

The View & Legends

Mortgage Loan Information

Mortgage Loan Seller:	Column
Original Principal Balance:	\$38,250,000
Cut-off Date Principal Balance:	\$38,250,000
% of Pool by IPB:	2.6%
Loan Purpose:	Refinance
Borrowers⁽¹⁾:	Various
Sponsors⁽²⁾:	Various
Interest Rate:	5.21000%
Note Date:	9/24/2014
Anticipated Repayment Date⁽³⁾:	10/6/2019
Interest-only Period:	24 months
Original Term⁽⁵⁾:	60 months
Original Amortization:	360 months
Amortization Type:	ARD-IO-Balloon
Call Protection:	L(26),Def(27),O(7)
Lockbox:	Springing
Additional Debt:	N/A
Additional Debt Balance:	N/A
Additional Debt Type:	N/A

Property Information

Single Asset / Portfolio:	Portfolio
Title:	Fee
Property Type - Subtype:	Multifamily - Various
Net Rentable Area (Units):	655
Location:	Dallas, TX
Year Built / Renovated:	Various / 2013
Occupancy:	90.8%
Occupancy Date:	10/16/2014
Number of Tenants:	N/A
2011 NOI⁽⁴⁾:	N/A
2012 NOI⁽⁴⁾:	N/A
2013 NOI:	\$1,778,671
TTM NOI (as of 7/2014)⁽⁶⁾:	\$2,563,938
UW Economic Occupancy:	88.8%
UW Revenues:	\$6,135,171
UW Expenses:	\$2,805,343
UW NOI⁽⁶⁾:	\$3,329,828
UW NCF:	\$3,164,583
Appraised Value / Per Unit:	\$51,000,000 / \$77,863
Appraisal Date:	8/4/2014

Escrows and Reserves

	Initial	Monthly	Initial Cap
Taxes:	\$368,920	\$40,991	N/A
Insurance:	\$87,689	\$17,538	N/A
Replacement Reserves:	\$13,770	\$13,770	N/A
TI/LC:	\$0	\$0	N/A
Other⁽⁷⁾:	\$52,951	\$0	N/A

Financial Information

Cut-off Date Loan / Unit:	\$58,397
Maturity Date Loan / Unit:	\$55,908
Cut-off Date LTV:	75.0%
Maturity Date LTV:	71.8%
UW NCF DSCR:	1.25x
UW NOI Debt Yield:	8.7%

Sources and Uses

Sources	Proceeds	% of Total	Uses	Proceeds	% of Total
Mortgage Loan	\$38,250,000	100.0%	Payoff Existing Debt	\$26,500,000	69.3%
			Return of Equity	10,795,041	28.2
			Upfront Reserves	523,330	1.4
			Closing Costs	431,629	1.1
Total Sources	\$38,250,000	100.0%	Total Uses	\$38,250,000	100.0%

(1) The borrowing entities for the loan are The View DFW 4 Two LLC and Legends DFW 4 Two LLC.

(2) The sponsors for the entities are Charles F. Hill, Edward P. Lorin, The Hill Family Living Trust and The Lorin Family Trust.

(3) The loan is structured with an anticipated repayment date ("ARD") of October 6, 2019. In the event that the loan is not paid off on or before the ARD, the borrower is required to make monthly payments to the lender of principal and interest in the amount of the monthly debt service payment and interest will accrue at an interest rate ("Revised Note Rate") that will be equal to the greater of (i) 3.0% plus the initial interest rate and (ii) 3.0% plus the then-current five-year treasury rate plus the five year swap spread determined on the ARD Date. The payment of interest in excess of interest at the initial interest rate will be deferred until the principal balance is paid in full. The Revised Note Rate may not exceed 8.5%. The final maturity date of the loan is October 6, 2024.

(4) The properties were acquired in November 2012. Due to the timing of the acquisitions of the properties and the lack of information provided by the previous owners as part of the acquisitions, consolidated historical financials are not available prior to the twelve-month period ending December 31, 2013.

(5) Represents the Original Term to the ARD.

(6) Increase from TTM NOI to UW NOI is due to improving occupancy and an increase in rent at all properties in July 2014.

(7) Initial Other Escrows and Reserves includes \$52,951 for deferred maintenance.

