

5000, 5010 and 5020 148<sup>th</sup> Avenue Northeast  
Redmond, WA 98052

Collateral Asset Summary – Loan No. 10

## Redmond Woods

<b>Cut-off Date Balance:</b>	\$26,750,000
<b>Cut-off Date LTV:</b>	69.5%
<b>U/W NCF DSCR:</b>	2.18x
<b>U/W NOI Debt Yield:</b>	10.1%



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### Mortgage Loan Information

**Loan Seller:** JLC  
**Loan Purpose:** Acquisition  
**Sponsor:** Robert Hayman  
**Borrower:** Redmond Woods Complex, LLC  
**Original Balance:** \$26,750,000  
**Cut-off Date Balance:** \$26,750,000  
**% by Initial UPB:** 3.0%  
**Interest Rate:** 4.2450%  
**Payment Date:** 6<sup>th</sup> of each month  
**First Payment Date:** September 6, 2016  
**Maturity Date:** August 6, 2026  
**Amortization:** Interest Only  
**Additional Debt:** \$1,000,000 Mezzanine Debt  
**Call Protection:** L(26), D(90), O(4)  
**Lockbox / Cash Management:** Hard / Springing

### Property Information

**Single Asset / Portfolio:** Single Asset  
**Property Type:** Suburban Office  
**Collateral:** Fee Simple  
**Location:** Redmond, WA  
**Year Built / Renovated:** 1982 / 2003-2005, 2015  
**Total Sq. Ft.:** 145,221  
**Property Management:** Advantage Property Management, LLC;  
S.K. Koehler & Company  
**Underwritten NOI:** \$2,702,921  
**Underwritten NCF:** \$2,506,873  
**Appraised Value:** \$38,500,000  
**Appraisal Date:** May 20, 2016

### Historical NOI

**Most Recent NOI:** \$1,713,592 (T-12 April 30, 2016)  
**2015 NOI:** \$1,873,352 (December 31, 2015)  
**2014 NOI:** \$1,970,222 (December 31, 2014)  
**2013 NOI:** \$1,508,260 (December 31, 2013)

### Reserves<sup>(1)</sup>

	Initial	Monthly
<b>Taxes:</b>	\$0	\$19,698
<b>Insurance:</b>	\$41,220	\$3,300
<b>Replacement:</b>	\$0	\$1,936
<b>TI/LC:</b>	\$0	\$13,917
<b>Roof Repairs:</b>	\$0	\$29,167
<b>Outstanding TI/LC:</b>	\$1,280,265	NAP
<b>Free Rent:</b>	\$314,862	NAP
<b>Required Repairs:</b>	\$20,000	NAP
<b>Special Rollover:</b>	\$0	Springing

### Historical Occupancy

**Most Recent Occupancy:** 100.0% (September 1, 2016)  
**2015 Occupancy:** 79.5% (December 31, 2015)  
**2014 Occupancy:** 84.3% (December 31, 2014)  
**2013 Occupancy:** 78.5% (December 31, 2013)  
**2012 Occupancy:** 78.0% (December 31, 2012)  
**2011 Occupancy:** 88.1% (December 31, 2011)  
**2010 Occupancy:** 94.1% (December 31, 2010)  
**2009 Occupancy:** 100.0% (December 31, 2009)  
**2008 Occupancy:** 100.0% (December 31, 2008)  
**2007 Occupancy:** 100.0% (December 31, 2007)  
**2006 Occupancy:** 89.7% (December 31, 2006)

### Financial Information

	Mortgage Loan	Total Debt
<b>Cut-off Date Balance / Sq. Ft.:</b>	\$184	\$191
<b>Balloon Balance / Sq. Ft.:</b>	\$184	\$191
<b>Cut-off Date LTV:</b>	69.5%	72.1%
<b>Balloon LTV:</b>	69.5%	72.1%
<b>Underwritten NOI DSCR:</b>	2.35x	2.14x
<b>Underwritten NCF DSCR:</b>	2.18x	1.98x
<b>Underwritten NOI Debt Yield:</b>	10.1%	9.7%
<b>Underwritten NCF Debt Yield:</b>	9.4%	9.0%
<b>Underwritten NOI Debt Yield at Balloon:</b>	10.1%	9.7%
<b>Underwritten NCF Debt Yield at Balloon:</b>	9.4%	9.0%

(1) See "Initial Reserves" and "Ongoing Reserves" herein.

