

Mortgage Loan No. 9 – Calabasas Tech Center



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Mortgage Loan Information			
Mortgage Loan Seller:	MSMCH		
Original Balance:	\$33,000,000		
Cut-off Date Balance:	\$33,000,000		
% of Initial Pool Balance:	3.4%		
Loan Purpose:	Acquisition		
Sponsors:	CT Calabasas, LLC		
Mortgage Rate:	4.8580%		
Note Date:	11/22/2016		
First Payment Date:	1/1/2017		
Maturity Date:	12/1/2026		
Original Term to Maturity:	120 months		
Original Amortization Term:	0 months		
IO Period:	120 months		
Seasoning:	2 months		
Prepayment Provisions:	LO (26); DEF (89); O (5)		
Lockbox/Cash Mgmt Status:	Soft/Springing		
Additional Debt Type:	N/A		
Additional Debt Balance:	None		
Future Debt Permitted (Type):	No (N/A)		
Reserves ⁽¹⁾			
Type	Initial	Monthly	Cap
RE Tax:	\$229,257	\$52,947	N/A
Insurance:	\$9,166	\$4,583	N/A
Recurring Replacements:	\$0	\$6,355	N/A
TI/LC:	\$500,000	40,018	\$2,259,816
Deferred Maintenance:	\$20,025	\$0	N/A
Other:	\$1,301,995	\$0	N/A

Property Information	
Single Asset/Portfolio:	Single Asset
Location:	Calabasas, CA 91302
General Property Type:	Office
Detailed Property Type:	Suburban
Title Vesting:	Fee
Year Built/Renovated:	1985 & 1987 / NA
Size:	282,434 SF
Cut-off Date Balance per SF:	\$117
Maturity Date Balance per SF:	\$117
Property Manager:	Greenbrier Properties, Inc.

Underwriting and Financial Information	
UW NOI ⁽²⁾ :	\$3,775,679
UW NOI Debt Yield:	11.4%
UW NOI Debt Yield at Maturity:	11.4%
UW NCF DSCR:	1.98x
Most Recent NOI:	\$2,784,695 (10/31/2016 TTM)
2nd Most Recent NOI:	\$3,004,786 (12/31/2015)
3rd Most Recent NOI:	\$2,429,345 (12/31/2014)
Most Recent Occupancy:	89.9% (11/15/2016)
2nd Most Recent Occupancy:	75.5% (12/31/2015)
3rd Most Recent Occupancy:	77.3% (12/31/2014)
Appraised Value (as of):	\$51,500,000 (10/14/2016)
Cut-off Date LTV Ratio:	64.1%
Maturity Date LTV Ratio:	64.1%

Sources and Uses					
Sources			Uses		
Sources	Proceeds	% of Total	Uses	Proceeds	% of Total
Loan Amount:	\$33,000,000	60.9%	Purchase Price:	\$51,500,000	95.0%
Borrower Equity:	\$21,205,755	39.1%	Reserves:	\$2,060,443	3.8%
			Closing Costs:	\$645,312	1.2%
Total Sources:	\$54,205,755	100.0%	Total Uses:	\$54,205,755	100.0%

(1) See "Escrows and Reserves" below for further discussion of reserve requirements.

(2) The increase in UW NOI from the October 31, 2016 TTM is primarily attributable to \$619,793 of rent abatement income in the October 31, 2016 TTM period and contractual rent escalations of \$132,889 through September 1, 2017 and \$46,432 of straight-line average rent increases for Intel Corporation through the end of its lease term that are included in the UW Gross Potential Rent.

The Mortgage Loan. The ninth largest mortgage loan (the "Calabasas Tech Center Mortgage Loan") is evidenced by a promissory note in the original principal amount of \$33,000,000 secured by a first priority fee mortgage encumbering a 282,434 SF multi-tenant office property known as Calabasas Tech Center in Calabasas, California (the "Calabasas Tech Center Property"). The proceeds of the Calabasas Tech Center Loan were used to acquire the Calabasas Tech Center Property, fund upfront reserves, and cover closing costs.

