

Sunnymead Towne Center

Mortgage Loan Information

Mortgage Loan Seller:	UBS AG
Original Principal Balance:	\$18,000,000
Cut-off Date Principal Balance:	\$17,981,310
% of IPB:	2.1%
Loan Purpose:	Refinance
Borrower:	Bhullar Investments, LLC
Sponsor:	Sunny Bhullar
Interest Rate:	5.09800%
Note Date:	1/4/2017
Maturity Date:	1/6/2027
Interest-only Period:	None
Original Term:	120 months
Original Amortization Term:	360 months
Amortization Type:	Balloon
Call Protection:	L(25),Def(88),O(7)
Lockbox / Cash Management:	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):	161,793
Location:	Moreno Valley, CA
Year Built / Renovated:	1975 / 2006
Occupancy:	93.3%
Occupancy Date:	12/6/2016
4th Most Recent NOI (As of):	\$1,070,363 (12/31/2013)
3rd Most Recent NOI (As of):	\$1,172,765 (12/31/2014)
2nd Most Recent NOI (As of):	\$1,393,030 (12/31/2015)
Most Recent NOI (As of):	\$1,306,688 (TTM 10/31/2016)
UW Economic Occupancy:	90.0%
UW Revenues:	\$2,441,635
UW Expenses:	\$707,809
UW NOI:	\$1,733,827
UW NCF:	\$1,625,257
Appraised Value / Per SF:	\$26,400,000 / \$163
Appraisal Date:	12/13/2016

Escrows and Reserves

	Initial	Monthly	Initial Cap
Taxes:	\$106,395	\$23,129	N/A
Insurance:	\$0	Springing	N/A
Replacement Reserves:	\$0	\$2,022	\$200,000
TI/LC:	\$0	\$8,090	\$200,000
Other⁽¹⁾:	\$1,278,669	Springing	N/A

Financial Information

Cut-off Date Loan / SF:	\$111
Maturity Date Loan / SF:	\$92
Cut-off Date LTV:	68.1%
Maturity Date LTV:	56.2%
UW NCF DSCR:	1.39x
UW NOI Debt Yield:	9.6%

Sources and Uses

Sources	Proceeds	% of Total	Uses	Proceeds	% of Total
Mortgage Loan	\$18,000,000	84.9%	Payoff Existing Debt	\$19,703,202	92.9%
Sponsor Equity	3,207,598	15.1	Upfront Reserves	1,385,064	6.5
			Closing Costs	119,332	0.6
Total Sources	\$21,207,598	100.0%	Total Uses	\$21,207,598	100.0%

- (1) At origination, the borrower was required to escrow \$118,750 into an environmental reserve for performing certain soil remediation work at the property, \$377,625 into an immediate repair reserve, \$738,593 into an EI Super reserve representing 18 months of rent due under the EI Super lease, \$28,660 in outstanding tenant improvements and leasing commissions relating to Giriraj Corporation and Valley Live Scan Plus, \$6,311 in outstanding tenant improvements relating to Distribution Wireless, LLC and \$8,731 in free rent obligations relating to Giriraj Corporation and Valley Live Scan Plus. During the occurrence and continuation of a Specified Tenant Trigger Event (as defined below), on each monthly payment date, the borrower is required to deposit with the lender all excess cash flow for tenant improvements and leasing commissions related to re-tenanting or extending the applicable Specified Tenant (as defined below) space at the property, as particularly set forth in the loan documents. A "**Specified Tenant Trigger Event**" will commence upon the earliest of (i) if a Specified Tenant gives notice of its intention to terminate or cancel or not extend or renew its lease, (ii) if, on or prior to six months prior to the then applicable expiration date under its lease, a Specified Tenant does not extend or renew its lease upon terms and conditions set forth in its lease or upon other terms and conditions reasonably acceptable to the lender, (iii) if, by the date by which a Specified Tenant is required under its lease to notify the landlord of its election to extend or renew its lease, such Specified Tenant fails to give such notice, (iv) if an event of default under a Specified Tenant lease occurs, (v) if the bankruptcy or insolvency of a Specified Tenant (or, if applicable, any lease guarantor) occurs, (vi) if a Specified Tenant lease terminates, or (vii) if a Specified Tenant "goes dark", vacates, ceases to occupy or discontinues its operations at the property. Notwithstanding the foregoing, in lieu of deposits of excess cash flow, the borrower may deposit cash or a letter of credit in an amount equal to \$6.00 per square foot of the applicable Specified Tenant space. A "**Specified Tenant**" is (i) EI Super, or (ii) any tenant or replacement tenant, together with its affiliates leases space comprising 20% or more of either (a) the total rentable square footage at the property or (b) the total in-place base rent at the property. In addition, on or before April 3, 2017, the borrower will deposit cash or a letter of credit in an amount equal to \$850,000 with the lender unless the borrower, prior to April 3, 2017, has received written confirmation from the lender that certain reserve release conditions have been met as further detailed in the loan documents. If the borrower fails to make the deposit on or before April 3, 2017, a cash sweep event will occur and on each monthly payment date all excess cash flow will be deposited with the lender until the amount deposited in such reserve equals \$850,000.