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### Tenant Summary

Tenant	Ratings (Fitch/Moody's/S&P) <sup>(1)</sup>	Net Rentable Area (Sq. Ft.)	% of Net Rentable Area	U/W Base Rent PSF <sup>(2)</sup>	% of Total U/W Base Rent	Lease Expiration
Microsoft Corporation <sup>(3)</sup>	AA+/Aaa/AAA	39,832	27.4%	\$21.98	28.4%	4/30/2022
WarGaming <sup>(3)</sup>	NR/NR/NR	26,113	18.0%	\$22.75	19.3%	9/30/2019
Mindtree <sup>(3)</sup>	NR/NR/NR	20,907	14.4%	\$19.37	13.1%	6/30/2020
Infosys Limited <sup>(4)</sup>	NR/NR/NR	20,458	14.1%	\$21.50	14.3%	4/30/2020
Nokia <sup>(3)</sup>	BB+/Ba2/BB+	13,563	9.3%	\$18.03	7.9%	11/30/2019
The Spur Group, Inc. <sup>(3)</sup>	NR/NR/NR	12,470	8.6%	\$20.42	8.3%	12/31/2021
Wipro Ltd. <sup>(3)</sup>	NR/NR/A-	11,878	8.2%	\$22.76	8.8%	4/30/2022
<b>Total Occupied Collateral</b>		<b>145,221</b>	<b>100.0%</b>	<b>\$21.24</b>	<b>100.0%</b>	
Vacant		0	0%			
<b>Total</b>		<b>145,221</b>	<b>100.0%</b>			

- (1) Certain ratings may be those of the parent company whether or not the parent company guarantees the lease.
- (2) U/W Base Rent PSF is inclusive of approximately \$46,735 in base rent steps for WarGaming, Mindtree, Nokia and The Spur Group, Inc. and approximately \$191,865 of the straight-line average contractual base rent over the lease terms for Microsoft and Wipro Ltd.
- (3) Microsoft has three, three-year renewal options remaining. WarGaming has one, three-year renewal option remaining. Mindtree has one, five-year renewal option remaining. Nokia has one, five-year renewal option remaining and one termination option effective as of March 31, 2018 with at least 12 months' prior written notice and the payment of a termination fee. The Spur Group, Inc. has one, five-year renewal option remaining. Wipro Ltd. has one, five-year renewal option remaining.
- (4) Infosys Limited currently subleases 100.0% of their space from Noetix. Under the terms of the Noetix lease, Noetix pays base rent equal to \$17.16 PSF NNN (approximately \$24.50 PSF FSG) and Infosys Limited pays \$21.50 PSF FSG to Noetix for the sublease space. The Infosys Limited sublease began in July 2015 and is coterminous with the Noetix lease expiring on April 30, 2020. Noetix remains fully liable for rent and reimbursements under their lease. U/W Base Rent PSF reflects the lower sublease rent paid by Infosys Limited.

