

Mortgage Loan No. 14 — Beltway Marketplace

Mortgage Loan Information

Mortgage Loan Seller:	BSP
Original Principal Balance:	\$16,700,000
Cut-off Date Principal Balance:	\$16,679,330
% of Pool by IPB:	2.2%
Loan Purpose:	Refinance
Borrower:	Beltway Marketplace Owner, LLC
Sponsors:	Haskel Iny; Ronnie Schwartz
Interest Rate:	4.3300%
Note Date:	9/9/2016
Maturity Date:	10/6/2026
Interest-only Period:	0 months
Original Term:	120 months
Original Amortization:	360 months
Amortization Type:	Balloon
Call Protection:	L(25),Def (91),O(4)
Lockbox⁽⁶⁾:	Springing
Additional Debt:	No
Additional Debt Balance:	N/A
Additional Debt Type:	N/A
Additional Future Debt Permitted:	No

Property Information

Single Asset / Portfolio:	Single Asset
Title:	Fee
Property Type - Subtype:	Retail – Anchored
Net Rentable Area (SF):	80,479
Location:	Las Vegas, NV
Year Built / Renovated:	2002 / N/A
Occupancy:	100.0%
Occupancy Date:	10/1/2016
Number of Tenants:	12
2013 NOI:	\$1,439,199
2014 NOI:	\$1,441,568
2015 NOI:	\$1,433,575
TTM NOI⁽¹⁾⁽²⁾:	\$1,410,808
UW Economic Occupancy:	95.0%
UW Revenues:	\$1,916,066
UW Expenses:	\$380,877
UW NOI⁽³⁾:	\$1,535,189
UW NCF:	\$1,458,734
Appraised Value / Per SF:	\$23,400,000 / \$291
Appraisal Date:	8/25/2016

Escrows and Reserves

	Initial	Monthly	Initial Cap
Taxes:	\$47,250	\$7,875	N/A
Insurance:	\$13,832	\$1,383	N/A
Replacement Reserves:	\$0	\$1,341	\$48,288
TI/LC:	\$0	\$5,097	\$305,820
Renovation Work Funds⁽⁴⁾:	\$500,000	N/A	N/A
Lease Sweep Reserve⁽⁵⁾:	\$0	Springing	N/A

Financial Information

Cut-off Date Loan / SF:	\$207
Maturity Date Loan / SF:	\$167
Cut-off Date LTV:	71.3%
Maturity Date LTV:	57.4%
UW NCF DSCR:	1.47x
UW NOI Debt Yield:	9.2%

Sources and Uses

Sources	Proceeds	% of Total
Mortgage Loan	\$16,700,000	93.4%
Sponsor Equity	1,176,644	6.6
Total Sources	\$17,876,644	100.0%

Uses	Proceeds	% of Total
Payoff Existing Debt ⁽⁶⁾	\$17,085,661	95.6%
Upfront Reserves	561,082	3.1
Closing Costs	229,901	1.3
Total Uses	\$17,876,644	100.0%

(1) Represents trailing twelve months ending July 31, 2016.

(2) Underwritten NOI is higher than TTM NOI primarily due to: (i) rent increases associated with the expansion of Goodwill Industries of Nevada to a total space of 20,280 SF and the relocation of Nails Design Inc. to 3,339 SF, both of which are expected to come into effect by January 2017, (ii) rent associated with 1,615 SF of AA Medical which was vacant through the TTM period (lease started on 9/26/2016), and (iii) rent steps underwritten through the end of September 2017.

(3) The loan is structured with a springing lockbox and springing cash management.

(4) The borrower was required to deposit the Renovation Work Funds at origination to complete the tenant improvement work for the expansion of Goodwill Industries of Nevada to a total space of 20,280 SF and the relocation of Nails Design Inc. to 3,339 SF at the property. The work is expected to be completed by January 2017 and a completing guaranty was provided by the sponsor at origination.

(5) The borrower is required to deposit all excess cash flow generated by the property, after the payment of debt service, required reserves and operating expenses, among other things, for the immediately preceding interest period into a lease sweep reserve in the event that: 99 Cents Only Stores, Goodwill Industries of Nevada, any other tenant occupying at least 20,000 SF of NRA at the property or any replacement tenant, (i) defaults on its lease beyond notice and cure periods, (ii) goes dark or vacates its space, (iii) files for bankruptcy, (iv) terminates its lease, or (v) does not renew its lease at least 12 months prior to the scheduled lease expiration.

