	\$3,059,229	\$3,432,683	\$3,609,134	\$4,956,331	\$39.01	100.0%
(Vacancy/Collection Loss)	0	0	0	0	(506,076)	(3.98)	(10.2%)
Other Income	(66)	330	12,708	15,396	15,396	0.12	0.3%
Effective Gross Income	\$3,700,946	\$3,059,559	\$3,445,392	\$3,624,530	\$4,465,651	\$35.15	90.1%
Total Expenses	\$1,080,479	\$1,112,121	\$1,117,325	\$1,091,213	\$1,338,160	\$10.53	30.0%
Net Operating Income	\$2,620,466	\$1,947,438	\$2,328,067	\$2,533,317	\$3,127,491	\$24.62	70.0%
Total TI/LC, Capex/RR	0	0	0	0	207,098	1.63	4.6%
Net Cash Flow	\$2,620,466	\$1,947,438	\$2,328,067	\$2,533,317	\$2,920,393	\$22.99	65.4%

(1) The increase in UW NOI compared to 2014 and TTM NOI is due in part to existing tenant APLA expanding into 15,266 SF of previously vacant space and PAE Professional Services executing a new lease for 6,940 SF.

(2) Represents trailing twelve months ending August 31, 2015.

(3) Underwritten Rents in Place includes Base Rent and Rent Increases occurring through October 31, 2016.

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

Property Management. The property is managed by Forsat, Inc., an affiliate of the sponsor.

Mortgage Loan No. 6 — Baldwin Hills Center

Escrows and Reserves. At origination, the borrower deposited into escrow \$258,016 for a rent reserve, \$96,470 for insurance, \$85,374 for real estate taxes, \$54,025 for a litigation reserve and \$21,844 for engineering reserves.

Tax Escrows – On a monthly basis, the borrower is required to escrow 1/12th of the annual estimated tax payments, currently equal to \$17,075.

Insurance Escrows – On a monthly basis, the borrower is required to escrow 1/12th of the annual estimated insurance premiums due for the renewal of the coverage afforded by the policies, currently equal to \$8,039.

TI/LC Reserve – On a monthly basis, the borrower is required to make a deposit with the lender in the amount of \$15,141 for tenant improvements and leasing commissions, up to a cap of \$545,062.

Replacement Reserve – On a monthly basis, the borrower is required to make a deposit with the lender in the amount of \$2,118 for replacement reserves, up to a cap of \$76,233.

Litigation Reserve – The litigation reserved for is regarding an outstanding dispute over a leasing commission. If the settlement exceeds the Litigation Reserve, the sponsor is required to deposit the shortfall within five business days.

Rent Reserve - The \$258,016 rent reserve which is required to be disbursed to borrower upon confirmation that APLA (with reference to suite 3741) and PAE Professional Services have each begun paying full unabated rent pursuant to their leases.

Lockbox / Cash Management. The loan is structured with a springing lockbox and springing cash management. Upon written notification from the lender that the first Cash Management Period (defined below), if any, has occurred, the borrower is required to promptly establish and maintain a lockbox account (the “Lockbox Account”) with the lockbox bank in trust for the benefit of the lender into which rents will be deposited. The related loan documents require the lender to have a first priority security interest in the Lockbox Account and the cash management account (the “Cash Management Account”). Upon the occurrence and during the continuance of a Cash Management Period, the borrower and property manager are required to hold rents and other income from the property in trust for the lender and deposit such amounts in the Lockbox Account within one business day of receipt. During a Cash Management Period, all funds deposited into the Lockbox Account will be periodically swept into the Cash Management Account and will be applied by the lender to the payment of tax and insurance (if applicable) escrows, debt service, replacement reserves, any other amounts then due to the lender and monthly operating expenses and extraordinary expenses. Any excess funds after deductions for these items must be deposited into the excess cash flow reserve account.

“Cash Management Period” means a period commencing: (i) upon the occurrence of an event of default, or (ii) if the debt service coverage ratio is less than 1.30x at the end of any calendar quarter, or (iii) concurrently with the commencement of a Lease Sweep Period (defined below), or (iv) on the stated maturity date of the loan. A Cash Management Period will end with respect to clause (i) above, after the cure (if applicable) of such event of default (provided that no other Cash Management Period has occurred and is continuing), or with respect to clause (ii) above, upon the date that the debt service coverage ratio is equal to or greater than 1.35x at the end of any calendar quarter (provided that no event of default has occurred and is continuing), or with respect to clause (iii) above, when such Lease Sweep Period has ended.

A “Lease Sweep Period” commences (i) on the date that is six (6) months prior to the end of the term of any Major Lease (including any renewal terms); provided, however, that with reference to any Major Lease, the borrower will have the ability to reduce the six (6) month period to four (4) months if the borrower deposits \$250,000 with the lender on or before the date that is twelve months prior to the end of the term of such Major Lease; (ii) on the date required under a Major Lease by which the tenant is required to give notice of its exercise of a renewal option (and such renewal has not been exercised), (iii) if any Major Lease is surrendered, cancelled or terminated prior to its expiration date, (iv) if any tenant under a Major Lease “goes dark” or gives notice that it intends to “go dark” or (v) upon the occurrence of an insolvency proceeding with respect to a tenant under a Major Lease. “Major Lease” is: any of the respective leases with APLA (suite 3741, only 15,266 square feet), Rainbow USA, Inc., and PAE Professional Services, together with any replacement lease which covers all or substantially all of the space demised under any of the foregoing.