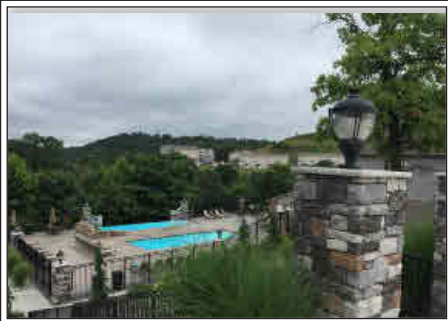
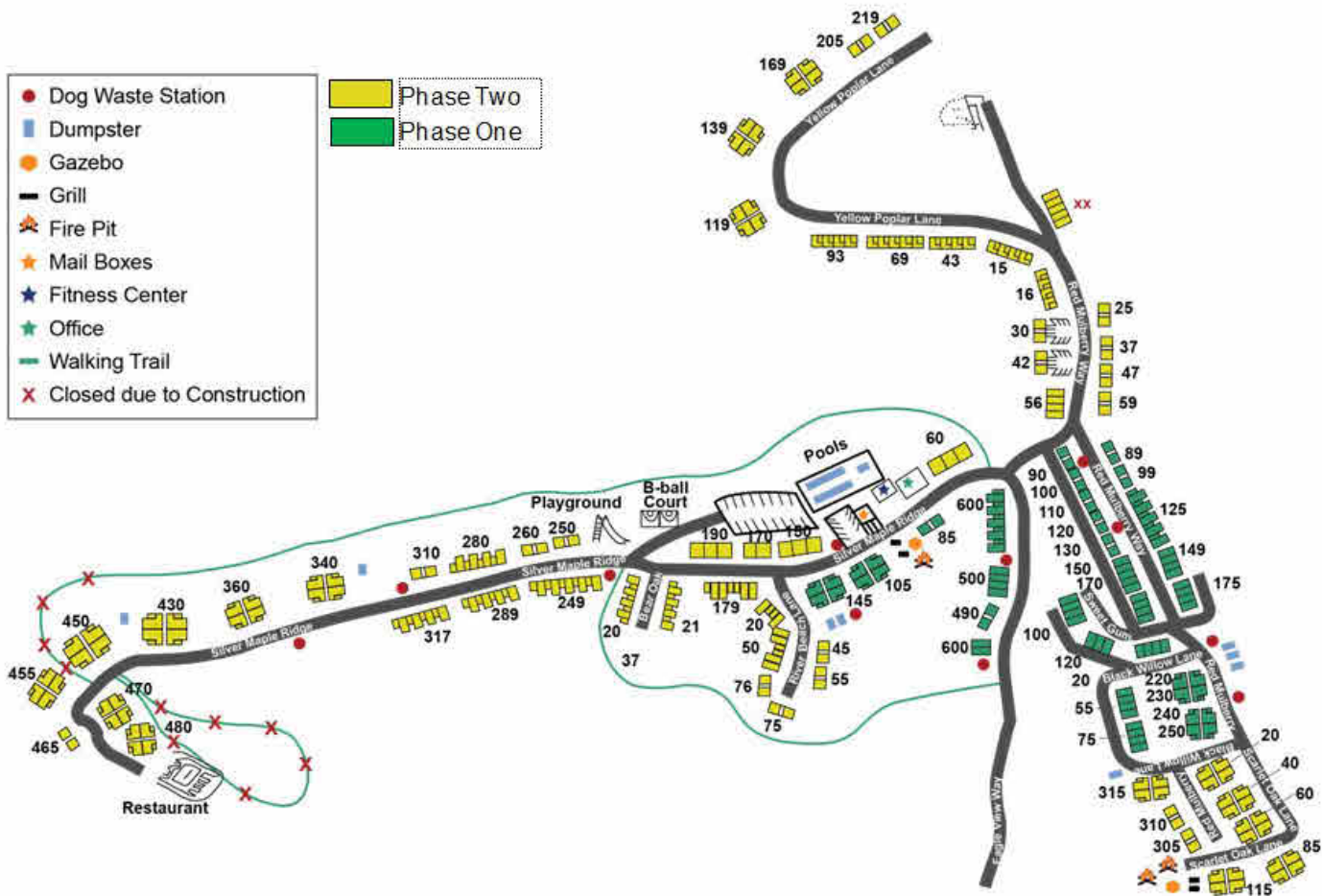
