

Various

Collateral Asset Summary – Loan No. 8
Waterstone 7 Portfolio

Cut-off Date Balance: \$24,000,000
Cut-off Date LTV: 68.8%
U/W NCF DSCR: 1.28x
U/W NOI Debt Yield: 8.9%



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Mortgage Loan Information

Loan Seller: CCRE
Loan Purpose: Refinance
Borrower Sponsors: Anton Melchionda; Joshua R. Levy;
 Neal S. Shalom
Borrowers⁽¹⁾: Various
Original Balance: \$24,000,000
Cut-off Date Balance: \$24,000,000
% by Initial UPB: 3.0%
Interest Rate: 4.8400%
Payment Date: 6th of each month
First Payment Date: August 6, 2016
Maturity Date: July 6, 2026
Amortization: Interest Only for 12 months, 360
 months thereafter
Additional Debt: None
Call Protection: L(28), D(89), O(3)
Lockbox / Cash Management: Soft Springing Hard / Springing

Reserves⁽²⁾

	Initial	Monthly
Taxes:	\$85,022	\$42,511
Insurance:	\$0	Springing
Replacement:	\$0	\$4,199
TI/LC:	\$0	\$11,664
Required Repairs:	\$41,902	NAP
Occupancy Reserve:	\$0	Springing

Financial Information

Cut-off Date Balance / Sq. Ft.:	\$86
Balloon Balance / Sq. Ft.:	\$72
Cut-off Date LTV:	68.8%
Balloon LTV:	57.8%
Underwritten NOI DSCR:	1.40x
Underwritten NCF DSCR:	1.28x
Underwritten NOI Debt Yield:	8.9%
Underwritten NCF Debt Yield:	8.1%
Underwritten NOI Debt Yield at Balloon:	10.5%
Underwritten NCF Debt Yield at Balloon:	9.6%

Property Information

Single Asset / Portfolio: Portfolio of 7 properties
Property Type: Retail
Collateral⁽³⁾: Fee Simple and Leasehold
Location: NH and MA
Year Built / Renovated: Various / Various
Total Sq. Ft.: 279,937
Property Management: Waterstone Retail Development, Inc.
Underwritten NOI: \$2,126,173
Underwritten NCF: \$1,935,816
Appraised Value: \$34,900,000
Appraisal Date: June 2016

Historical NOI

Most Recent NOI:	\$2,310,370 (T-12 August 31, 2016)
2015 NOI:	\$2,094,030 (December 31, 2015)
2014 NOI:	\$2,246,794 (December 31, 2014)
2013 NOI:	\$2,178,283 (December 31, 2013)

Historical Occupancy

Current Occupancy⁽⁴⁾:	93.6% (Various)
2015 Occupancy:	90.6% (December 31, 2015)
2014 Occupancy:	94.5% (December 31, 2014)
2013 Occupancy:	94.4% (December 31, 2013)

- (1) The borrowers under the Waterstone 7 Portfolio Loan are 114 Huttleston Ave, LLC; 337 Lafayette Road, LLC; Waterstone New Hampshire Retail Properties, LLC; Waterstone Sugar River Plaza, LLC and Harkness Sugar River Plaza, LLC. Waterstone Sugar River Plaza, LLC and Harkness Sugar River Plaza, LLC own the Sugar River Plaza Property as tenants-in-common.
- (2) See "Initial Reserves" and "Ongoing Reserves" below. The Replacement Reserve is subject to a cap of \$200,000 and the TI/LC Reserve is subject to a cap of \$700,000.
- (3) The related borrowers own a leasehold interest in two properties; West Marine – Fairhaven and West Marine – Seabrook. See "Ground Lease" below.
- (4) Current occupancy is based on a rent roll (i) for each single tenant property (as identified in the "Portfolio Summary" below) dated as of October 6, 2016 and (ii) for each of the remaining properties dated as of September 15, 2016.

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The Loan. The Waterstone 7 Portfolio loan (the “**Waterstone 7 Portfolio Loan**”) is a fixed rate loan secured by the borrowers’ fee simple (five properties) and leasehold interest (two properties) in a 279,937 sq. ft., 7-property portfolio of single tenant retail and anchored retail properties located in New Hampshire and Massachusetts (each a “**Waterstone 7 Property**,” and collectively, the “**Waterstone 7 Portfolio Properties**”) with an original principal balance of \$24.0 million.