The View & Legends

The Loan. The View & Legends loan has an outstanding principal balance of \$38.25 million and is secured by a first mortgage lien on two Class B multifamily properties totaling 655 units located in Dallas, Texas. The properties include the View at Kessler Park (299 units) and the Legends on Lake Highlands (356 units). The loan is structured with an ARD of October 6, 2019 and a final maturity date of October 6, 2024, and subsequent to a two-year interest only period, will amortize on a 30-year schedule. The sponsors of the borrowers and the non-recourse carve-out guarantors are Charles F. Hill, Edward P. Lorin, The Hill Family Living Trust and The Lorin Family Trust. Mr. Hill and Mr. Lorin have over 40 years of combined experience and in 2007 co-founded Strategic Realty Capital (“SRC”) to focus on the acquisition and repositioning of distressed multifamily properties. Strategic Realty Capital and affiliate companies currently own over 10,000 units.

The Properties. The properties were acquired by the borrower in November 2012, after which they underwent significant renovations that lasted through most of 2013. During this year, the properties’ occupancy dipped in an attempt to upgrade the tenant base and re-brand the properties. With this strategy, the properties offered higher concessions to keep occupancy from dropping further, and incurred some higher expenses. The properties began increasing rental rates and has experienced increasing occupancy since the completion of the renovations in late 2013.

The View at Kessler Park is a 299-unit, Class B, high-rise style apartment community located at 2511 Wedglea Drive in Dallas, Texas. The property was originally built in 1964 and renovated in 2013. The property is improved with one, 11-story residential building and a three-story parking garage. Property amenities include a swimming pool, a pet park, picnic areas, laundry facilities on each floor, media room, game room, fitness center, business center, and an access gate. The property also has four office spaces containing a total of 2,178 square feet that are currently vacant and are being marketed for lease. A newly renovated bistro/café located on the first floor currently serves coffee to residents but is anticipated to be a full-service restaurant for resident use only. Open parking is provided for 144 vehicles and the three-story parking garage has 442 spaces for a total of 586 parking spaces, equating to 1.96 spaces per unit.

Legends on Lake Highlands is a 356-unit, Class B, garden-style apartment community located at 11201 East Lake Highlands Drive in Dallas, Texas. The property was originally developed in two phases between 1971 and 1979 and renovated by the borrower in 2013. The phases are located on non-contiguous parcels separated by Lake Highlands Circle, an interior roadway providing access to the property from East Lake Highlands Drive. The property is improved with 27 two-story residential buildings and one single story office/clubhouse building. Property amenities consist of two outdoor swimming pools, laundry facilities, a clubhouse, a fitness center, security gates, Wi-Fi access and a pet park. Open surface parking is provided for 518 vehicles (1.46 parking spaces per unit).

The Market. The properties are located in the City of Dallas, Texas within the Dallas/Fort Worth Consolidated Metropolitan Statistical Area (“CMSA”). According to the appraisal, as of the second quarter of 2014, the Dallas apartment market reported a total inventory of 499,214 units with annual completion of 12,000 units and absorption of 13,163 units. The market had an overall occupancy of 94.6% and an effective rent per unit of \$918. The appraisal identified the View at Kessler Park as being located in the Oak Cliff submarket which contained 15,423 units as of the second quarter of 2014, which equates to approximately 3.1% of the Dallas apartment market. Current average occupancy in the submarket is 92.2% with an average monthly rent is \$759 per unit compared to 90.0% and \$893 per unit, respectively, at the subject property as of October 16, 2014. The appraisal identified a competitive set including five properties built between 2001 and 2012, with occupancy ranging from 92.0% to 98.0% and average monthly rent per unit ranging from \$910 to \$1,318.

According to the appraisal, Legends on Lake Highlands is located within the East Dallas submarket. As of second quarter 2014, the submarket reported a total inventory of 21,275 units, which equates to approximately 4.3% of the Dallas apartment market. Average occupancy within the submarket was 93.7% as of the second quarter of 2014, representing a 30 bps increase over the last 12 months. Monthly rental rates averaged \$1,109 per unit in the second quarter of 2014. The property has a current occupancy of 91.6% as of October 16, 2014 and a monthly market rent per unit of \$685. The appraisal identified five comparable properties built between 1968 and 1985, with occupancy ranging from 90.0% to 95.0% and average monthly rent per unit ranging from \$648 to to \$765.