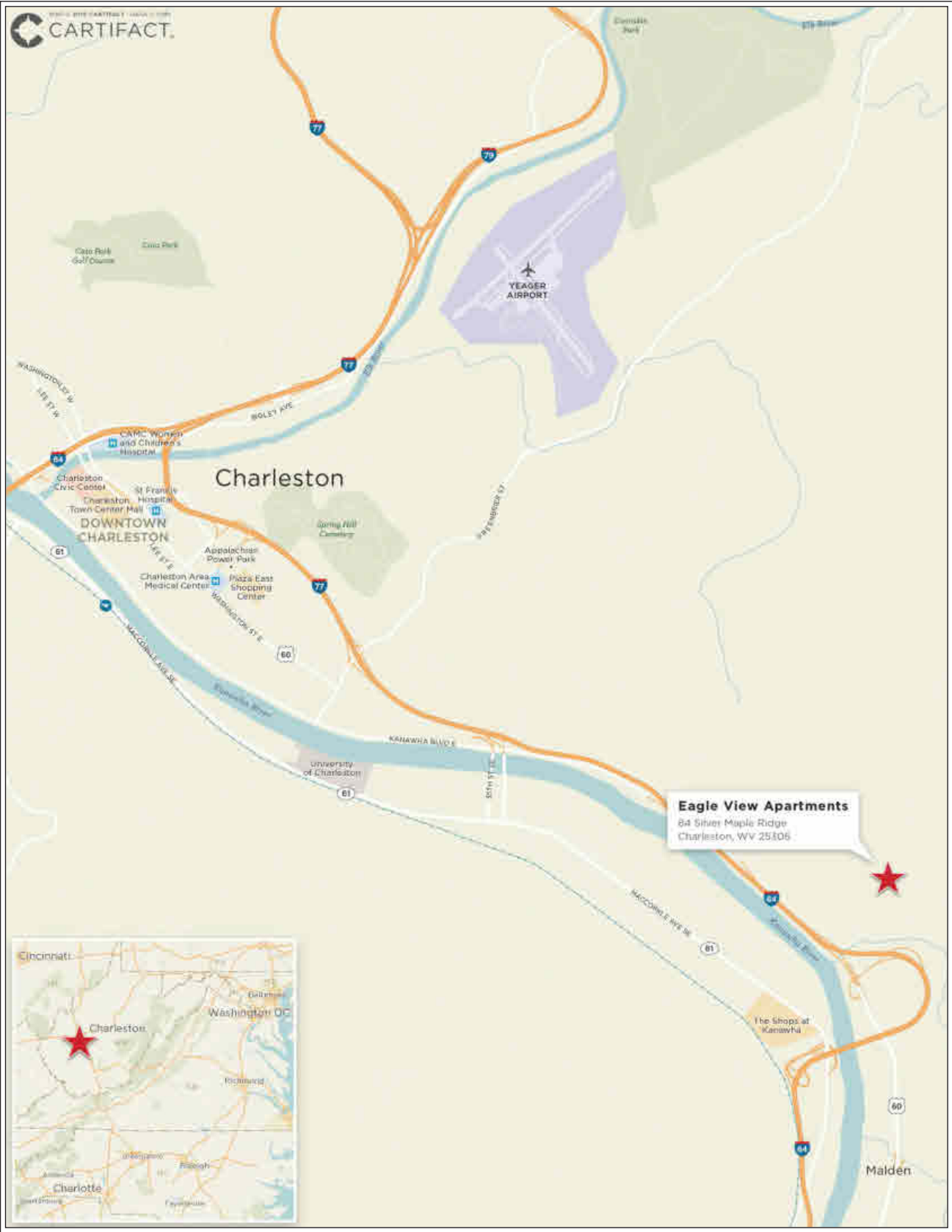


