

NORTHEAST CORPORATE CENTER

Mortgaged Property Information		Mortgage Loan Information	
Number of Mortgaged Properties	1	Loan Seller	SMF I
Location (City/State)	Ann Arbor, Michigan	Cut-off Date Principal Balance	\$25,000,000
Property Type	Office	Cut-off Date Principal Balance per SF	\$112.74
Size (SF)	221,747	Percentage of Initial Pool Balance	2.2%
Total Occupancy as of 12/2/2015	93.2%	Number of Related Mortgage Loans	None
Owned Occupancy as of 12/2/2015	93.2%	Type of Security	Fee Simple
Year Built / Latest Renovation	1988 / 1999	Mortgage Rate	4.88600%
Appraised Value	\$34,500,000	Original Term to Maturity (Months)	120
		Original Amortization Term (Months)	360
		Original Interest Only Period (Months)	36
		Borrower Sponsor ⁽²⁾	Jeff Hauptman
Underwritten Revenues	\$4,526,787	Escrows	
Underwritten Expenses	\$1,909,693		
Underwritten Net Operating Income (NOI)	\$2,617,093	Taxes	Upfront Monthly
Underwritten Net Cash Flow (NCF)	\$2,261,432	Insurance	\$205,632 \$58,752
Cut-off Date LTV Ratio	72.5%	Replacement Reserves	\$13,914 \$2,783
Maturity Date LTV Ratio ⁽¹⁾	60.5%	TI/LC ⁽³⁾	\$0 \$3,332
DSCR Based on Underwritten NOI / NCF	1.65x / 1.42x	Other ⁽⁴⁾	\$0 \$37,022
Debt Yield Based on Underwritten NOI / NCF	10.5% / 9.0%		\$975,332 \$0

Sources and Uses					
Sources	\$	%	Uses	\$	%
Loan Amount	\$25,000,000	100.0%	Loan Payoff	\$15,166,494	60.7%
			Principal Equity Distribution	8,236,274	32.9
			Reserves	1,194,878	4.8
			Closing Costs	402,353	1.6
Total Sources	\$25,000,000	100.0%	Total Uses	\$25,000,000	100.0%

- (1) The Maturity Date LTV Ratio is calculated using the "as stabilized" appraised value of \$36,500,000. The Maturity Date LTV Ratio, calculated on the basis of the "as-is" appraised value is 64.0%.
- (2) Jeff Hauptman is the guarantor of the non-recourse carveouts under the Northeast Corporate Center Loan.
- (3) Monthly deposits in the amount of \$37,022 into the TI/LC reserve are required up to and including the due date in June 2017, and monthly deposits in the amount of \$27,766 into the TI/LC reserve are required thereafter. The TI/LC reserve is capped at \$1,150,000. So long as no trigger event (as defined in the loan documents) then exists and the borrower provides satisfactory evidence that MB Financial Bank, N.A., University of Michigan and ForeSee Results have each renewed or entered into new leases that expire no earlier than May 31, 2025, May 31, 2024 and May 31, 2024, respectively, on terms no less beneficial to the landlord than their current leases and all outstanding landlord obligations have been satisfied, and/or the borrower has entered into a satisfactory replacement lease that has a term expiring no earlier than the date indicated above for such tenant, any funds held in the TI/LC Reserve in excess of \$250,000 will be released to borrower and monthly deposits into the TI/LC reserve will be reduced to \$13,883.
- (4) Other reserves represent \$520,000 related to outstanding tenant improvements and leasing commissions at the property and \$455,332 for deferred maintenance.

The following table presents certain information relating to the tenants at the Northeast Corporate Center Property:

Largest Owned Tenants Based on Underwritten Base Rent

Tenant Name	Credit Rating (Fitch/MIS/S&P)	Tenant GLA	% of GLA	UW Base Rent	% of Total UW Base Rent	UW Base Rent \$ per SF	Lease Expiration	Renewal / Extension Options
MB Financial Bank, N.A.	NR / NR / NR	68,947	31.1%	\$1,187,952	33.0%	\$17.23	5/31/2020	1, 5-year option
ForeSee Results	NR / NR / NR	60,000	27.1	1,185,000	32.9	19.75	5/31/2019	NA
University of Michigan	NR / Aaa / NR	48,907	22.1	696,925	19.3	14.25	5/31/2019	NA
Siemens Corporation	A / NR / A+	17,120	7.7	298,744	8.3	17.45	1/31/2017	2, 3-year options
Piolax Corporation	NR / NR / NR	5,120	2.3	102,396	2.8	20.00	8/31/2018	NA
Edwards & Schaefer Orthodontic ⁽¹⁾	NR / NR / NR	3,000	1.4	62,081	1.7	20.69	4/30/2028	2, 5-year options
Enovio	NR / NR / NR	2,315	1.0	48,690	1.4	21.03	10/31/2017	NA
National Network of Depression ⁽²⁾	NR / NR / NR	1,216	0.5	23,189	0.6	19.07	3/31/2018	2, 3-year options
Largest Owned Tenants		206,625	93.2%	\$3,604,977	100.0%	\$17.45		
Remaining Owned Tenants		0	0.0	0	0.0	0.00		
Vacant		15,122	6.8	0	0.0	0.00		
Total / Wtd. Avg. All Owned Tenants		221,747	100.0%	\$3,604,977	100.0%	\$17.45		

