Marriott Park City

Mortgage Loan Information

Mortgage Loan Seller:	SMF VI
Original Principal Balance:	$21,900,000
Cut-off Date Principal Balance:	$21,900,000
% of Pool by IPB:	2.7%
Loan Purpose:	Acquisition
Borrower:	1895 Sidewinder Park City Owner, LLC
Sponsors:	Driftwood Acquisition & Development L.P., Carlos J. Rodriguez and David Buddemeyer
Interest Rate:	4.74500%
Note Date:	6/14/2017
Maturity Date:	7/6/2027
Interest-only Period:	None
Original Term:	120 months
Original Amortization:	360 months
Amortization Type:	Balloon
Call Protection:	L(24),DeforGrtr1%orYM(91),O(5)
Lockbox / Cash Management:	Soft / 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:	Hotel – Full Service
Net Rentable Area (Rooms):	199
Location:	Park City, UT
Year Built / Renovated:	1985 / 2015
Occupancy / ADR / RevPAR:	65.5% / $177.57 / $116.29
Occupancy / ADR / RevPAR Date:	4/30/2017
Number of Tenants:	N/A
2014 NOI:	$1,705,262
2015 NOI[(1)]:	$1,967,345
2016 NOI[(2)]:	$2,332,685
TTM NOI (as of 4/2017)[(2)]:	$2,861,850
UW Occupancy / ADR / RevPAR:	65.5% / $177.57 / $116.29
UW Revenues:	$11,826,043
UW Expenses:	$8,738,665
UW NOI[(2)]:	$3,087,378
UW NCF:	$3,087,378
Appraised Value / Per Room[(3)]:	$35,600,000 / $178,894
Appraisal Date:	5/1/2017

Escrows and Reserves

	Initial	Monthly	Initial Cap
Taxes:	$84,465	$9,385	N/A
Insurance:	$55,382	$9,230	N/A
FF&E Reserves:	$0	4% of Gross Revenues	N/A
TI/LC:	$0	$0	N/A
Other[(4)]:	$4,687,000	Springing	$500,000

Financial Information

Cut-off Date Loan / Room:	$110,050
Maturity Date Loan / Room:	$89,719
Cut-off Date LTV[(3)]:	61.5%
Maturity Date LTV[(3)]:	50.2%
UW NCF DSCR:	2.25x
UW NOI Debt Yield:	14.1%

Sources and Uses

Sources	Proceeds	% of Total	Uses	Proceeds	% of Total
Mortgage Loan	$21,900,000	66.8%	Purchase Price	$27,550,000	84.0%
Sponsor Equity	10,900,469	33.2	Upfront Reserves	4,826,847	14.7
			Closing Costs	423,621	1.3
Total Sources	**$32,800,469**	**100.0%**	**Total Uses**	**$32,800,469**	**100.0%**

(1) In 2015, the property underwent approximately $3,650,000 ($18,367 per room) of capital improvements, of which a majority was attributed to room renovations. As a result, the hotel lost approximately 15,992 available room nights, as each floor was taken offline for a period of time in order to complete the work. This resulted in approximately $374,000 in lost room revenue based on nights where the hotel was sold out and did not have full capacity due to the renovations.

(2) In November 2016, the property began charging a $20 per day resort fee. The resort fee includes access to the Après Ski program, the hotel's game room, a courtesy shuttle to the lifts, ski valet and high speed internet.

(3) The Appraised Value / Per Room represents the "as-is market value based on a hypothetical condition" value of $35,600,000, which assumes a property improvement plan ("PIP") costing approximately $4,200,000 was completed at the property as of May 1, 2017. At origination of the mortgage loan, the borrower deposited $4,187,000 for the required PIP. The "as-is" value as of May 1, 2017 is $31,000,000, which results in a Cut-off Date LTV and Maturity Date LTV of 70.6% and 57.6%, respectively.