(6) The prior loan was securitized in LBUBS 2006-C6.

Mortgage Loan No. 14 — Beltway Marketplace

The Loan. The Beltway Marketplace loan is a \$16.7 million first mortgage loan secured by the fee interest in an 80,479 SF anchored retail center located in Las Vegas, Nevada. The loan has a 10-year term and will amortize on a 30-year schedule.

The Borrower. The borrowing entity for the loan is Beltway Marketplace Owner, LLC, a Delaware limited liability company and special purpose entity.

The Sponsors. The loan's sponsor and nonrecourse carve-out guarantors are Haskel Iny and Ronnie Schwartz. The borrowing entity is owned 7.5% by Haskel Iny, 7.5% by Ronnie Schwartz and 85% by five minority partners. The sponsors own a real estate development, investment and property management entity called Great American Capital. The sponsors and their company's developments include more than 550 individual commercial and residential projects totaling 3.0 million SF of space in four states, and more than \$2 billion in real estate developments in North America and Costa Rica. The sponsors and their affiliated companies currently own over 450,000 SF of retail space, 50,000 SF of office space and over 10 multi-family projects encompassing over 800 units with an estimated value of over \$100.0 million.

The Property. Beltway Marketplace is an 80,479 SF anchored retail center located in Las Vegas, Nevada. The property was constructed in 2002 and is situated on approximately 6.7 acres. The property is anchored by 99 Cents Only Stores ("99 Cents Only"), Goodwill Industries of Nevada ("Goodwill"), CEC Entertainment, Inc. ("Chuck E. Cheese") and other smaller inline tenants. There are 359 surface parking spaces at the property resulting in a parking ratio of 4.5 spaces per 1,000 SF of NRA.

As of October 1, 2016, the property was 100.0% leased by 12 tenants. The property is currently leased to a mix of discount value tenants, restaurants, and retail services that cater to residential neighborhoods in the immediate area. The three largest tenants are 99 Cents Only (27.9% of NRA, 16.9% of underwritten base rent), Goodwill (25.2% of NRA, 24.5% of underwritten base rent) and Chuck E. Cheese (14.9% of NRA, 16.0% of underwritten base rent). 99 Cents Only and Chuck E. Cheese have been at the property since 2002 and most recently executed renewals in 2013 and 2016, respectively. Goodwill, which has also been at the property since 2002, recently executed an early lease renewal in July 2016 for a 10-year extension in conjunction with an expansion of their space from 14,127 SF (17.6% NRA) to their current 20,280 SF (25.2% NRA). According to Goodwill's Chief Operating Officer, this Goodwill location receives about 52,000 donors each year and ranks 3rd in sales performance out of 18 Goodwill locations in Las Vegas with an annual average of \$210.00 PSF. 99 Cents Only is rated Caa3/CCC+ and Chuck E. Cheese is rated Caa2/B by Moody's/S&P, respectively. Each of the three anchor tenants have at least two, five-year options to renew at fixed rents. Other tenants include Mattress Firm, Atsy Corporation/ Water Wings ("Water Wings"), two restaurants, local neighborhood retail tenants, and medical/law offices. The property is currently fully leased and has averaged over 90.0% occupancy since 2007. Since December 2014, the sponsor has executed three new leases occupying 12.8% of NRA and contributing 18.5% of underwritten base rent, and four lease renewals encompassing 45.5% of NRA and contributing 47.1% of underwritten base rent at the property.

The property is situated at the intersection of South Eastern Avenue (64,000 vehicles per day) and East Serene Avenue (27,500 vehicles per day), and has visibility from Interstate 215 (126,000 vehicles per day). Interstate 215 is part of the beltway that encircles Las Vegas, and the property is located immediately off an exit ramp on Interstate 215 that intersects South Eastern Avenue. The property's signage is a large pylon with panels oriented toward the Interstate 215 ramp and a second large multi-panel pylon situated at the main entrance along South Eastern Avenue. The strip building that is closest to South Eastern Avenue, along the Interstate 215 ramp, has building signage on the side facing the ramp toward Interstate 215.