### Lease Rollover Schedule<sup>(1)</sup>

Year	# of Leases Expiring	Total Expiring Sq. Ft.	% of Total Sq. Ft. Expiring	Cumulative Sq. Ft. Expiring	Cumulative % of Sq. Ft. Expiring	Annual U/W Base Rent PSF <sup>(2)</sup>	% U/W Base Rent Rolling	Cumulative % of U/W Base Rent
MTM	0	0	0.0%	0	0.0%	\$0.00	0.0%	0.0%
2016	0	0	0.0%	0	0.0%	\$0.00	0.0%	0.0%
2017	0	0	0.0%	0	0.0%	\$0.00	0.0%	0.0%
2018	0	0	0.0%	0	0.0%	\$0.00	0.0%	0.0%
2019	2	39,676	27.3%	39,676	27.3%	\$21.14	27.2%	27.2%
2020	2	41,365	28.5%	81,041	55.8%	\$20.42	27.4%	54.6%
2021	1	12,470	8.6%	93,511	64.4%	\$20.42	8.3%	62.8%
2022	2	51,710	35.6%	145,221	100.0%	\$22.16	37.2%	100.0%
2023	0	0	0.0%	145,221	100.0%	\$0.00	0.0%	100.0%
2024	0	0	0.0%	145,221	100.0%	\$0.00	0.0%	100.0%
2025	0	0	0.0%	145,221	100.0%	\$0.00	0.0%	100.0%
2026	0	0	0.0%	145,221	100.0%	\$0.00	0.0%	100.0%
Thereafter	0	0	0.0%	145,221	100.0%	\$0.00	0.0%	100.0%
Vacant	NAP	0	0.0%	145,221	100.0%	NAP	NAP	
<b>Total / Wtd. Avg.</b>	<b>7</b>	<b>145,221</b>	<b>100.0%</b>			<b>\$21.24</b>	<b>100.0%</b>	

- (1) Certain tenants may 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) Annual U/W Base Rent PSF is inclusive of approximately \$46,735 in base rent steps for WarGaming, Mindtree, Nokia and The Spur Group, Inc. and approximately \$191,865 of the straight-line average contractual base rent over the lease terms for Microsoft and Wipro Ltd.

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**U/W NOI Debt Yield:** 10.1%

**The Loan.** The Redmond Woods loan (the “Redmond Woods Loan”) is a fixed rate loan secured by the borrower’s fee simple interest in a 145,221 sq. ft., three-building, Class A- office complex located in Redmond, Washington (the “Redmond Woods Property”) with an original principal balance of approximately \$26.8 million. The Redmond Woods Loan has a 10-year term and requires interest only payments for the term of the loan. The Redmond Woods Loan accrues interest at a fixed rate equal to 4.2450% and has a cut-off date balance of approximately \$26.8 million. Proceeds of the Redmond Woods Loan, along with a \$1.0 million mezzanine loan and approximately \$9.6 million of sponsor equity, were used to acquire the Redmond Woods Property for approximately \$37.1 million, fund upfront reserves of approximately \$1.7 million and pay closing costs of \$745,258. Based on the appraised value of \$38.5 million as of May 20, 2016, the cut-off date LTV is 69.5%. The most recent prior financing of the Redmond Woods Property was not included in a securitization.

Sources and Uses					
Sources	Proceeds	% of Total	Uses	Proceeds	% of Total
Loan Amount	\$26,750,000	71.6%	Purchase Price	\$37,125,000	99.4%
Mezzanine Loan Amount	\$1,000,000	2.7%	Seller Credits	(\$2,170,156)	(5.8%)
Sponsor Equity	\$9,606,449	25.7%	Upfront Reserves	\$1,656,347	4.4%
			Closing Costs	\$745,258	2.0%
<b>Total Sources</b>	<b>\$37,356,449</b>	<b>100.0%</b>	<b>Total Uses</b>	<b>\$37,356,449</b>	<b>100.0%</b>

**The Borrower / Sponsor.** The borrower, Redmond Woods Complex, LLC, is a single purpose Delaware limited liability company structured to be bankruptcy-remote, with two independent directors in its organizational structure. The sponsor of the borrower and the nonrecourse carve-out guarantor is Robert Hayman.

Robert Hayman is the CEO and principal of Hayman Holdings which was established in 2011 to invest in real estate assets nationwide across many asset classes. Hayman Holdings created Hayman Properties, LLC and Advantage Property Management, LLC in 2011, which work closely together to share common administrative and business services. The companies have offices in Los Angeles, California and Houston, Texas.