EAGLE VIEW APARTMENTS







EAGLE VIEW APARTMENTS

The following table presents certain information relating to the units and rent at the Eagle View Apartments Property:

Unit Mix⁽¹⁾

Unit Type	# of Units	Total SF	Average SF per Unit	Average Rent per Unit ⁽²⁾	Average Underwritten Monthly Rent per Unit	Underwritten Rent
1 BR / 1 BA	74	55,278	747	\$1,247	\$1,247	\$1,107,600
2 BR / 2 BA	168	201,600	1,200	\$1,289	\$1,289	\$2,599,200
2 BR / 2.5 BA	5	5,700	1,140	\$1,325	\$1,325	\$79,500
3 BR / 2 BA	24	36,000	1,500	\$2,000	\$2,000	\$576,000
3 BR / 2.5 BA	36	56,432	1,568	\$1,642	\$1,642	\$709,200
4 BR / 3.5 BA	28	64,164	2,292	\$1,994	\$1,994	\$669,900
Total / Wtd. Avg.	335	419,174	1,251	\$1,428	\$1,428	\$5,741,400

(1) Source: Appraisal.

(2) As provided by the borrower per the underwritten rent roll dated August 24, 2016.

The following table presents certain information relating to the units and rent at the Eagle View Apartments Property:

Historical Leased %⁽¹⁾

TTM 6/30/2016	As of 8/24/2016
82.0%	97.0%

(1) As provided by the borrower. The Eagle View Apartments Property began construction in May 2015 and was built out in stages until it completed construction in April 2016.

- **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 Eagle View Apartments Property:

Cash Flow Analysis⁽¹⁾

	TTM 6/30/2016 ⁽²⁾	T-1 6/30/2016 Annualized ⁽³⁾	Underwritten ⁽⁴⁾	Underwritten \$ per Unit
Potential Rent Revenue	\$3,248,558	\$4,820,636	\$5,741,400	\$17,139
Vacancy, Credit Loss and Concessions	0	0	(302,026)	(902)
Total Rent	\$3,248,558	\$4,820,636	\$5,439,374	\$16,237
Other Revenue ⁽⁵⁾	179,772	202,958	162,125	484
Effective Gross Income	\$3,428,331	\$5,023,594	\$5,601,499	\$16,721
Total Operating Expenses	\$1,033,892	\$1,335,451	\$1,356,262	\$4,049
Net Operating Income	\$2,394,439	\$3,688,143	\$4,245,236	\$12,672
Replacement Reserves	0	0	67,000	200
Net Cash Flow	\$2,394,439	\$3,688,143	\$4,178,236	\$12,472

(1) Certain items such as straight line rent, interest expense, interest income, lease cancellation income, depreciation, amortization, debt service payments and any other non-recurring or non-operating items were excluded from the historical presentation and are not considered for the underwritten cash flow.

(2) TTM represents actual collections from the period July 2015 through June 2016. The property started construction in May 2015 and was built out in stages until April 2016.

(3) Based on T-1 annualized revenues and 2016 budgeted expenses.

(4) Underwritten net cash flow represents the in-place rents as of August 24, 2016.

(5) Other revenue includes forfeited security deposits, pet fees, application fees, late fees and termination fees.

EAGLE VIEW APARTMENTS

- **Appraisal.** According to the appraisal, the Eagle View Apartments Property had an “as-is” appraised value of \$70,000,000 as of June 16, 2016.
- **Environmental Matters.** According to a Phase I environmental report, dated July 5, 2016, there are no recognized environmental conditions or recommendations for further action at the Eagle View Apartments Property.
- **Market Overview and Competition.** Eagle View Apartments is located in the Charleston, West Virginia metropolitan statistical area, less than eight miles from the Charleston CBD. Charleston’s economy is driven by a variety of industries, including utilities, government, medicine, and education. Market vacancy for the Charleston market is 3.9% as of 1Q 2016, as compared to 4.2% in 4Q 2015. The national multifamily vacancy rate was 4.5% over the same timeframe.