The Waterstone 7 Portfolio Loan has a 10-year term and amortizes on 30-year schedule after an initial 12-month interest-only period. The Waterstone 7 Portfolio Loan accrues interest at a fixed rate equal to 4.8400% and has a cut-off date balance of \$24.0 million. Loan proceeds together with borrower sponsors new cash equity of approximately \$1.2 million were used to refinance approximately \$23.58 million of existing debt, fund an approximately \$1.2 million partner buyout, pay closing costs of approximately \$0.3 million and fund reserves of approximately \$0.1 million. The properties known as Shaw’s Plaza – Lancaster, Shaw’s Plaza – Woodsville and Kilburn Ledge were previously securitized in BACM 2006-3 mortgage trust by JP Morgan (known in that deal as the New Hampshire Retail Portfolio). The remaining four Waterstone 7 Portfolio Properties were not previously securitized.

Sources and Uses					
Sources	Proceeds	% of Total	Uses	Proceeds	% of Total
Loan Amount	\$24,000,000	95.3%	Refinance Existing Mortgage	\$23,575,970	93.6%
Borrower Equity	\$1,194,861	4.7%	Partnership Buyout	\$1,175,000	4.7%
			Closing Costs	\$316,967	1.3%
			Reserves	\$126,924	0.5%
Total Sources	\$25,194,861	100.0%	Total Uses	\$25,194,861	100.0%

The Borrower / Borrower Sponsors. The borrowers are 114 Huttleston Ave, LLC, 337 Lafayette Road, LLC, Waterstone New Hampshire Retail Properties, LLC, Waterstone Sugar River Plaza, LLC, and Harkness Sugar River Plaza, LLC, each a single purpose entity structured to be bankruptcy remote with one independent director in its organizational structure. Waterstone Sugar River Plaza, LLC and Harkness Sugar River Plaza, LLC own the Sugar River Plaza Property as tenants-in-common (pursuant to a two member closed tenant-in-common structure with each tenant-in-common borrower controlled by affiliates of the borrower sponsors). Each borrower is a subsidiary of Waterstone Retail. The sponsors of the borrower and non-recourse carveout guarantors, Anton Melchionda, Joshua R. Levy and Neal S. Shalom (on a joint and several basis) are all principals of Waterstone Retail.

Waterstone Retail is a national real estate development, acquisition and management company that was founded in 2006 and specializes in the creation and repositioning of shopping centers throughout the United States. Waterstone Retail focuses on grocery-anchored power centers and non-traditional specialty centers across the east coast. As of October 2016, Waterstone Retail has a portfolio of more than 50 properties totaling over 5 million sq. ft. of space and 1 million sq. ft. under development. In 2015, Waterstone Retail was the second-largest retail owner in New England by sq. ft.

The Properties & Tenants. The Waterstone 7 Portfolio Properties consist of seven retail properties, including four anchored retail centers and three single tenant properties containing 279,937 sq. ft. located in Massachusetts (one property) and New Hampshire (six properties). The Waterstone 7 Portfolio Properties were built between 1980 and 2012 and range in size from 11,180 sq. ft. to 116,828 sq. ft. with an average size of 39,991 sq. ft.

The Waterstone 7 Portfolio has maintained a weighted average historical occupancy of approximately 93.1% since 2013. Sixteen tenants at the Waterstone 7 Portfolio Properties have been tenants at the property for over 10 years, fourteen of which have been at its Property for over 15 years. The average length of occupancy for these long term tenants is 20.5 years. The Waterstone 7 Portfolio is currently 93.6% occupied. The largest tenants include Shaw’s Supermarket, Ocean State Job Lot and West Marine.