The Borrower and the Sponsors. The borrower is CT Calabasas, LLC (the "Calabasas Tech Center Borrower"), a newly formed single-purpose Delaware limited liability company with two independent directors. The Calabasas Tech Center Borrower is equally controlled by Arthur Travis Spitzer, Helen C. Zeff and Anthony C. Nasch via respective revocable trusts. Arthur Travis Spitzer, Helen C. Zeff and Anthony C. Nasch serve as the non-recourse guarantors.

Helen Zeff comes from a family with commercial real estate experience mainly in Southern California. Helen Zeff has managed and acquired multifamily, office, medical, industrial and retail properties throughout Southern California. Helen Zeff serves as trustee of the Helen C. Zeff Living Trust dated September 17, 2007.

Tony Nasch has worked in film and broadcast production since 1980 and has over 20 years of experience in producing/directing broadcast product, entertainment and corporate communications. As of October 20, 2016, Mr. Nasch has interests in 14 commercial properties primarily located in California.

Travis Spitzer is a principal in the investment banking firm Concordia Capital Partners, LLC. In addition to providing investment and advisory services, Concordia originates and manages private placements focused on the healthcare and health services industries as well as infrastructure software and technology companies. Mr. Spitzer's maintains a current real estate portfolio of 12 properties.

The Property. The Calabasas Tech Center Property consists of five two-story and two one-story multitenant office buildings built in 1985 and 1987 situated on a 20.3-acre site. The Calabasas Tech Center Property offers 23 suites ranging in size from 684 SF to 57,155 SF. Office lobbies for all tenant suites provide individual access directly through exterior entryway doors in each tenant space. Most units contain a high-clearance warehouse component, which is estimated to encompass approximately 15% of the total net rentable area, according to the appraisal. Warehouse clear heights range from 20 feet to 29 feet. Onsite parking at the Calabasas Tech Center Property is comprised of 827 parking spaces, or 2.9 spaces per 1000 SF of net rentable area. Five of the seven buildings have direct roadway frontage with multiple ingress/egresses along the south side of Agoura Road.

The Calabasas Tech Center Property was 89.9% leased as of November 15, 2016 to a mix of 17 tenants across the tech, music, fashion, government and financial industries. The four largest tenants at the Calabasas Tech Center Property comprise 49.1% of the NRA and 54.5% of underwritten rent, and include Line 6, Inc. (20.2% of NRA, 18.6% of underwritten rent), Grant & Weber (11.1% of NRA and 15.4% of underwritten rent), West Brand Fashion LLC (9.2% of NRA and 10.3% of underwritten rent) and Intel Corporation (8.6% of NRA and 10.3% of underwritten rent). Outside of the top four in-place tenants, no tenant occupies more than 5.3% of NRA or comprises more than 5.9% of underwritten rent. The Calabasas Tech Center Property has experienced positive leasing momentum with six new leases totaling 121,440 SF, or 42.9% of NRA, and two lease renewals totaling 34,744 SF, or 15.3% of NRA, signed since 2015.

Major Tenants.

Line 6, Inc (57,155 SF, 20.2% of NRA, 18.6% of underwritten base rent). Line 6, Inc, a wholly owned subsidiary of Yamaha Corporation, originally occupied 45,142 sq. ft. and expanded their premises twice in 2010 and 2012 for a total of 70,011 sq. ft. On 6/1/16, Yamaha Corporation of America split off 12,856 square feet. located in Building A and created a new, co-terminous lease. All terms, rent and rent steps remained the same. Line 6 currently occupies 57,155 sq. ft. (100%) in Building F. Both leases expire August 31, 2020 and contain two, five-year options to extend at 95% of market rent with nine to twelve months' notice. Line 6, Inc. is a music technology company that offers amplifiers, effects pedals, guitars, multi-effects, digital wireless products, software, speakers, mixers, and audio interfaces for musicians. The company was founded in 1985 and is headquartered in Calabasas, California. In December 2013, Yamaha Corporation acquired Line 6, Inc. in order to expand Yamaha's portfolio of modeling guitar processing products as well as pro-audio equipment.