Sunnymead Towne Center

The Loan. The Sunnymead Towne Center loan has an outstanding principal balance as of the Cut-off Date of \$17,981,310 and is secured by the borrower's fee interest in a 161,793 square foot anchored retail neighborhood center located in Moreno Valley, California. The loan has a 10-year term and will amortize on a 30-year schedule. The borrowing entity for the loan is Bhullar Investments, LLC, a Delaware limited liability company and special purpose entity. The loan sponsor and nonrecourse carve-out guarantor is Sunny Bhullar.

The Property. Sunnymead Towne Center is a 161,793 square foot anchored retail neighborhood center located in Moreno Valley, California. The property was built in 1975, renovated in 2006 and is situated on an 11.8-acre site. The property is comprised of five multi-tenant retail buildings anchored by El Super and 99 Cents Only Store. The largest tenant, El Super, is a food retailer and discount grocer focused on providing high quality food products in a friendly, clean and modern environment. El Super leases 32.4% of the net rentable area accounting for 16.5% of underwritten base rent, through October 2018 and has occupied its space since January 2003. El Super exercised its first extension option in November 2014 and has four five-year renewal options remaining. El Super reported sales of \$462 per square foot in 2016 with an occupancy cost of 2.0%. The second largest tenant, 99 Cents Only Store, is a discount store offering a wide selection of food and basic household items at discounted prices. 99 Cents Only Store leases 19.3% of the net rentable area accounting for 11.3% of underwritten base rent, through January 2020 and has occupied its space since February 2000. 99 Cents Only Store recently renewed its lease in February 2015 and has two five-year renewal options remaining. The property contains 638 parking spaces with an overall parking ratio of approximately 3.9 spaces per 1,000 square feet of net rentable area. As of December 6, 2016, the property was 93.3% occupied by a diverse mixture of 32 retail tenants, three roof tenants and a Bank of America ATM. There is a standalone Rite Aid located on the northeastern portion of the site that is not considered part of the collateral.

The Market. Sunnymead Towne Center is located in the city of Moreno Valley, approximately 63.9 miles east of the Los Angeles central business district. The City of Moreno Valley is home to the March Air Reserve Base, located approximately 5.3 miles southwest of the property. March Air Reserve Base is the home of the Air Force Reserve Command's 4th Air Force Headquarters, and the largest air mobility wing of the 4th Air Force. The property's neighborhood is comprised primarily of a mixture of commercial and residential uses. The property is located in a retail node at the corner of Alessandro Boulevard and Perris Boulevard, major thoroughfares in the neighborhood, and is located approximately 3.2 miles east of Interstate 215, a north/south interstate running from Murrieta to northern San Bernardino. Other retailers located at the intersection include Smart & Final, Walgreens, Sally Beauty Supply, WSS Shoes and Rite Aid. According to a third party market research report, the property's 2016 estimated population within a one-, three-, and five-mile radius is 26,774, 159,852, and 227,152 people, respectively, with average household income of \$54,069, \$61,277, and \$70,396, respectively. According to a third party market research report, the property is located in the Inland Empire retail market and the Riverside retail submarket. As of third quarter 2016, the Inland Empire retail market contained approximately 187.2 million square feet of retail space with a vacancy rate of 7.9%, 40 basis points lower than third quarter 2015, with an average asking rental rate of \$16.74 per square foot. As of third quarter 2016, the Riverside retail submarket contained approximately 34.9 million square feet of retail space with an average vacancy rate of 5.8% with an average asking rental rate of \$17.25 per square foot. The appraisal identified seven directly competitive anchor retail leases ranging in size from 23,000 square feet to 76,360 square feet.