**The Property.** The Redmond Woods Property is 145,221 sq. ft., Class A- office complex comprised of three, two-story buildings built in 1982 and renovated in 2003-2005 and 2015 and located on 7.69 acres in Redmond, Washington. The Redmond Woods Property includes a subterranean parking garage with 31 stalls and surface parking with 489 spaces for a total of 520 parking spaces providing a parking ratio of 3.68 per 1,000 sq. ft. of rentable area. As of September 1, 2016, the Redmond Woods Property was currently 100.0% leased to seven tenants including the largest tenant, Microsoft Corporation (“Microsoft”) (NYSE: MSFT; rated AA+/Aaa/AAA by Fitch/Moody’s/S&P), which has been in occupancy at the Redmond Woods Property since September 2006. Since taking occupancy in 2006, Microsoft has renewed once, expanded once and currently occupies 39,832 sq. ft. (27.4% of NRA) across three separate suites on a lease expiring on April 30, 2022 with no termination options. Microsoft’s lease contains three, three-year renewal options as well as a right of first offer (“ROFO”) to lease any space at the Redmond Woods Property should it become available. Other tenants at the Redmond Woods Property include a mixture of multinational public, private and regional companies while investment grade tenants make up approximately 35.6% of NRA and approximately 38.1% of underwritten gross revenues.

Situated on 148th Avenue Northeast, the Redmond Woods Property is located approximately 9 miles east of the Seattle CBD, approximately 22.0 miles northeast of the Seattle-Tacoma International Airport and is adjacent to the main Microsoft Corporate Campus headquarters, which encompasses approximately 10.0 million sq. ft. of office space with approximately 40,000 employees. The Microsoft Corporate Campus has expanded continuously since opening in 1986. Microsoft is one of the largest employers in the region and employees make up a large number of owners and tenants in the single family and multifamily residential communities surrounding the Redmond Woods Property’s immediate neighborhood.

On-site amenities at the Redmond Woods Property include showers, personal lockers, covered bicycle storage and outdoor picnic areas. Local bicycle trails connect the Redmond Woods Property to nearby housing and local amenities, offering tenants alternative transportation options. A RapidLine bus stop is located directly adjacent to the Redmond Woods Property and allows tenants easy access to Seattle’s public transportation system.

**Environmental Matters.** The Phase I environmental report dated May 25, 2016 recommended no further action.

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### Major Tenants.

**Microsoft Corporation** (39,832 sq. ft.; 27.4% of NRA; 28.4% of U/W Base Rent) Microsoft (NYSE: MSFT; AA+/Aaa/AAA by Fitch/Moody's/S&P) is a worldwide leader in developing and selling a variety of products used by consumers and businesses. Founded in 1975, Microsoft's core products are the Windows PC operating system and the Office business productivity application suite that are sold in part through PC makers such as Acer, Lenovo, Dell, Hewlett-Packard, and Toshiba, who pre-install the software on devices. Other products include enterprise applications (Microsoft Dynamics), server and storage software, video game consoles and mobile phone software. As of September 12, 2016, Microsoft had a current market capitalization of approximately \$440.7 billion.

Microsoft occupies 39,832 sq. ft. in three tenant suites at the Redmond Woods Property. The tenant has been in occupancy since September 2006, has renewed once, expanded once and operates under a lease expiring on April 30, 2022. Microsoft has three, three-year renewal options remaining as well as a ROFO to lease any space at the Redmond Woods Property should it become available. The Microsoft lease does not contain any termination options.

**WarGaming** (26,113 sq. ft.; 18.0% of NRA; 19.3% of U/W Base Rent) WarGaming Public Co. Ltd. ("WarGaming") is an international game developer that primarily focuses on "Turn-Based Strategy" and "Real Time Strategy" games in the PC, console, and mobile markets. The company was founded by Victor Kislyi in August 1998 and is headquartered in Nicosia, Cyprus. WarGaming operates in 16 primary offices and development centers across the world.