According to appraisers, there are no comparable properties within the Charleston market and very few in the state of West Virginia. Additionally, the Eagle View Apartments Property benefits from limited new supply development within the Charleston market. Given the Eagle View Apartments Property’s high quality finish and location, the tenancy is generally comprised of people working in downtown Charleston in fields such as government, education or healthcare. Each of the top ten employers in the Charleston market area is part of the government, healthcare, education, or retail sectors. The largest employer in Kanawha County, Charleston Area Medical Center, Inc., has a hospital branch located 5.1 miles from the Eagle View Apartments Property.

In 2015, Charleston, West Virginia had a total population of 221,118 with an estimated median household income of \$46,003. The estimated 2020 population within a 5-mile radius of the property is 36,917 with an estimated median household income in 2020 of \$47,595. For one-bedroom apartments within the Charleston metro area, average first quarter 2016 asking rents, as reported by a market research report, were \$660. One-bedroom units within the Eagle View Apartments Property’s competitive set averaged \$841 per month. For two-bedroom apartments within the Charleston metro area, average first quarter 2016 asking rents, as reported in a market research report, were \$834. Two-bedroom units within the Eagle View Apartments Property’s competitive set averaged \$1,034 per month. For three-bedroom apartments within the Charleston metro area, average first quarter 2016 asking rents, as reported in a market research report were \$836. Three-bedroom units within the Eagle View Apartments Property’s competitive set averaged \$1,276 per month.

The following table presents certain information relating to the primary competition for the Eagle View Apartments Property:

Competitive Set⁽¹⁾

	Eagle View Apartments	Presidio Apartments	Wexford Village at Devonshire	Waterford Village	Roxalana Hills Apartments
City	Charleston	Cross Lanes	Scott Depot	Barboursville	Dunbar
Distance from Property	-	14 miles	20.2 miles	41.3 miles	9.5 miles
Occupancy	97.0%	99.0%	97.0%	100.0%	97.0%
Units	335	159	168	210	292
Year Built	2015-2016	2006	2009	2005	1973
Monthly Rent / Unit	\$1,452	\$982	\$1,172	\$987	\$853

(1) Source: Appraisal.

- **The Borrower.** The borrower is EAB DMM 2, LLC, a single-purpose, single-asset entity. The non-recourse carveout guarantor under the Eagle View Apartments Loan is Edward Allen Bell, an indirect owner of the borrower.

- **Escrows.** On the origination date, the borrower funded a tax reserve in an amount equal to \$17,059 and an insurance reserve in an amount equal to \$135,590.

On each due date, the borrower is required to fund (i) a tax and insurance reserve in an amount equal to one-twelfth of the amount that the lender reasonably estimates will be necessary to pay taxes and insurance premiums over the then succeeding 12-month period and (ii) a capital expenditure reserve in an amount equal to \$6,980.

In addition, on each due date during the continuance of an Eagle View Apartments Trigger Period, the related loan documents require an excess cash flow reserve as discussed under “*—Lockbox and Cash Management*” below.

A “**Eagle View Apartments Trigger Period**” means (i) any period commencing as of the conclusion of any 12-month period (ending on the last day of any fiscal quarter) during which the debt yield (as calculated under the related loan documents) is less than 7.6%, and ending at the conclusion of the second consecutive fiscal quarter for which the debt yield for the trailing twelve-month period (ending on the last day of any fiscal quarter) is greater than 7.6% or (ii) the period commencing upon the borrower’s failure to deliver monthly, quarterly or annual financial reports and ending when such reports are delivered and they indicate that no other Eagle View Apartments Trigger Period is ongoing.