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Portfolio Summary					
Property	Location	Property Subtype	Year Built	Sq. Ft.	Occupancy ⁽¹⁾
Sugar River Plaza	Newport, NH	Anchored	1980, 1989	116,828	97.9%
Shaw's Plaza – Lancaster	Lancaster, NH	Anchored	1980 ⁽²⁾	50,080	76.4%
Shaw's Plaza – Woodsville	Haverhill (Woodsville), NH	Anchored	1986, 1989	39,000	100.0%
Kilburn Ledge	Littleton, NH	Anchored	2000	34,582	89.7%
West Marine – Fairhaven	Fairhaven, MA	Single Tenant	2012	15,015	100.0%
West Marine – Seabrook	Seabrook, NH	Single Tenant	2012	13,252	100.0%
Rite Aid	Haverhill (Woodsville), NH	Single Tenant	1997	11,180	100.0%
Total / Wtd. Avg.				279,937	93.6%

(1) Occupancy is as of September 15, 2016 for each property except for the single tenant properties for which occupancy is as of October 6, 2016.

(2) Shaw's Plaza – Lancaster was renovated in 1998.

Tenant Summary ⁽¹⁾							
Tenant	Property	Ratings (Fitch/Moody's/S&P) ⁽²⁾	Net Rentable Area (Sq. Ft.)	% of Net Rentable Area	U/W Base Rent PSF	% of Total U/W Base Rent	Lease Expiration
Ocean State Job Lot	Sugar River Plaza	NR/NR/NR	48,600	17.4%	\$3.14	5.5%	1/30/2021 ⁽³⁾
Shaw's – Lancaster	Shaw's Plaza - Lancaster	NR/NR/NR	34,280	12.2%	\$11.68	14.4%	6/5/2018 ⁽⁴⁾
Shaw's – Woodsville	Shaw's Plaza – Woodsville	NR/ NR/NR	34,000	12.1%	\$7.00	8.5%	12/31/2020 ⁽⁵⁾
Shaw's – Sugar River	Sugar River Plaza	NR/ NR/NR	33,000	11.8%	\$8.77	10.4%	12/31/2020 ⁽⁶⁾
Staples	Kilburn Ledge	BB+/Baa2/BBB-	23,942	8.6%	\$11.50	9.9%	3/31/2020 ⁽⁷⁾
Total Major Tenants			173,822	62.1%	\$7.80	48.6%	
Remaining Tenants ⁽⁸⁾			88,293	31.5%	\$13.86	43.9%	
Total Occupied Collateral			262,115	93.6%	\$9.84	92.5%	
Vacant			17,822	6.4%			
Total			279,937	100.0%			

(1) Based on a rent roll (i) for each single tenant property (as identified in the "Portfolio Summary" below) dated as of October 6, 2016 and (ii) for each of the remaining properties dated as of September 15, 2016.

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

(3) Ocean State Job Lot has two, five year extension option with no termination options.

(4) Shaw's – Lancaster has six, five year extension options with no termination options.

(5) Shaw's – Woodsville has two, five year extension options with no termination options.

(6) Shaw's – Sugar River has three, five year extension options with no termination options.

(7) Staples has two, five year extension options with no termination options.

(8) There are 15 other tenants which include, two West Marine tenants (28,267 sq. ft.; 10.1% of total NRA), two New Hampshire's State Liquor Stores (10,979 sq. ft.; 3.9% of total NRA), and a Family Dollar (8,045 sq. ft.; 2.9% of total sq. ft.).

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Lease Rollover Schedule⁽¹⁾⁽²⁾

Year	# of Leases Expiring	Total Expiring Sq. Ft.	% of Total Sq. Ft. Expiring	Cumulative Sq. Ft. Expiring	Cumulative % of Sq. Ft. Expiring	Annual UW Base Rent	Annual UW Base Rent Per Sq. Ft.	% UW Base Rent Rolling	Cumulative % of UW Base Rent
MTM	5	17,129	6.1%	17,129	6.1%	\$99,827	\$5.83	3.9%	3.9%
2016	1	4,320	1.5%	21,449	7.7%	\$38,880	\$9.00	1.5%	5.4%
2017	0	0	0.0%	21,449	7.7%	\$0	\$0	0.0%	5.4%
2018	4	50,757	18.1%	72,206	25.8%	\$623,345	\$12.28	24.2%	29.5%
2019	2	9,654	3.4%	81,860	29.2%	\$89,977	\$9.32	3.5%	33.0%
2020	4	97,442	34.8%	179,302	64.1%	\$818,286	\$8.40	31.7%	64.7%
2021	1	48,600	17.4%	227,902	81.4%	\$152,740	\$3.14	5.9%	70.7%
2022	2	15,652	5.6%	243,554	87.0%	\$363,244	\$23.21	14.1%	84.7%
2023	0	0	0.0%	243,554	87.0%	\$0	\$0	0.0%	84.7%
2024	0	0	0.0%	243,554	87.0%	\$0	\$0	0.0%	84.7%
2025	0	0	0.0%	243,554	87.0%	\$0	\$0	0.0%	84.7%
2026	0	0	0.0%	243,554	87.0%	\$0	\$0	0.0%	84.7%
Thereafter	2	18,561	6.7%	262,115	93.6%	\$393,528	\$21.20	15.3%	100.0%
Vacant	NAP	17,822	6.4%	279,937	100.0%	NAP	NAP	NAP	
Total / Wtd. Avg.	21	279,937	100.0%			\$2,579,826	\$9.84	100.0%	