(4) Other Initial Escrows and Reserves represent a $4,187,000 PIP reserve and a $500,000 seasonality reserve, which was posted in the form of a letter of credit ("LOC"). The borrower will not be permitted to request any draws from the LOC and the borrower will self-fund any operating shortfalls. Notwithstanding the foregoing, the seasonality reserve will be terminated and the LOC released to the borrower, should the borrower deliver evidence in form and substance satisfactory to the lender that the property has generated monthly cash flows sufficient such that the DSCR for every month for two consecutive calendar years, as calculated by the lender, is equal to or greater than 1.00x. Furthermore, the LOC can be reduced based on the average of two consecutive calendar year financials evidencing such improvement. For example, if the shortfall at the end of the first calendar year is $300,000 and the shortfall at the end of the second calendar year is $200,000, the LOC may be reduced to $250,000.

Marriott Park City

The Loan. The Marriott Park City loan has an outstanding principal balance as of the Cut-off Date of $21.9 million and is secured by a first mortgage lien on the borrower's fee simple interest in a 199-room full service hotel property located in Park City, Utah. The loan has a 10-year term and will amortize on a 30-year schedule.

The loan sponsors and nonrecourse carve-out guarantors are Driftwood Acquisition & Development L.P., Carlos J. Rodriguez and David Buddemeyer. Driftwood Hospitality ("Driftwood"), an entity related to Driftwood Acquisition & Development L.P., has assumed management of nearly 100 hotels since 1999. Driftwood operates 42 hotels containing more than 8,500 rooms throughout the United States, the Bahamas and Costa Rica, of which it owns 25 hotels totaling 5,300 rooms. Driftwood's portfolio includes a number of brands that range from full-service hotels and resorts to mid-size select-service, extended stay and independent boutiques. Driftwood's hotels include Marriott, Starwood, Hilton, Hyatt, IHG and Wyndham flagged properties. Driftwood maintains a relationship with Marriott, as 12 hotels totaling more than approximately 2,100 rooms have been flagged with Marriott brands. Carlos J. Rodriguez and David Buddemeyer are principals at Driftwood.

The Property. The Marriott Park City property is a 199-room full service hotel located in Park City, Utah. The property was built in 1985 and most recently renovated in 2015. Park City is a year-round resort destination best known for two ski resorts: Park City Mountain Resort & Canyons Ski Resort (the largest ski resort in the United States and the second largest in North America) and Deer Valley Resort. The property consists of one four-story building with approximately 13,700 square feet of meeting and function space, an indoor restaurant, an indoor pool & spa, a business center, a fitness center, a game room, a lobby bar, a ski shop and a Starbuck's café. Additionally, the property provides complimentary shuttle service to the Park City Mountain Resort & Canyons Ski Resort (approximately 1.3 miles) and the Deer Valley Resort (approximately 2.8 miles), as well as on-site ski and bike rentals through the Aloha Ski & Snowboard Rental shop that is located on the property.

According to the sponsor, since 2010, the previous owner conducted capital improvements with an approximate cost of $15,630,000 ($78,557 per room). Improvements have included a remodel of the restaurant, lobby bar and concierge lounge, and renovations of all guestrooms, all common areas, banquet and meeting rooms, the exterior façade and parking garage repairs. The guestrooms at the property consist of 53 king bedrooms, 139 double-queen bedrooms and seven king suites. Each room is equipped with a work desk, a 47-inch flat screen HDTV and wireless internet access. In connection with the borrower's acquisition of the Marriott Park City property, the hotel is expected to be rebranded as a Sheraton by Marriott, subject to the satisfaction of certain conditions set forth in the franchise agreement, including the completion of a PIP. The borrower deposited $4,187,000 into a PIP reserve account at origination. The franchise agreement requires the PIP to be completed by June 2019. The PIP work is not anticipated to displace any revenue at the property.