WarGaming occupies 26,113 sq. ft. in one suite at the Redmond Woods Property. The tenant has been in occupancy since December 2004, has extended two times and operates under a lease expiring on September 30, 2019. WarGaming has one, three-year renewal option remaining. The WarGaming lease does not contain any termination options.

**Mindtree** (20,907 sq. ft.; 14.4% of NRA; 13.1% of U/W Base Rent) Mindtree Ltd. ("Mindtree") is a multinational information technology and outsourcing company. The company was founded in 1999 and employs more than 14,000 employees. Mindtree specializes in Application Development and Maintenance, Data Analytics, Digital Services, Enterprise Application Integration, Business Process Management, Engineering R&D, Enterprise Application Services, Independent Testing, Infrastructure Management Services and IT Strategy & Consulting.

Mindtree occupies 20,907 sq. ft. in two suites at the Redmond Woods Property. The tenant has been in occupancy since February 2014, has expanded one time and operates under a lease expiring on June 30, 2020. Mindtree has one, five-year renewal option remaining and has a ROFO to lease any space in building B (5010 148<sup>th</sup> Avenue Northeast) at the Redmond Woods Property for the first three lease years (expiring February 28, 2017). The Mindtree lease does not contain any termination options.

**The Market.** The Redmond Woods Property is located within the Eastside office submarket within the greater Seattle/Puget Sound office market. As of 2Q 2016, the Eastside office submarket contained 1,433 properties totaling approximately 48.7 million sq. ft. with an overall vacancy rate of 6.6%. The Redmond Woods Property is further categorized within the Redmond office micro-submarket within the overall Eastside office submarket. As of 2Q 2016, the Redmond office micro-submarket contained 187 properties totaling approximately 7.6 million sq. ft. with an overall vacancy rate of 2.9%. According to a market report, the Eastside office submarket's 2Q 2016 reported vacancy rate of 6.6% was the lowest submarket vacancy rate out of all five office submarkets within the overall Seattle/Puget Sound office market which contains 7,745 properties totaling approximately 191.1 million sq. ft. with an overall vacancy rate of 7.4%. The table below summarizes the comparable office leases as determined by the appraisal.

**Rent Comparables<sup>(1)</sup>**

Address	City, State	Total Building Size (NRA)	Year Built	Tenant Name	Lease Date	Size (NRA)	Term (NRA)	Initial Rent PSF	Lease Type
<b>5000, 5010 and 5020 148th Avenue Northeast</b>	<b>Redmond, WA</b>	<b>145,221<sup>(2)</sup></b>	<b>1982</b>	<b>Various<sup>(2)</sup></b>	<b>Various<sup>(2)</sup></b>	<b>Various<sup>(2)</sup></b>	<b>Various<sup>(2)</sup></b>	<b>\$21.24<sup>(3)</sup></b>	<b>NNN</b>
18300 Redmond Way	Redmond, WA	101,728	2008	Pushpay	Apr-16	34,350	6.5	\$21.79	NNN
2035 158th Court Northeast	Bellevue, WA	45,394	2000	InSpur Group	Jun-15	4,418	5.0	\$23.50	NNN
2035 158th Court Northeast	Bellevue, WA	45,394	2000	MOD	Apr-15	6,823	5.0	\$22.50	NNN
2035 158th Court Northeast	Bellevue, WA	45,394	2000	AMI	Apr-15	9,804	6.0	\$22.00	NNN
11241 Willows Road Northeast	Redmond, WA	72,011	1998	Stockcharts	Oct-15	5,806	5.0	\$19.25	NNN
11121 Willows Road Northeast	Redmond, WA	58,961	2000	Incomm Product	Feb-15	12,455	6.3	\$19.00	NNN
15089 Bear Creek Parkway Northeast	Redmond, WA	106,281	2008	B&N College Books	Oct-15	5,136	5.0	\$23.00	NNN
14475 NE 24th Street	Bellevue, WA	72,397	1985	CM Group	Jun-15	3,392	5.0	\$21.00	NNN

(1) Source: Appraisal.