Grant & Weber (31,224 SF, 11.1% of NRA, 15.4% of underwritten base rent). Grant & Weber has occupied four suites at the Calabasas Tech Center Property since 2013, has a lease expiration of May 31, 2024 and currently has one, five-year option to extend at market rent. Grant & Weber was founded in 1977 and provides revenue solutions and receivables management services for healthcare, credit union and financial institutions and insurance industries. Nationwide services include: consulting, insurance billing and follow-up, self-pay billing and customer service follow-up, self-pay collections, third party liability recovery, workers' compensation recovery, pre-charge off account management, third party late stage collection services, and arbitration. The Grant & Weber California corporate office is located at the Calabasas Tech Center Property with additional offices in Rancho Cordova, California and Las Vegas, Nevada. Grant & Weber negotiated the deferral of a portion of five months of monthly base rent from February through June 2016 totaling approximately \$283,946, which is required to be repaid to the landlord during the final year of the lease term.

West Brand Fashion LLC (25,906 SF, 9.2% of NRA, 10.3% of underwritten base rent). West Brand Fashion LLC, a designer of clothing and accessories for men and women in the fashion industry, occupies multiple suites at the Calabasas Tech Center Property. West Brand Fashion LLC took occupancy in January and December of 2016 and has a lease expiration of May 31, 2019 on 15,080 SF of its space and a lease expiration of March 31, 2022 on 10,826 SF of its space. West Brand Fashion LLC has one, three-year renewal option on 15,080 SF.

Intel Corporation (24,398 SF, 8.6% of NRA, 10.3% of underwritten base rent). Intel Corporation has occupied space at the Calabasas Tech Center Property since 2006, has a lease expiration of August 31, 2021, and has one, five-year option to extend at market rent. Intel Corporation designs and manufactures advanced integrated digital technology platforms for original equipment manufacturers, original design manufacturers, and industrial and communications equipment manufacturers operating within the computing and communications industries. Intel Corporation has over 190 locations across more than 60 countries globally. As of December 26, 2015, Intel had 107,300 employees globally, approximately half of which are located in the United States.

The following table presents certain information relating to the major tenants at the Calabasas Tech Center Property:

Tenant Summary ⁽¹⁾							
Tenant Name	Credit Rating (Fitch/Moody's/S&P) ⁽²⁾	Tenant SF	Approximate % of SF	Annual UW Rent	% of Total Annual UW Rent	Annual UW Rent PSF ⁽³⁾	Lease Expiration
Line 6, Inc	NR/NR/NR	57,155	20.2%	\$1,042,507	18.6%	\$18.24	8/31/2020
Grant & Weber ⁽⁴⁾	NR/NR/NR	31,224	11.1%	\$858,660	15.4%	\$27.50	5/31/2024
West Brand Fashion LLC	NR/NR/NR	25,906	9.2%	\$574,389	10.3%	\$22.17	Various ⁽⁵⁾
Intel Corporation	A+/A1/A+	24,398	8.6%	\$573,429	10.3%	\$23.50	8/31/2021
Valley Outreach Synagogue ⁽⁶⁾	NR/NR/NR	14,952	5.3%	\$332,682	5.9%	\$22.25	2/28/2027
Subtotal/Wtd. Avg.		153,635	54.4%	\$3,381,667	60.5%	\$22.01	
Other Tenants		100,347	35.5%	\$2,210,958	39.5%	\$22.03	
Vacant Space		28,452	10.1%	\$0	0.0%	\$0.00	
Total/Wtd. Avg.⁽³⁾		282,434	100.0%	\$5,592,626	100.0%	\$22.02	

(1) Information is based on the underwritten rent roll.