The View & Legends

View at Kessler Park - Multifamily Unit Mix ⁽¹⁾									
Unit Type (Bed / Bath)	# of Units	% of Total	Occupied Units	Occupancy	Average Unit Size (Square Feet)	Average Monthly Rental Rate ⁽²⁾	Average Monthly Rental Rate PSF ⁽²⁾	Monthly Market Rental Rate ⁽³⁾⁽⁴⁾	Monthly Market Rental Rate PSF ⁽³⁾⁽⁴⁾
0x1	35	11.7%	30	85.7%	377	\$612	\$1.62	\$701	\$1.86
0x1	49	16.4	48	98.0%	393	\$646	\$1.64	\$697	\$1.77
1x1	35	11.7	30	85.7%	689	\$811	\$1.18	\$872	\$1.27
1x1	61	20.4	53	86.9%	713	\$840	\$1.18	\$882	\$1.24
1x1	10	3.3	7	70.0%	724	\$838	\$1.16	\$907	\$1.25
1x1	20	6.7	19	95.0%	773	\$881	\$1.14	\$911	\$1.18
2x1	49	16.4	47	95.9%	821	\$918	\$1.12	\$965	\$1.18
2x2	27	9.0	25	92.6%	1,066	\$1,101	\$1.03	\$1,170	\$1.10
3x2	13	4.3	10	76.9%	1,214	\$1,291	\$1.06	\$1,364	\$1.12
Total/Wtd. Avg.	299	100.0%	269	90.0%	694	\$834	\$1.20	\$893	\$1.29

(1) Based on the rent roll dated October 16, 2014.

(2) Average Monthly Rental Rate and Average Monthly Rental Rate PSF are based on the weighted average occupied rents.

(3) Market rents are based on the appraiser's concluded market rents.

(4) Monthly Market Rental Rate and Monthly Market Rental Rate PSF are based on all units.

Legends on Lake Highlands - Multifamily Unit Mix ⁽¹⁾									
Unit Type (Bed / Bath)	# of Units	% of Total	Occupied Units	Occupancy	Average Unit Size (Square Feet)	Average Monthly Rental Rate ⁽²⁾	Average Monthly Rental Rate PSF ⁽²⁾	Monthly Market Rental Rate ⁽³⁾⁽⁴⁾	Monthly Market Rental Rate PSF ⁽³⁾⁽⁴⁾
0x1	8	2.3%	8	100.0%	529	\$514	\$0.97	\$520	\$0.98
1x1	48	13.5	48	100.0%	550	\$551	\$1.00	\$562	\$1.02
1x1	88	24.7	84	95.5%	650	\$633	\$0.97	\$640	\$0.98
1x1	36	10.1	32	88.9%	660	\$581	\$0.88	\$588	\$0.89
1x1	20	5.6	19	95.0%	721	\$618	\$0.86	\$630	\$0.87
2x1	40	11.2	36	90.0%	820	\$702	\$0.86	\$708	\$0.86
2x1	24	6.7	22	91.7%	900	\$724	\$0.80	\$738	\$0.82
2x2	56	15.7	47	83.9%	950	\$835	\$0.88	\$848	\$0.89
2x2	24	6.7	23	95.8%	978	\$762	\$0.78	\$785	\$0.80
2x2	12	3.4	7	58.3%	1,029	\$843	\$0.82	\$858	\$0.83
Total/Wtd. Avg.	356	100.0%	326	91.6%	748	\$669	\$0.89	\$685	\$0.92

(1) Based on the rent roll dated October 16, 2014.

(2) Average Monthly Rental Rate and Average Monthly Rental Rate PSF are determined by the weighted average of occupied units.

(3) Market rents are based on the appraiser's concluded market rents.

(4) Monthly Market Rental Rate and Monthly Market Rental Rate PSF are based on all units.

The View & Legends

Operating History and Underwritten Net Cash Flow					
	2013	TTM ⁽¹⁾	Underwritten	Per Unit	% ⁽²⁾
Rents in Place ⁽³⁾	\$5,259,008	\$5,553,843	\$5,307,477	\$8,103	89.8%
Vacant Income	0	0	602,028	919	10.2
Gross Potential Rent	\$5,259,008	\$5,553,843	\$5,909,505	\$9,022	100.0%
(Vacancy and Credit Loss)	(1,304,608)	(850,988)	(661,099)	(1,009)	(11.2)
Other Income	591,682	791,742	886,765	1,354	15.0
Effective Gross Income	\$4,546,082	\$5,494,597	\$6,135,171	\$9,367	103.8%
Total Expenses	\$2,767,411	\$2,930,659	\$2,805,343	\$4,283	45.7%
Net Operating Income	\$1,778,671	\$2,563,938	\$3,329,828	\$5,084	54.3%
Replacement Reserves	0	0	165,245	252	2.7
Non-Recurring Item	51,144	59,360	0	0	0.0
Net Cash Flow	\$1,727,527	\$2,504,578	\$3,164,583	\$4,831	51.6%
Occupancy⁽⁴⁾	90.7%	90.8%	88.8%		

(1) TTM column represents the trailing twelve-month period ending on July 31, 2014.

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

(3) Based on the rent roll dated September 3, 2014 with vacant units grossed up at the appraiser's market rents.

(4) TTM occupancy is as of October 16, 2014.