(2) Based on the September 1, 2016 underwritten rent roll.

(3) Initial Rent PSF includes approximately \$46,735 in base rent steps for WarGaming, Mindtree, Nokia and The Spur Group, Inc. and approximately \$191,865 of the straight-line average contractual base rent over the lease terms for Microsoft and Wipro Ltd.

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### Cash Flow Analysis.

Cash Flow Analysis							
	2013	2014	2015	T-12 4/30/2016	In-Place <sup>(1)</sup>	U/W	U/W PSF
Base Rent	\$1,658,301	\$2,064,059	\$1,971,163	\$1,863,049	\$2,845,449	\$2,845,449	\$19.59
Base Rent Steps <sup>(2)</sup>	0	0	0	0	0	46,735	0.32
Straight-line Base Rent <sup>(3)</sup>	0	0	0	0	0	191,865	1.32
<b>Gross Potential Rent</b>	<b>\$1,658,301</b>	<b>\$2,064,059</b>	<b>\$1,971,163</b>	<b>\$1,863,049</b>	<b>\$2,845,449</b>	<b>\$3,084,048</b>	<b>\$21.24</b>
Total Recoveries	602,981	698,182	755,677	818,303	917,259	917,259	6.32
Total Other Income	2,500	0	0	0	0	0	0.00
Total Parking Income	66,661	69,700	57,589	31,226	31,226	31,226	0.22
Less: Vacancy <sup>(4)</sup>	0	0	0	0	0	(261,945)	(1.80)
<b>Effective Gross Income</b>	<b>\$2,330,443</b>	<b>\$2,831,941</b>	<b>\$2,784,429</b>	<b>\$2,712,578</b>	<b>\$3,793,934</b>	<b>\$3,770,588</b>	<b>\$25.96</b>
Total Operating Expenses	822,184	861,719	911,077	998,986	1,068,600	1,067,667	7.35
<b>Net Operating Income</b>	<b>\$1,508,260</b>	<b>\$1,970,222</b>	<b>\$1,873,352</b>	<b>\$1,713,592</b>	<b>\$2,725,333</b>	<b>\$2,702,921</b>	<b>\$18.61</b>
TI/LC	0	0	0	0	167,004	167,004	1.15
Capital Expenditures	0	0	0	0	29,044	29,044	0.20
<b>Net Cash Flow</b>	<b>\$1,508,260</b>	<b>\$1,970,222</b>	<b>\$1,873,352</b>	<b>\$1,713,592</b>	<b>\$2,529,285</b>	<b>\$2,506,873</b>	<b>\$17.26</b>

(1) In-Place represents annualized rents per the underwritten rent roll dated September 1, 2016 and is based on leases in-place with no vacancy adjustment, contractual tenant reimbursements per the leases, T-12 parking income and U/W expenses and capital items.

(2) U/W Base Rent Steps are based on the contractual rent steps for WarGaming, Mindtree, Nokia and The Spur Group, Inc.

(3) U/W Straight-line Base Rent is based on the average contractual rent over the lease terms for Microsoft and Wipro Ltd.

(4) U/W Vacancy represents 6.5% of gross rental income inclusive of Total Recoveries and exclusive of Total Parking Income which is based on a 5.0% vacancy factor applied to the gross rental income for Microsoft and Wipro Ltd. and a 7.5% vacancy factor on the gross rental income for the remaining tenants at the Redmond Woods Property.

**Property Management.** The Redmond Woods Property is managed by S.K. Koehler & Company and Advantage Property Management, LLC, an affiliate of the borrower.