(2) Certain ratings are those of the parent company whether or not the parent guarantees the lease.

(3) Wtd. Avg. Annual UW Rent PSF excludes vacant space.

(4) Grant & Weber negotiated the deferral of a portion of five months of monthly base rent from February 1, 2016 through June 30, 2016 totaling approximately \$283,946, which is required to be repaid to the landlord during the final year of its lease term.

(5) West Brand Fashion LLC leases three suites at the Calabasas Tech Center Property. Two suites totaling 10,826 SF have lease expirations of March 31, 2022 and one suite totaling 15,080 SF has a lease expiration of May 31, 2019.

(6) Valley Outreach Synagogue is entitled to free rent through March 31, 2017, which has been fully reserved for under the Calabasas Tech Center Mortgage Loan.

The following table presents certain information relating to the lease rollover at the Calabasas Tech Center Property:

Lease Rollover Schedule ⁽¹⁾⁽²⁾								
Year	# of Leases Rolling ⁽⁴⁾	SF Rolling	Approx. % of Total SF Rolling	Approx. Cumulative % of SF Rolling	UW Annual Rent PSF Rolling ⁽³⁾	Total UW Annual Rent Rolling	Approx. % of Total Rent Rolling	Approx. Cumulative % of Total Rent Rolling
2017	1	11,361	4.0%	4.0%	\$23.32	\$264,893	4.7%	4.7%
2018	2	18,710	6.6%	10.6%	\$22.05	\$412,464	7.4%	12.1%
2019 ⁽⁴⁾	5	33,559	11.9%	22.5%	\$22.74	\$763,177	13.6%	25.8%
2020	3	88,035	31.2%	53.7%	\$17.99	\$1,583,849	28.3%	54.1%
2021	3	34,969	12.4%	66.1%	\$24.14	\$844,176	15.1%	69.2%
2022 ⁽⁴⁾	1	10,826	3.8%	69.9%	\$22.93	\$248,209	4.4%	73.6%
2023	1	10,346	3.7%	73.6%	\$27.50	\$284,515	5.1%	78.7%
2024	1	31,224	11.1%	84.6%	\$27.50	\$858,660	15.4%	94.1%
2025	0	0	0.0%	84.6%	\$0.00	\$0	0.0%	94.1%
2026	0	0	0.0%	84.6%	\$0.00	\$0	0.0%	94.1%
2027	1	14,952	5.3%	89.9%	\$22.25	\$332,682	5.9%	100.0%
2028 & Beyond	0	0	0.0%	89.9%	\$0.00	\$0	0.0%	100.0%
Vacant	0	28,452	10.1%	100%	\$0.00	\$0	0.0%	100.0%
Total/Wtd. Avg.	18	282,434	100.0%		\$22.02	\$5,592,626	100.0%	

(1) Information is based on the underwritten rent roll.

(2) Certain tenants may have lease termination options that are exercisable prior to the originally stated expiration date of the related lease and that are not considered in the lease rollover schedule.

(3) Wtd. Avg. UW Annual Rent PSF Rolling excludes vacant space.

(4) West Brand Fashion LLC leases three suites at the Calabasas Tech Center Property. Two suites totaling 10,826 SF have lease expirations of March 31, 2022 and one suite totaling 15,080 SF has a lease expiration of May 31, 2019.

The Market. The Calabasas Tech Center Property is located approximately one quarter mile south of U.S. Highway 101 in Calabasas, California, within the Conejo Valley submarket. The Conejo Valley is 10 miles north of the Malibu coastline and extends from the San Fernando Valley to the Conejo Grade on the west. The Conejo Valley includes the cities of Agoura, Calabasas, Agoura Hills, Westlake Village, and Thousand Oaks. According to the appraiser, the Conejo Valley initially established itself as a largely residential area with minor supporting commercial services, but has experienced recent development that includes commercial office buildings and high tech industrial parks. The city of Calabasas is primarily served by U.S. Highway 101, the primary east-west arterial between Ventura County and the San Fernando Valley.