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

(2) Based on a rent roll (i) for each single tenant property (as identified in the "Portfolio Summary" below) dated as of October 6, 2016 and (ii) for each of the remaining properties dated as of September 15, 2016.

Shaw's Supermarket (101,280 sq. ft.; 36.2% of NRA; 33.3% of UW Base Rent), "**Shaw's**," is a grocery store chain headquartered in West Bridgewater, Massachusetts and has 154 locations in the North East. Shaw's was founded in 1860. In 2013, Shaw's was purchased by AB Acquisition LLC to put it under the sole ownership of Albertsons, LLC, which operates under 18 different banners in 33 states. Shaw's is the largest tenant at two properties in the portfolio and the second largest tenant in one property.

Shaw's Sales Information

Property	Sq. Ft.	% of Total NRA	In-Place Rent	In-Place Rent Per Sq. Ft.	2015 Tenant Sales ⁽¹⁾	Tenant Sales Per Sq. Ft.	Occupancy Cost
Shaw's Plaza - Woodsville	34,000	12.1%	\$238,000	\$7.00	\$9,931,964	\$292.12	3.5%
Sugar River Plaza	33,000	11.8%	\$289,473	\$8.77	\$10,927,635	\$331.14	3.5%

(1) Shaw's at Sugar River Plaza & Shaw's Plaza – Woodsville are the only tenants required to report annual sales figures to landlord. Other tenants' sales information are not available.

Ocean State Job Lot (48,600 sq. ft.; 17.4% of NRA; 5.5% of UW Base Rent) is a regional chain of 124 discount stores located in New England. The company was founded in 1977 and is headquartered in North Kingstown, Rhode Island.

West Marine (28,267 sq. ft.; 10.1% of NRA; 24.8% of UW Base Rent) is a specialty and wholesale retailer catering to the leisure and competitive boating and fishing markets. West Marine was founded in 1968 and is based out of Watsonville, California with over 255 locations throughout North America. In 1993 the company became a publicly-traded corporation on the NASDAQ.

Sugar River Plaza (116,828 sq. ft.; 41.7% of NRA; 24.2% of UW Base Rent)

The Sugar River Plaza Property is an 116,828 sq. ft. multi-tenant retail center that is anchored by Ocean State Job Lot (41.6% of property NRA) and Shaw's (28.2% of property NRA). The Sugar River Plaza Property was built in 1980 and 1989 and is located on John Stark Highway/ Routes 103 and 11 in Newport, New Hampshire. The anchored retail center also includes Family Dollar, Aubuchon Hardware, Sugar River Pharmacy, LLC and NH State Liquor Store and is the largest retail center in the Sunapee Lakes Region.

Shaw's Plaza – Lancaster (50,080 sq. ft.; 17.9% of NRA; 20.6% of UW Base Rent)

The Shaw's Plaza – Lancaster Property is a 50,080 sq. ft. multi-tenant retail center that was built in 1980 and renovated in 1998. The Shaw's Plaza – Lancaster Property is anchored by Shaw's (68.5% of property NRA) and an additional tenant, NH State Liquor Store (8.0% of NRA). The property is situated along the Main Street in Lancaster which is located in northern New Hampshire.