- **Lockbox and Cash Management.** The Eagle View Apartments Loan is structured with a springing lockbox and springing cash management. Upon the occurrence of an Eagle View Apartments Trigger Period or event of default under the Eagle View Apartments Loan, the related loan documents require the borrower to deliver notices to each tenant instructing them to remit all rents into a lender-controlled lockbox account and require that all cash revenues relating to the Eagle View Apartments Property and all other money received by the borrower or the property manager with respect to the Eagle View Apartments Property (other than tenant security deposits) be deposited into such lockbox account by the end of the first business day following receipt. On each business day during the continuance of an Eagle View Apartments Trigger Period or an event of default under the Eagle View Apartments Loan, all amounts in the lockbox account are required to be remitted to a lender-controlled cash management account. On each business day that no Eagle View Apartments Trigger Period or event of default under the Eagle View Apartments Loan is continuing, all funds in the cash management account in excess of the amounts required to pay monthly reserves and debt service on the next due date are required to be swept into a borrower-controlled operating account.

On each due date during the continuance of an Eagle View Apartments Trigger Period or, at the lender’s discretion, during an event of default under the Eagle View Apartments Loan, the related loan documents require that all amounts on deposit in the cash management account be used to pay debt service, required reserves and budgeted operating expenses, and that all remaining amounts be reserved in an excess cash flow reserve account.

During the continuance of an event of default under the Eagle View Apartments Loan, the lender may apply all funds on deposit in any of the accounts constituting collateral for the Eagle View Apartments Loan to amounts payable under the related loan documents and/or toward the payment of expenses of the Eagle View Apartments Property, in such order of priority as the lender may determine.

- **Property Management.** The Eagle View Apartments Property is managed by EAB Management, LLC, an affiliate of the borrower, pursuant to a management agreement. Under the related loan documents, the Eagle View Apartments Property is required to remain managed by EAB Management, LLC or any other management company approved by the lender and with respect to which a Rating Agency Confirmation has been received. The lender has the right to replace, or require the borrower to replace, the property manager with a property manager selected by the lender (i) during the continuance of an event of default under the Eagle View Apartments Loan, (ii) following any foreclosure, conveyance in lieu of foreclosure or other similar transaction, (iii) during the continuance of a material default by the property manager under the management agreement (after the expiration of any applicable notice and/or cure periods), (iv) if the property manager files for or is the subject of a petition in bankruptcy or (v) if a trustee or receiver is appointed for the property manager's assets or the property manager makes an assignment for the benefit of its creditors or is adjudicated insolvent.
- **Mezzanine or Secured Subordinate Indebtedness.** Not permitted.
- **Terrorism Insurance.** So long as TRIPRA or a similar or subsequent statute is in effect, the borrower is required to maintain terrorism insurance for foreign and domestic acts (as those terms are defined in TRIPRA or similar or subsequent statute) in an amount equal to the full replacement cost of the Eagle View Apartments Property (plus 18 months of rental loss and/or business interruption coverage plus an additional period of indemnity covering the 12 months following restoration). If TRIPRA or a similar or subsequent statute is not in effect, then provided that terrorism insurance is commercially available, the borrower will be required to carry terrorism insurance throughout the term of the Eagle View Apartments Loan as described in the preceding sentence, but in that event the borrower will not be required to spend more than two times the amount of the insurance premium that is payable at that time in respect of the property and business interruption/rental loss insurance required under the related loan documents (without giving effect to the cost of terrorism and earthquake components of such property and business interruption/rental loss insurance), and if the cost of terrorism insurance exceeds such amount, then the borrower will be required to purchase the maximum amount of terrorism insurance available with funds equal to such amount. In either such case, terrorism insurance may not have a deductible in excess of \$50,000. The required terrorism insurance may be included in a blanket policy, provided that the borrower provide evidence satisfactory to the lender that the insurance premiums for the Eagle View Apartments Property are separately allocated to the Eagle View Apartments Property and that the policy will provide the same protection as a separate policy. See *"Risk Factors—Terrorism Insurance May Not Be Available for All Mortgaged Properties"* in the Prospectus.