Historical Occupancy, ADR and RevPAR

	Competitive Set(1)			Marriott Park City(2)			Penetration Factor(3)		
Year	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR
2014	47.1%	$249.90	$117.78	62.2%	$154.77	$96.26	132.1%	61.9%	81.7%
2015(4)	50.1%	$268.44	$134.37	75.0%	$169.16	$126.92	149.7%	63.0%	94.5%
2016	52.9%	$258.04	$136.52	65.1%	$168.76	$109.87	123.1%	65.4%	80.5%
TTM(5)	54.7%	$270.17	$147.91	65.5%	$177.57	$116.29	119.7%	65.7%	78.6%

(1) Data provided by a third party information provider. The competitive set contains the following properties: Hotel Park City, Doubletree Park City, Hyatt Place Park City, Hyatt Centric and Waldorf Astoria.
(2) Based on operating statements provided by the borrower.
(3) Penetration Factor is calculated based on data provided by a third party information provider for the competitive set and borrower-provided statements for the property.
(4) In 2015, the property underwent approximately $3,650,000 ($18,367 per room) of capital improvements, of which a majority was attributed to room renovations. As a result, the hotel lost approximately 15,992 available room nights, as each floor was taken offline from time to time to complete the work.
(5) TTM represents the trailing 12-month period ending on April 30, 2017.

Marriott Park City

Competitive Hotels Profile[1]									
			2016 Estimated Market Mix			2016 Estimated Operating Statistics			
Property	Rooms	Year Built	Commercial	Meeting & Group	Leisure	Occupancy	ADR	RevPAR
Marriott Park City	**199**	**1985**	**0%**	**40%**	**60%**	**65.1%**	**$168.76**	**$109.87**
Hotel Park City	100	2002	0%	35%	65%	70%-75%	$300-$310	$215-$225
Doubletree Park City	182	1979	0%	40%	60%	45%-50%	$165-$175	$75-$85
Hyatt Place Park City	122	2016	0%	35%	65%	60%-65%	$155-$165	$90-$100
Hyatt Centric	140	2008	0%	35%	65%	45%-50%	$235-$245	$105-$115
Waldorf Astoria	171	2009	0%	35%	65%	50%-55%	$395-$405	$200-$210
Total[2]	**715**							

(1) Based on the appraisal.
(2) Excludes the subject property.

Operating History and Underwritten Net Cash Flow							
	2014	2015[1]	2016	TTM[2]	Underwritten	Per Room[3]	% of Total Revenue[4]
Occupancy	62.2%	75.0%	65.1%	65.5%	65.5%		
ADR	$154.77	$169.16	$168.76	$177.57	$177.57		
RevPAR	$96.26	$126.92	$109.87	$116.29	$116.29		
Room Revenue	$6,991,885	$7,189,316	$8,002,143	$8,446,468	$8,446,468	$42,445	71.4%
Food & Beverage Revenue	1,588,458	1,727,071	1,894,108	2,083,223	2,083,223	10,468	17.6
Telephone Revenue	5,467	3,560	3,886	3,998	3,998	20	0.0
Resort Fees[5]	0	0	76,550	296,120	628,813	3,160	5.3
Other Departmental Revenue[6]	864,748	691,216	655,654	663,542	663,542	3,334	5.6
Total Revenue	**$9,450,558**	**$9,611,163**	**$10,632,341**	**$11,493,350**	**$11,826,043**	**$59,427**	**100.0%**
Room Expense	$1,811,372	$1,753,909	$1,961,267	$2,077,345	$2,077,345	$10,439	24.6%
Food & Beverage Expense	1,241,355	1,262,995	1,337,162	1,375,918	1,375,918	6,914	66.0
Telephone Expense	5,576	13,971	14,523	14,519	14,519	73	363.2
Other Departmental Expenses[6]	405,304	288,119	234,858	237,185	237,185	1,192	35.7
Departmental Expenses	**$3,463,608**	**$3,318,994**	**$3,547,811**	**$3,704,967**	**$3,704,967**	**$18,618**	**31.3%**
Departmental Profit	**$5,986,950**	**$6,292,168**	**$7,084,531**	**$7,788,382**	**$8,121,076**	**$40,809**	**68.7%**
Operating Expenses	**$2,465,449**	**$2,499,199**	**$2,724,107**	**$2,760,023**	**$2,760,023**	**$13,869**	**23.3%**
Gross Operating Profit	**$3,521,501**	**$3,792,970**	**$4,360,424**	**$5,028,359**	**$5,361,052**	**$26,940**	**45.3%**
Fixed Expenses	$210,235	$200,426	$199,458	$198,955	$246,483	$1,239	2.1%
Management Fees	283,517	288,335	318,970	344,800	354,781	1,783	3.0
Franchise Fee	876,982	884,178	1,010,883	1,087,125	1,123,474	5,646	9.5
FF&E	378,022	384,447	425,294	459,734	473,042	2,377	4.0
Other	67,483	68,239	73,134	75,894	75,894	381	0.6
Total Other Expenses	**$1,816,239**	**$1,825,624**	**$2,027,739**	**$2,166,509**	**$2,273,674**	**$11,425**	**19.2%**
Net Operating Income	**$1,705,262**	**$1,967,345**	**$2,332,685**	**$2,861,850**	**$3,087,378**	**$15,514**	**26.1%**
Net Cash Flow	**$1,705,262**	**$1,967,345**	**$2,332,685**	**$2,861,850**	**$3,087,378**	**$15,514**	**26.1%**