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Kilburn Ledge (34,582 sq. ft.; 12.4% of NRA; 14.3% of UW Base Rent)

The Kilburn Ledge Property is a 34,582 sq. ft. multi-tenant retail center that is anchored by Staples (69.2% of NRA). The Kilburn Ledge Property was built in 2000 and other tenants include Olympia Sports as well as borrower occupied office space for the Waterstone Regional Office. The Kilburn Ledge Property is located in Littleton, New Hampshire along Route 302. Route 302 is home to a Walmart Supercenter, Lowe's, Home Depot, Tractor Supply and many other national and regional tenants.

West Marine – Fairhaven (15,015 sq. ft.; 5.4% of NRA; 12.6% of UW Base Rent)

West Marine is the single tenant at the West Marine – Fairhaven Property. It is a 15,015 sq. ft. single tenant retail space that was constructed in 2012. The West Marine - Fairhaven Property is located in Fairhaven, Massachusetts which is a waterside town, with six different boating marinas and yacht clubs in the town. Fairhaven is located in southern Massachusetts and is 55 miles south of Boston and 35 miles southwest of Providence, Rhode Island.

The related borrower has a leasehold interest in the property pursuant to a ground lease that commenced in 2011 and has an expiration of May 18, 2062 with nine, five-year extension options and one, four-year extension option. The borrower owns the improvements.

Shaw's Plaza – Woodsville (39,000 sq. ft.; 13.9% of NRA; 10.0% of UW Base Rent)

Shaw's Plaza – Woodsville is a 39,000 sq. ft., two building, retail property that is anchored by Shaw's (87.2% of NRA) and built in 1986 and 1989. In addition to the Shaw's, the Shaw's Plaza – Woodsville Property's tenants include a New Hampshire State Liquor Store and Graham Insurance office. The Property is located in Haverhill (Woodsville), New Hampshire and is situated along Forest Street which provides direct access to Route 302 and Dartmouth College Highway and is 0.5 miles from a Walmart Supercenter. Woodsville is a village within the Town of Haverhill which is located on the Connecticut River.

West Marine – Seabrook (13,252 sq. ft.; 4.7% of NRA; 12.2% of UW Base Rent)

The West Marine – Seabrook Property is a single tenant 13,252 sq. ft. single tenant retail space located in Seabrook, New Hampshire that is occupied by West Marine. The West Marine – Seabrook Property was built in 2012 and is situated on the corner of an intersection between N.H. Route 1, Boynton Lane and Lafayette Road. Within a 6.5 mile radius there are 10 marinas and yacht clubs. Seabrook is located in Southern New Hampshire approximately 50 miles east of Concord and 45 miles north of Boston.

The related borrower has a leasehold interest in the West Marine – Seabrook Property pursuant to a ground lease that commenced in 2012 and expires on June 29, 2032 and has seven, ten-year extension options (automatically exercisable at the option of the borrower who owns the improvements).

Rite Aid (11,180 sq. ft.; 4.0% of NRA; 6.1% of UW Base Rent)

Rite Aid is an 11,180 sq. ft. single tenant property in Haverhill (Woodsville), New Hampshire that was constructed in 1997. The Rite Aid Property is located on the corner of Route 10 & Route 302 and is shadow anchored by a Walmart Supercenter that is 0.2 miles away. The Rite Aid provides a drive thru pharmacy window for prescription pick up and drop off and is the only pharmacy (other than the Walmart Supercenter's) within at least 15 miles. The Rite Aid Property is located in Woodsville, within the Town of Haverhill that is located along the Connecticut River.

Historical Occupancy			
	2015	2014	2013
Sugar River Plaza	94.0%	94.0%	94.0%
Shaw's Plaza - Lancaster	76.0%	90.0%	90.0%
Kilburn Ledge	79.0%	90.0%	90.0%
West Marine - Fairhaven	100.0%	100.0%	100.0%
Shaw's Plaza - Woodsville	100.0%	100.0%	100.0%
West Marine - Seabrook	100.0%	100.0%	100.0%
Rite Aid	100.0%	100.0%	100.0%
Total Wtd. Avg.	90.6%	94.5%	94.4%

Environmental Matters. The Phase I environmental reports, dated June 1, 2016, recommended no further action, except for the development of an Asbestos Operations and Maintenance Plan for the Properties known as Shaw's Plaza – Woodsville, Shaw's Plaza – Lancaster and Sugar River Plaza.