The Calabasas Tech Center Property has frontage along Agoura Road, a central corridor in Calabasas improved with office, office/flex, retail and other commercial uses surrounded by single family residential development. According to the appraisal, the estimated 2016 population within a one-, three- and five-mile radius of the Calabasas Tech Center Property is 4,494, 24,966 and 91,512, respectively. The estimated 2016 average household income within a one-, three- and five-mile radius of the Calabasas Tech Center Property is \$134,657, \$170,932 and \$168,473, respectively.

The Calabasas Tech Center Property is located in the Los Angeles County office market, within the West San Fernando Valley submarket. As of the third quarter in 2016, the Los Angeles office market contained 197,498,000 SF of office space, with a market vacancy of 13.3% and average asking rents of \$36.34 per SF. The Calabasas Tech Center Property is located in the West San Fernando Valley office submarket, which contains approximately 14,539,000 SF with a 14.4% vacancy rate and asking rents of \$28.48 per SF for the same period. After negative absorption in 2014, positive absorption was experienced in 2015 and 2016.

The following table presents recent leasing data at competitive office buildings with respect to the Calabasas Tech Center Property:

Competitive Property Summary									
Property Name/Address	Year Built	Occ.	Size (SF)	Tenant Name	Lease Size (SF)	Lease Date	Lease Term (Yrs.)	Base Rent/SF	Expense Basis
Calabasas Corporate Center 26565-26709 W. Agoura Road Calabasas, CA	1985	75%	325,169	Premier Business Centers	14,527	9/2016	10.2	\$27.00	Full Service
				American Travel Solutions	4,635	7/2016	4.0	\$24.60	
				Team Fushion	2,340	4/2016	5.0	\$27.60	
				AssetSmart	5,124	10/2015	5.0	\$24.60	
Tech Park at Canwood 5126-5155 Clareton Drive Agoura Hills, CA	1985	90%	120,413	MMLS (NNN)	1,502	6/2016	3.0	\$14.40	Modified Gross
				Revolution in Motion (MG)	3,388	2/2016	5.3	\$21.48	
Canwood Corporate Center II 29219 Canwood Street Agoura Hills, CA	2001	73%	45,983	Startup Tech	2,900	3/2016	3.0	\$24.60	Full Service
Multi-Tenant Office 29899 Agoura Road Agoura Hills, CA	2008	67%	79,740	The LA Rams	17,462	8/2016	5.0	\$28.80	Full Service
				Chatsworth Products	9,367	6/2016	6.4	\$28.80	
Multi-Tenant Office 29903 Agoura Road Agoura Hills, CA	1981	87%	103,394	PennyMac	50,924	10/2015	5.3	\$29.90	Full Service
				Touch Commerce	26,472	5/2014	5.0	\$25.80	
Agoura Hills Business Park 30401-30501 Agoura Road Agoura Hills, CA	1988	50%	115,227	Heywood Friedman	9,887	6/2017	8.7	\$28.20	Full Service
				Northrup Schleuter	6,109	1/2017	10.8	\$27.60	

Source: Appraisal

Operating History and Underwritten Net Cash Flow. The following table presents certain information relating to the historical operating performance and the Underwritten Net Cash Flow at the Calabasas Tech Center Property:

Cash Flow Analysis						
	2013	2014	2015	10/31/2016 TTM	UW	UW PSF
Gross Potential Rent	\$2,983,791	\$3,768,268	\$4,347,008	\$4,241,199 ⁽¹⁾	\$6,303,926 ⁽²⁾	\$22.32
Total Recoveries	\$538,811	\$606,310	\$674,512	\$507,780	\$629,597	\$2.23
Total Other Income	\$1,563	\$6,053	(\$806)	(\$1,029)	\$0	\$0.00
Less Vacancy & Credit Loss	\$10	\$15	\$0	\$0	(\$945,589)	(\$3.35)
Effective Gross Income	\$3,524,175	\$4,380,646	\$5,020,714	\$4,747,950	\$5,987,934	\$21.20
Total Operating Expenses	\$1,873,524	\$1,951,301	\$2,015,928	\$1,963,255	\$2,212,255	\$7.83
Net Operating Income	\$1,650,651	\$2,429,345	\$3,004,786	\$2,784,695⁽³⁾	\$3,775,679⁽³⁾	\$13.37
Capital Expenditures	\$0	\$0	\$0	\$0	\$76,261	0.27
TI/LC	\$0	\$0	\$0	\$0	\$478,176	\$1.69
Net Cash Flow	\$1,650,651	\$2,429,345	\$3,004,786	\$2,784,695	\$3,221,242	\$11.41
Occupancy %	73.3%	77.3%	75.5%	89.9%⁽⁴⁾	85.0%	
NOI DSCR	1.02x	1.49x	1.85x	1.71x	2.32x	
NCF DSCR	1.02x	1.49x	1.85x	1.71x	1.98x	
NOI Debt Yield	5.0%	7.4%	9.1%	8.4%	11.4%	
NCF Debt Yield	5.0%	7.4%	9.1%	8.4%	9.8%	

(1) Gross Potential Rent in the October 31, 2016 TTM period reflects \$619,793 of abated rent and deferred rent from February 1, 2016 to June 30, 2016 totaling \$283,946 attributable to Grant & Weber.

(2) Gross Potential Rent has been underwritten based on the November 15, 2016 rent roll and includes contractual rent escalations of \$132,889 through September 1, 2017 and \$46,432 of rent increases for Intel Corporation, an investment-grade tenant.

(3) The increase in UW NOI from the October 31, 2016 TTM is primarily attributable to \$619,793 of abated rent in the October 31, 2016 TTM period and contractual rent escalations of \$132,889 through September 1, 2017 and \$46,432 of rent increases for Intel Corporation that are included in the UW Gross Potential Rent.

(4) Occupancy is based on the November 15, 2016 rent roll.

Escrows and Reserves. The Calabasas Tech Center Borrower deposited \$229,257 in escrow for annual real estate taxes at loan origination and is required to escrow monthly 1/12th of the annual estimated tax payments. The Calabasas Tech Center Borrower deposited \$9,166 in escrow for annual estimated insurance premiums at loan origination and is required to escrow monthly 1/12th of the annual estimated insurance premiums, unless insurance is provided under a blanket policy approved by the lender in its reasonable discretion. The Calabasas Tech Center Borrower is required to make monthly deposits of \$6,355 for capital expenditure reserves. The Calabasas Tech Center Borrower deposited \$500,000 in escrow at loan origination for tenant improvement costs and leasing commissions reserves and is required to make monthly deposits of \$40,018 to such reserves, until such time as the funds on deposit in such tenant improvement costs and leasing commissions reserve exceed \$2,259,816. The Calabasas Tech Center Borrower deposited \$1,167,427 in escrow at loan origination for unfunded tenant improvement costs and leasing commissions for the tenants doing business as Intel Corporation and Valley Outreach Synagogue at the Calabasas Tech Center Property. The Calabasas Tech Center Borrower deposited \$134,568 in escrow for rent abatements due by the Calabasas Tech Center Borrower in connection with the lease with Valley Outreach Synagogue.