(1) In 2015, the property underwent approximately $3,650,000 ($18,367 per room) of capital improvements, of which a majority was attributed to room renovations. As a result, the hotel lost approximately 15,992 available room nights, as each floor was taken offline for a period of time in order to complete the work. This resulted in approximately $374,000 in lost room revenue based on nights where the hotel was sold out and did not have full capacity due to the renovations.
(2) TTM represents the trailing 12-month period ending on April 30, 2017.
(3) Per Room values based on 199 rooms.
(4) % of Total Revenue for Room Expense, Food & Beverage Expense, Telephone Expense and Other Departmental Expenses is based on their corresponding revenue line item.
(5) In November 2016, the property began charging a $20 per day resort fee. The resort fee includes access to the Après Ski program, the hotel's game room, a courtesy shuttle to the lifts, ski valet and high speed internet.

Marriott Park City

(6) Other Department Revenue is comprised of cancellation fees, audio/visual rental income, gift shop sales and vending income. The decline in Other Departmental Revenue in 2015 is attributed to Vail Resorts' acquisition of the Park City Resort that year. Upon the acquisition, Vail Resorts no longer permitted the property to sell and collect lift-ticket revenue. Likewise, the decline in Other Departmental Expenses is also attributed to the corresponding loss of lift-ticket sale expenses.

Permitted Mezzanine Debt. Following June 14, 2022, certain direct or indirect constituent owners of the borrower (other than the SPE general partner/managing member of the borrower) (whether one or more, collectively the "Mezzanine Borrower") may incur debt (the "Mezzanine Financing") from a lender acceptable to the mortgage lender (a "Qualified Mezzanine Lender"), secured by a pledge of 100% of the equity interest held by Mezzanine Borrower in the borrower, provided the following conditions are met: (i) the property must satisfy at least a 13.0% debt yield on the mortgage loan amount based on a trailing 12-calendar month basis for two consecutive non-overlapping periods, (ii) the aggregate loan-to-value (based on the aggregate mortgage loan amount and the Mezzanine Financing) cannot exceed 75.0%, (iii) the actual combined debt service coverage ratio (calculated using the actual amortizing debt service payments due under the aggregate mortgage loan and the Mezzanine Financing) must be not less than 1.40x, (iv) the actual combined debt yield (calculated based on the aggregate mortgage loan amount and the Mezzanine Financing) cannot be less than 10.0%, (v) the mortgage loan and the Mezzanine Financing must be coterminous, (vi) the Qualified Mezzanine Lender must execute an intercreditor agreement acceptable to the mortgage lender and the applicable rating agencies and (vii) the terms and documentation of the Mezzanine Financing must be acceptable to the mortgage lender and the applicable rating agencies.