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The Market. The Waterstone 7 Portfolio Properties are located in New Hampshire and Massachusetts.

Market Overview ⁽¹⁾						
Mortgaged Property	Population ⁽²⁾	Average Household Income ⁽²⁾	Vacancy		Rental Rate PSF	
			Actual ⁽³⁾	Market ⁽⁴⁾	Actual ⁽³⁾	Market ⁽⁴⁾
Sugar River Plaza	9,258	\$74,557	2.1%	7.2%	\$6.21	\$13.59
Shaw's Plaza – Lancaster	4,115	\$56,384	23.6%	7.2%	\$12.50	\$13.59
Kilburn Ledge	6,867	\$67,081	10.3%	7.2%	\$11.50	\$13.59
West Marine – Fairhaven	93,265	\$51,506	0.0%	3.9%	\$21.25	\$11.22
Shaw's Plaza – Woodsville	5,867	\$57,981	0.0%	7.2%	\$7.17	\$13.59
West Marine – Seabrook	16,340	\$83,366	0.0%	2.8%	\$22.91	\$13.73
Rite Aid	5,867	\$57,981	0.0%	2.8%	\$15.16	\$13.73
Wtd. Avg.			6.4%	6.6%	\$10.08	\$13.48

(1) Source: Appraisal.

(2) Based on a five-mile radius as of 2016.

(3) Based on a rent roll (i) for each single tenant property (as identified in the "Portfolio Summary" below) dated as of October 6, 2016 and (ii) for each of the remaining properties dated as of September 15, 2016.

(4) Based on the appraiser's concluded submarket rent and vacancy for the Waterstone 7 Portfolio Properties. All of the Waterstone 7 Portfolio Properties fall within the Southern New Hampshire submarket, other than the Waterstone 7 Portfolio Property known as West Marine – Fairhaven which is located in the Route 495 South submarket.

Cash Flow Analysis.

Cash Flow Analysis						
	2013	2014	2015	T-12 8/31/2016	U/W	U/W PSF
Base Rent ⁽¹⁾	\$2,609,867	\$2,625,446	\$2,560,342	\$2,538,645	\$2,788,740	\$9.96
Reimbursements	605,019	688,497	660,054	878,005	720,989	2.58
% Rents	11,145	11,711	13,418	14,058	14,058	0.05
Other Income	0	0	3	0	0	\$0.00
Gross Potential Income	\$3,226,030	\$3,325,653	\$3,233,817	\$3,430,708	\$3,523,788	\$12.59
Less: Vacancy ⁽²⁾	0	0	0	0	(273,531)	(0.98)
Effective Gross Income	\$3,226,030	\$3,325,653	\$3,233,817	\$3,430,708	\$3,250,256	\$11.61
Total Operating Expenses	1,047,747	1,078,859	1,139,787	1,120,339	1,124,083	\$4.02
Net Operating Income	\$2,178,283	\$2,246,794	\$2,094,030	\$2,310,370	\$2,126,173	\$7.60
TI/LC	0	0	0	0	\$139,969	\$0.50
Capital Expenditures	0	0	0	0	\$50,389	\$0.18
Net Cash Flow	\$2,178,283	\$2,246,794	\$2,094,030	\$2,310,370	\$1,935,816	\$6.92

(1) UW Base Rent as per the September 2016 and October 2016 rent roll with rent bumps taken out through October 2017.

(2) UW vacancy represents a 7.8% economic vacancy adjustment on the Gross Potential Rent. As of October 6, 2016 for single tenant properties and as of September 15, 2016 for multi-tenant properties, the Waterstone 7 Portfolio was 93.6% occupied.

Property Management. The Waterstone 7 Portfolio Properties are managed by Waterstone Retail Development, Inc., an affiliate of the borrower.

Lockbox / Cash Management. The Waterstone 7 Portfolio Loan is structured with a springing hard lockbox and springing cash management. A hard lockbox and in-place cash management will be required during a Cash Management Period.