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Top Ten Tenant Summary ⁽¹⁾							
Tenant	Ratings Moody's/S&P/ Fitch	Net Rentable Area (SF)	% of Total NRA	Base Rent PSF	Base Rent	% of Total Base Rent	Lease Exp. Date
El Super	NA / NA / NA	52,400	32.4%	\$6.07	\$318,173	16.5%	10/31/2018
99 Cents Only Store	NA / NA / NA	31,200	19.3	\$6.98	217,800	11.3	1/31/2020
W.W. Fashion	NA / NA / NA	10,903	6.7	\$9.23	100,599	5.2	8/31/2019
Molina Healthcare	NA / NA / NA	8,714	5.4	\$25.46	221,872	11.5	3/31/2020
Aarons, Inc.	NA / NA / NA	7,705	4.8	\$12.00	92,460	4.8	3/31/2023
Mountain Mike's Pizza	NA / NA / NA	6,869	4.2	\$19.80	136,006	7.1	9/30/2021
Pho Ha Vietnamese Restaurant	NA / NA / NA	3,105	1.9	\$26.88	83,466	4.3	12/31/2018
Panda Wok	NA / NA / NA	2,400	1.5	\$21.63	51,912	2.7	11/30/2020
Los Amaya Electronics ⁽²⁾	NA / NA / NA	1,895	1.2	\$22.00	41,692	2.2	1/31/2020
US Laundry	NA / NA / NA	1,827	1.1	\$21.36	39,024	2.0	MTM
Top Ten Tenants		127,018	78.5%	\$10.26	\$1,303,003	67.6%	
Non Top Ten Tenants⁽³⁾		24,000	14.8%	\$23.03	\$624,228	32.4%	
Occupied Collateral Total⁽³⁾		151,018	93.3%	\$12.29	\$1,927,232	100.0%	
Vacant Space		10,775	6.7%				
Collateral Total		161,793	100.0%				

(1) Based on the underwritten rent roll.

(2) Los Amaya Electronics has a right to terminate its lease up to 945 square feet at any time during the initial term of its lease. If Los Amaya Electronics exercises its right to terminate, the remaining occupied square footage shall be leased by Los Amaya Electronics at a rate of \$1.85 per square foot per month, with annual increases according to the CPI factor, but in no event shall the base rent be reduced below the base rent in effect immediately preceding such adjustment time to permit a minimum annual increase of 4.0%. Los Amayas Electronics has one three-year renewal option remaining.

(3) Includes three cell tower site leases and a parking lease comprising of \$71,454 in underwritten base rent. Base Rent PSF excludes these four leases as they contain no square footage.

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	10,775	6.7%	NAP	NAP	10,775	6.7%	NAP	NAP
2017 & MTM ⁽²⁾	4	3,527	2.2	\$108,137	5.6%	14,302	8.8%	\$108,137	5.6%
2018	6	60,621	37.5	507,857	26.4	74,923	46.3%	\$615,994	32.0%
2019 ⁽³⁾	6	15,620	9.7	224,712	11.7	90,543	56.0%	\$840,706	43.6%
2020 ⁽⁴⁾	13	52,744	32.6	755,351	39.2	143,287	88.6%	\$1,596,057	82.8%
2021 ⁽⁵⁾	4	9,699	6.0	207,902	10.8	152,986	94.6%	\$1,803,959	93.6%
2022	2	1,102	0.7	30,813	1.6	154,088	95.2%	\$1,834,772	95.2%
2023	1	7,705	4.8	92,460	4.8	161,793	100.0%	\$1,927,232	100.0%
2024	0	0	0.0	0	0.0	161,793	100.0%	\$1,927,232	100.0%
2025	0	0	0.0	0	0.0	161,793	100.0%	\$1,927,232	100.0%
2026	0	0	0.0	0	0.0	161,793	100.0%	\$1,927,232	100.0%
2027 & Beyond	0	0	0.0	0	0.0	161,793	100.0%	\$1,927,232	100.0%
Total	36	161,793	100.0%	\$1,927,232	100.0%				