**Lockbox / Cash Management.** The Redmond Woods Loan is structured with a hard lockbox and springing cash management. All rents and other payments are required to be deposited directly by the tenants into a clearing account controlled by lender. Provided no Lease Sweep Period (as defined below) or Cash Management Period (as defined below) is continuing, all funds in the clearing account will be transferred on a daily basis into the borrowers' operating account. Upon the occurrence of a Cash Management Period or Lease Sweep Period, all amounts on deposit in the clearing account will be transferred on a daily basis to a deposit account controlled by lender and any excess cash flow, after payment of debt service, mezzanine loan debt service, reserves and other amounts due under the Redmond Woods Loan, will be transferred to a lender controlled account and held as additional collateral for the Redmond Woods Loan, in the event of a Cash Management Period, or to a special rollover reserve, in the event of a Lease Sweep Period (and no other Cash Management Period is in effect).

A "Cash Management Period" will occur (i) upon an event of default, (ii) if the debt yield falls below 8.0% inclusive of the mezzanine loan (until such time that the debt yield is at least 8.0% for two consecutive quarters) or (iii) during a Lease Sweep Period.

A "Lease Sweep Period" will commence (i) on the date that is 12 months prior to the end of the term of the Microsoft lease or any other Major Lease (as defined below), (ii) on the date required under a Major Lease by which the applicable Major Tenant (as defined below) is required to give notice of its exercise of a renewal option (and such renewal option has not been so exercised), (iii) if any Major Lease is surrendered, cancelled or terminated prior to its then current expiration date, (iv) if any Major Tenant goes dark or gives notice that it intends to discontinue its business, (v) upon the occurrence of a material default under any Major Lease or (vi) upon the occurrence of a Major Tenant insolvency proceeding.

A "Major Lease" means the lease with Microsoft and any other lease which covers 30,000 sq. ft. or more of the NRA at the Redmond Woods Property.

A "Major Tenant" means any tenant under a Major Lease, or under one or more leases which when taken together would constitute a Major Lease.

**Initial Reserves.** At loan closing, the borrower deposited (i) \$1,280,265 into an outstanding TI/LC reserve account for tenant improvements and leasing commissions owed to Microsoft and WarGaming, (ii) \$314,862 into a free rent reserve account for Microsoft and Wipro Ltd., (iii) \$41,220 into an insurance reserve account and (iv) \$20,000 into a required repairs reserve account, which represents 125% of estimated costs.

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<b>U/W NOI Debt Yield:</b>	10.1%

**Ongoing Reserves.** On a monthly basis, the borrower is required to deposit reserves of (i) 1/12 of the estimated annual real estate taxes, which currently equates to \$19,698, into a tax reserve account, (ii) 1/12 of the estimated annual insurance premiums, which currently equates to \$3,330, into an insurance reserve account, (iii) \$13,917 into a TI/LC reserve account, (iv) \$1,936 into a replacement reserve account and (v) \$29,167 into a roof replacement reserve account during the initial 24 months of the Redmond Woods Loan term.

**Current Mezzanine or Subordinate Indebtedness.** A \$1,000,000 mezzanine loan was funded concurrently with the funding of the Redmond Woods Loan. The mezzanine loan is coterminous with the Redmond Woods Loan, accrues interest at a rate of 11.0160% and is interest only for the entire term. The current borrower under the mezzanine loan is Redmond Woods Complex Mezz, LLC. The mezzanine loan is currently held by JLC.

**Future Mezzanine or Subordinate Indebtedness Permitted.** None.



5000, 5010 and 5020 148<sup>th</sup> Avenue Northeast  
Redmond, WA 98052

Collateral Asset Summary – Loan No. 10

## Redmond Woods

<b>Cut-off Date Balance:</b>	\$26,750,000
<b>Cut-off Date LTV:</b>	69.5%
<b>U/W NCF DSCR:</b>	2.18x
<b>U/W NOI Debt Yield:</b>	10.1%