"Cash Management Period" means the period (i) upon any event of default until cured, (ii) upon any bankruptcy action of the principal borrower, guarantors, property manager or the tenants under the related leases until cured, (iii) failure by the borrowers to maintain a debt service coverage ratio of at least 1.15x (for the Waterstone 7 Portfolio Properties as a whole until it achieves a debt service coverage ratio of at least 1.15x for two consecutive quarters) or (iv) the occurrence of a Lease Trigger Period. A full excess cash flow sweep will be required during a Cash Management Period other than if triggered by a Lease Trigger Period.

A **"Lease Trigger Period"** will occur from time to time upon the occurrence of any one or more of the following, (i) with respect to any Occupancy Reserve Lease, the date which is the earlier of (a) 12 calendar months prior to each expiration date under each Occupancy Reserve Lease and (b) each date on which the applicable Occupancy Reserve Tenant is required to notify the landlord of its intent to

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either renew or terminate its lease, and/or (ii) with respect to any such Occupancy Reserve Tenant, (a) such tenant fails to continuously operate, (b) such tenant or its related guarantor is subject to bankruptcy action, (c) such tenant gives notice of its intent to terminate its lease or to vacate or surrender its premises, or (d) such tenant's lease terminates or expires.

An **"Occupancy Reserve Lease"** means each of the Shaw's - Lancaster lease, the Shaw's - Sugar River lease, the Shaw's - Woodsville lease, the West Marine – Fairhaven lease, the West Marine – Seabrook lease or the Staples lease.

An **"Occupancy Reserve Tenant"** means each of Shaw's, West Marine, Staples and any other tenant under an Occupancy Reserve Lease.

Initial Reserves. At loan origination, the borrower deposited (i) \$85,022 into a tax reserve account, and (ii) \$41,902 into an immediate repairs reserve.

Ongoing Reserves. On a monthly basis, the borrower is required to deposit reserves of (i) 1/12th of the estimated annual real estate taxes, which currently equates to \$42,511, into a tax reserve account, (ii) 1/12th of the estimated insurance premiums, (iii) \$4,199 into a replacement reserve account which is capped at \$200,000 so long as no event of default exists and (iv) \$11,664 into a TI/LC reserve account, which is capped at \$700,000 so long as no event of default exists. Escrow for insurance premiums is waived so long as, (a) no Cash Management Period exists, (b) no event of default is continuing, (c) lender receives evidence that premiums have been paid 30 days prior to the due date, and (d) and the insurance provisions in loan agreement have been complied with.

In addition on every payment date during a Lease Trigger Period, all excess cash after payment of the monthly debt service payment, required reserves and operating expenses are required to be transferred to an occupancy reserve, and will only be disbursed only in connection with acceptable replacement leases, acceptable lease extensions or approved leasing expenses.

Partial Release. None.

Ground Lease. The related borrowers own a leasehold interest in the West Marine – Fairhaven and West Marine – Seabrook properties. The ground lease for the West Marine – Fairhaven property (i) requires annual rent of \$74,250, and starting in 2021, will increase by 10.0% every five years thereafter and (ii) expires on July 28, 2061 with nine, five year extension options and one, four year option. The ground lease for the West Marine – Seabrook property (i) requires annual rent of \$100,000, and starting in 2021, will increase by 10.0% every five years thereafter, (ii) expires on June 29, 2032 with seven, ten year extension options and (iii) extension options are automatically exercised unless borrowers elect, with lender's consent not to extend.

Current Mezzanine or Subordinate Indebtedness. None.