- (1) Edwards & Schaefer Orthodontic has a one-time termination option effective July 31, 2022 with nine months' notice.
- (2) National Network of Depression has an ongoing termination option with six months' notice and payment of a termination fee equal to the sum of (i) three months base rent, (ii) the unamortized balance of the cost to complete the landlord's work and (iii) the unamortized balance of the broker's commission.

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The following table presents the lease rollover schedule at the Northeast Corporate Center Property, based on initial lease expiration dates:

Lease Expiration Schedule⁽¹⁾

Year Ending December 31,	Expiring Owned GLA	% of Owned GLA	Cumulative % of Owned GLA	UW Base Rent	% of Total UW Base Rent	UW Base Rent \$ per SF	# of Expiring Leases
MTM	0	0.0%	0.0%	\$0	0.0%	\$0.00	0
2016	0	0.0	0.0%	0	0.0	0.00	0
2017	19,435	8.8	8.8%	347,434	9.6	17.88	2
2018	6,336	2.9	11.6%	125,585	3.5	19.82	2
2019	108,907	49.1	60.7%	1,881,925	52.2	17.28	2
2020	68,947	31.1	91.8%	1,187,952	33.0	17.23	1
2021	0	0.0	91.8%	0	0.0	0.00	0
2022	0	0.0	91.8%	0	0.0	0.00	0
2023	0	0.0	91.8%	0	0.0	0.00	0
2024	0	0.0	91.8%	0	0.0	0.00	0
2025	0	0.0	91.8%	0	0.0	0.00	0
2026	0	0.0	91.8%	0	0.0	0.00	0
2027 & Thereafter	3,000	1.4	93.2%	62,081	1.7	20.69	1
Vacant	15,122	6.8	100.0%	0	0.0	0.00	0
Total / Wtd. Avg.	221,747	100.0%		\$3,604,977	100.0%	\$17.45	8

(1) Calculated based on approximate square footage occupied by each Owned Tenant.

The following table presents certain information relating to historical leasing at the Northeast Corporate Center Property:

Historical Leased %⁽¹⁾

	2012	2013	2014	As of 12/2/2015
Owned Space	85.9%	93.0%	90.3%	93.2%

(1) As provided by the borrower and represents occupancy as of December 31 for the indicated year unless otherwise stated.

- **Operating History and Underwritten Net Cash Flow.** The following table presents certain information relating to the Underwritten Net Cash Flow at the Northeast Corporate Center Property:

Cash Flow Analysis⁽¹⁾

	2014	TTM 10/31/2015	Underwritten ⁽²⁾	Underwritten \$ per SF
Base Rent	\$2,857,893	\$3,135,543	\$3,281,135	\$14.80
Contractual Rent Steps	0	0	323,841	1.46
Gross Up Vacancy	0	0	302,440	1.36
Total Rent	\$2,857,893	\$3,135,543	\$3,907,417	\$17.62
Total Reimbursables	501,012	496,335	507,252	2.29
Tenant Electric	305,924	403,018	414,558	1.87
Other Income ⁽³⁾	0	279	0	0.00
Vacancy & Credit Loss	0	0	(302,440)	(1.36)
Effective Gross Income	\$3,664,830	\$4,035,175	\$4,526,787	\$20.41
Total Operating Expenses	\$1,807,060	\$1,859,138	\$1,909,693	\$8.61
Net Operating Income	\$1,857,770	\$2,176,037	\$2,617,093	\$11.80
TI/LC	0	0	315,747	1.42
Capital Expenditures	0	0	39,914	0.18
Net Cash Flow	\$1,857,770	\$2,176,037	\$2,261,432	\$10.20

(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) Underwritten Base Rent based on the in place rent roll dated December 2, 2015 with rent steps through June 1, 2016.

(3) Other Income includes miscellaneous fees.