Lockbox and Cash Management. A springing soft lockbox is in place with respect to the Calabasas Tech Center Loan (i.e. a soft lockbox account is in place, into which the borrower and property manager are required to deposit all rents within five business days of receipt, and upon the commencement of a Cash Sweep Event Period for the Calabasas Tech Center Loan, the Calabasas Tech Center Borrower has agreed to direct all tenants to deposit rents directly into such lockbox). The Calabasas Tech Center Loan has springing cash management (i.e. the Calabasas Tech Center Loan has cash management only after the initial occurrence and during the continuance of a Cash Sweep Event Period). If no Cash Sweep Event Period is continuing, all funds in the lockbox are required to be remitted to the Calabasas Tech Center Borrower. After the occurrence of a Cash Sweep Event Period for the Calabasas Tech Center Loan, funds in the lockbox account are required to be applied on each monthly payment date to fund the required reserves deposits as described above under "Escrows and Reserves", to pay debt service on the Calabasas Tech Center Loan, to disburse the monthly amount payable for operating expenses not otherwise paid or reserved for as described above under "Escrows and Reserves" and referenced in the annual budget approved by lender together with extraordinary expenses incurred by the Calabasas Tech Center Borrower in connection with the operation and maintenance of the Calabasas Tech Center Property reasonably approved by lender, and to disburse the remainder to the Calabasas Tech Center Borrower (or, during the continuance of a Cash Sweep Event Period, to an account to be held by the lender as additional security for the Calabasas Tech Center Loan).

A "Cash Sweep Event Period" will:

- (i) commence upon the occurrence of an event of default under the Calabasas Tech Center Loan and continue until the date on which the event of default under the Calabasas Tech Center Loan is cured, or
- (ii) commence upon the date the debt service coverage ratio on the Calabasas Tech Center Loan is less than 1.15x for six consecutive calendar months and continue until the date the debt service coverage ratio on the Calabasas Tech Center Loan has been equal to or greater than 1.20x for the immediately preceding six consecutive calendar months, or
- (iii) commence upon the date any tenant under a Major Lease (as defined below) avails itself of any creditor's rights laws and continue until such tenant has assumed and any applicable bankruptcy court has affirmed such assumption of the applicable Major Lease, and such tenant continuously operates its business at the Calabasas Tech Center Property for a period of no less than 45 consecutive days and is paying full rent as is required under the Major Lease to which it is a party, or
- (iv) commence upon the date any tenant under a Major Lease goes dark, vacates or otherwise ceases to operate at the Calabasas Tech Center Property beyond all applicable cure periods or grace periods under the lease or applicable law, subject to force majeure and continue until the applicable tenant under the Major Lease or a replacement tenant acceptable to the lender continuously operates its business at the Calabasas Tech Center Property for a period of no less than 45 consecutive days under the applicable Major Lease, or
- (v) commence upon the earlier of (i) the date a tenant under a Major Lease gives notice of its intention to vacate, and (ii) six months prior to the expiration of any Major Lease, and continue until (x) the tenant under the applicable Major Lease has renewed or extended its lease on terms and conditions acceptable to lender or (y) the space occupied by the applicable tenant is re-leased to an acceptable replacement tenant on terms and conditions approved by the lender, and such replacement tenant has opened for business and commenced paying full, unabated rent.

A "Major Lease" means any lease which, individually or when aggregated with all other leases at the Calabasas Tech Center Property with the same tenant or its affiliate, either (i) accounts for 20% or more of the Calabasas Tech Center Property's aggregate total rental income, or (ii) demises 20% or more of the Calabasas Tech Center Property's gross leasable area.

Additional Secured Indebtedness (not including trade debts). Not permitted.

Mezzanine Loan and Preferred Equity. Not permitted.

Release of Property. Not permitted.

Terrorism Insurance. The Calabasas Tech Center Borrower is required to obtain insurance against acts of terrorism or other similar acts or events (or "fire following") to the extent such insurance is available in form and substance satisfactory to lender (but in no event more than the sum of 100% of full replacement cost and 12 months of business interruption insurance). Notwithstanding the foregoing, for so long as the Terrorism Risk Insurance Program Reauthorization Act of 2015 (or any extension thereof or other federal government program relating to "acts of terrorism" with substantially similar protection) is in effect, the Calabasas Tech Center Borrower is required to maintain, and lender is required to accept, terrorism insurance which covers "covered acts" (as defined by such statute or other program), as full compliance as it relates to the risks required to be covered pursuant to the preceding sentence, so long as such statute or other program covers both domestic and foreign acts of terrorism.