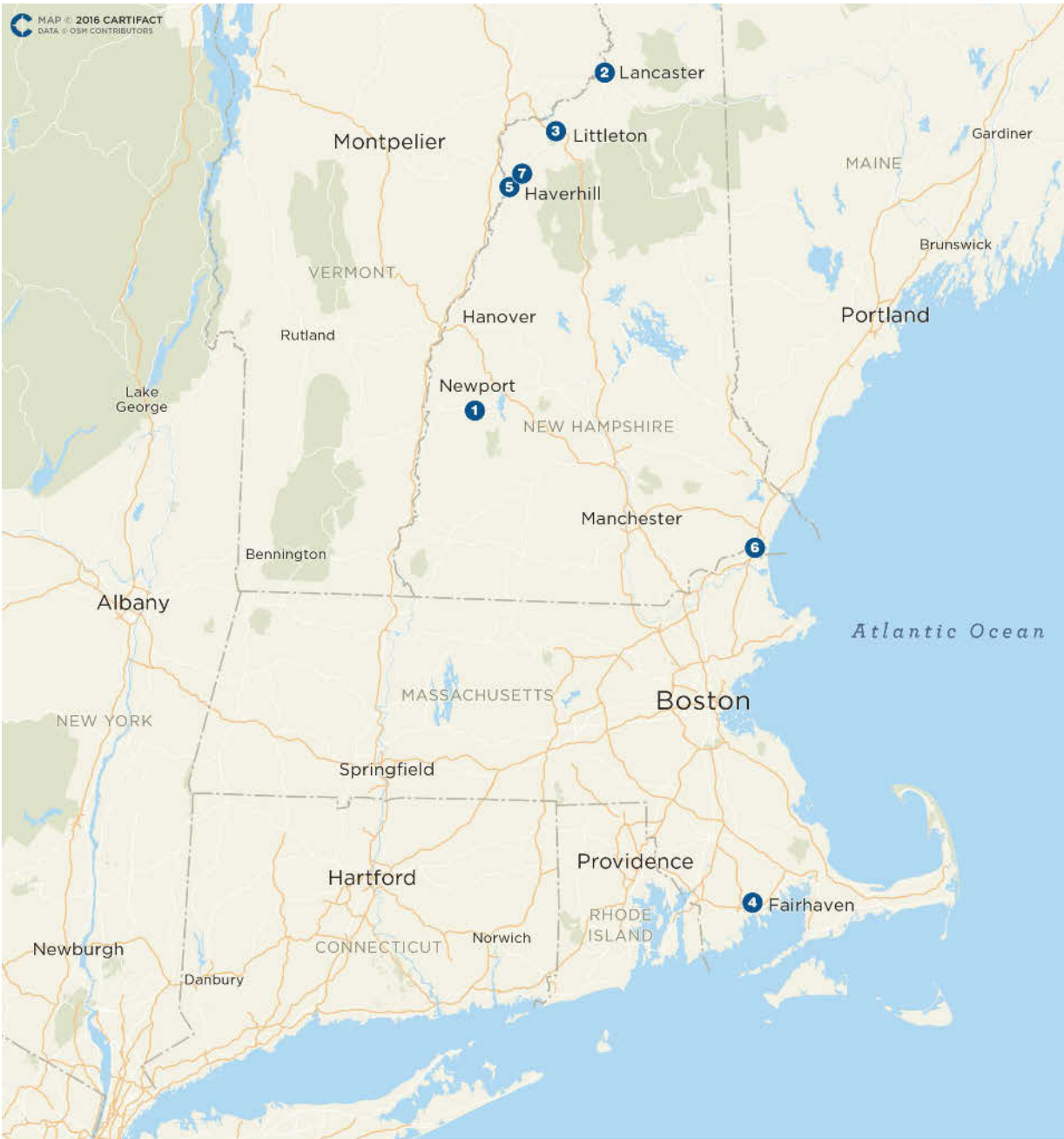
Future Mezzanine or Subordinate Indebtedness Permitted. None.

Various

Collateral Asset Summary – Loan No. 8

Waterstone 7 Portfolio

Cut-off Date Balance: \$24,000,000
Cut-off Date LTV: 68.8%
U/W NCF DSCR: 1.28x
U/W NOI Debt Yield: 8.9%



Waterstone 7 Portfolio

#	Property Name	Address	City/State	Zip Code
1	Sugar River Plaza	12, 24-70 John Stark Highway	Newport, NH	03773
2	Shaw's Plaza - Lancaster	199 Main Street	Lancaster, NH	03584
3	Kilburn Ledge	780, 788, 796 & 804 Meadow Street	Littleton, NH	03561
4	West Marine - Fairhaven	114 Huttleston Avenue	Fairhaven, MA	02719
5	Shaw's Plaza - Woodsville	1, 3, 5 & 15 Forest Street	Haverhill (Woodsville), NH	03765
6	West Marine - Seabrook	337 Lafayette Road	Seabrook, NH	03874
7	Rite Aid	4976 Dartmouth College Highway	Haverhill (Woodsville), NH	03765