(1) Based on the underwritten rent roll.

(2) Includes one cell tower site lease with T-Mobile comprising of \$18,151 in underwritten base rent.

(3) Includes one cell tower site lease with AT&T comprising of \$16,641 in underwritten base rent.

(4) Includes one cell tower site lease with Nextel comprising of \$18,662 in underwritten base rent.

(5) Includes one parking lease comprising of \$18,000 in underwritten base rent.

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Operating History and Underwritten Net Cash Flow

	2013	2014	2015	TTM ⁽¹⁾	Underwritten	Per Square Foot	% ⁽²⁾
Rents in Place ⁽³⁾⁽⁴⁾⁽⁵⁾	\$1,359,562	\$1,467,551	\$1,634,676	\$1,636,402	\$1,927,232	\$11.91	71.2%
Vacant Income	0	0	0	0	220,663	1.36	8.1
Gross Potential Rent	\$1,359,562	\$1,467,551	\$1,634,676	\$1,636,402	\$2,147,895	\$13.28	79.3%
Total Reimbursements ⁽⁴⁾	335,750	326,379	434,420	410,119	559,730	3.46	20.7
Net Rental Income	\$1,695,312	\$1,793,931	\$2,069,096	\$2,046,521	\$2,707,625	\$16.74	100.0%
(Vacancy/Credit Loss)	0	0	0	0	(270,847)	(1.67)	(10.0)
Other Income	4,416	4,844	4,857	379	4,857	0.03	0.2
Effective Gross Income	\$1,699,728	\$1,798,775	\$2,073,953	\$2,046,900	\$2,441,635	\$15.09	90.2%
Total Expenses	\$629,365	\$626,010	\$680,923	\$740,212	\$707,809	\$4.37	29.0%
Net Operating Income	\$1,070,363	\$1,172,765	\$1,393,030	\$1,306,688	\$1,733,827	\$10.72	71.0%
Total TI/LC, Capex/RR	127,017	258,707	141,086	136,465	108,570	0.67	4.4
Net Cash Flow	\$943,346	\$914,057	\$1,251,944	\$1,170,223	\$1,625,257	\$10.05	66.6%
Occupancy⁽⁶⁾	85.0%	84.0%	94.0%	93.3%	90.0%		

(1) TTM reflects the trailing 12-month period ending October 31, 2016.

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

(3) Underwritten Rents in Place consist of in-place rents as of December 6, 2016 and includes (i) underwritten contractual rent increases of \$40,628 through April 2017 and (ii) an ATM lease, three cell tower site leases and a parking lease.

(4) Underwritten Rents in Place and Total Reimbursements are higher than historicals due to recent leasing totaling 18,346 square feet and \$298,775 in base rent. Recent leases include Aaron's, Inc., Mountain Mike's Pizza, Distribution Wireless, LLC, Giriraj Corporation and Valley Live Scan Plus.

(5) Giriraj Corporation (0.7% of net rentable area, 1.0% of Underwritten Base Rent) has taken occupancy and is currently building out its space. The tenant is currently waiting for approval for the pharmacy board and has not yet commenced rent payments. At closing, a \$6,130 free rent reserve was escrowed for three months of rent and recoveries until Giriraj Corporation's expected rent commencement date of April 1, 2017.

(6) Historical occupancies are as of December 31 of each year. TTM Occupancy is as of December 6, 2016. Underwritten Occupancy represents economic occupancy.