The Market. The property is located in a corridor that is home to several power centers occupied by national tenants. Eastern Beltway Center is located across Eastern Avenue and includes Walmart, Home Depot, Sam's Club in addition to several pad restaurants. Beltway Plaza is located south of the property and includes EOS Fitness, Doc Holliday's, Baja Fresh and Denny's. Silverado Ranch Plaza is situated approximately 1.5 miles south of the property and includes a Target, Michael's and Marshall's. The local neighborhood includes single and multi-family residential, office and industrial uses in addition to retail. The majority of the subject neighborhood is located in two master planned communities, Green Valley and Green Valley Ranch. The Green Valley community includes 8,400 acres and has been developed with apartment complexes, single-family subdivisions and private estate homes. The community provides public and private schools, parks and recreation centers, cultural and civic

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facilities, and commercial and industrial centers. Green Valley Ranch is a 1,310-acre master-planned community comprising a planned mix of land with 775 acres of residential neighborhoods and 310 acres for retail, office, medical facilities and a planned resort gaming hotel.

According to the appraisal, the property has a primary trade area consisting of a five mile radius with a population of approximately 297,446 and an average household income of \$78,690 as of 2016. The property is situated in the southeast submarket within the Las Vegas retail market. As of the second quarter of 2016, the Las Vegas market had a total inventory of 64.4 million SF with average rents of \$17.28 PSF. Year-to-date absorption was 595,626 SF, resulting in an overall vacancy rate of 9.0%. Market vacancy has declined in 16 of the prior 20 quarters, declining from 14.1% in first quarter of 2011 to 9.0% in the second quarter of 2016. The Southeast submarket has been exhibiting similar characteristics over the same time period. The southeast submarket had a total inventory of 14.8 million SF with average rents of \$18.72 PSF as of the second quarter of 2016. Year-to-date absorption in the submarket was 172,342 SF, resulting in a quarter-end vacancy rate of 8.7%. Quarterly vacancy has declined in seventeen of the past twenty quarters, declining from 14.4% in first quarter of 2011 to 8.7% as of second quarter of 2016. According to third party market research report, the vacancy rate for power centers in the Southeast submarket is 1.35%.

The appraisal concluded market rents of \$24.00 PSF for in-line space, \$27.00 PSF for restaurant space, \$33.00 PSF for endcap space and \$20.40 PSF for anchor space. According to the appraisal, the property's competitive set consists of the five properties detailed in the table below.

Competitive Set Summary⁽¹⁾

Property	Year Built	Total GLA (SF)	Est. Occ.	Proximity (miles)	Anchor Tenants
Beltway Marketplace	2002	80,479⁽²⁾	100.0%⁽²⁾	N/A	99 Cents Only, Goodwill, Chuck E. Cheese⁽²⁾
Beltway Plaza	1999	85,645	98.0%	0.2	Gold's Gym
Eastern Beltway	1998	298,444	95.0%	0.3	Ross, Petco, Home Consignment Center
Durango Arby Plaza	2015	70,711	100.0%	11.7	EOS Fitness
Paseo Verde Plaza	1998	52,013	95.0%	3.7	N/A
Stephanie Street Power Center	1996	378,972	100.0%	6.5	Sprouts, Nordstrom Rack, Barnes & Noble

(1) Source: Appraisal.

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

Historical and Current Occupancy⁽¹⁾

2013	2014	2015	Current ⁽²⁾
100.0%	100.0%	100.0%	100.0%

(1) Source: Historical Occupancy is provided by the sponsor. Occupancies are as of December 31 of each respective year.

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

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Tenant Summary⁽¹⁾

Tenant	Ratings Moody's/S&P/ Fitch ⁽²⁾	Net Rentable Area (SF)	% of Total NRA	Base Rent PSF	Lease Expiration Date
99 Cents Only	Caa3 / CCC+ / NR	22,492	27.9%	\$12.25	1/31/2019
Goodwill ⁽³⁾	NR / NR / NR	20,280	25.2%	\$19.71	8/31/2029
Chuck E. Cheese	Caa2 / B / NR	12,018	14.9%	\$21.78	6/30/2022
Mattress Firm	B1 / NR / NR	5,620	7.0%	\$33.00	3/5/2030
Water Wings	NR / NR / NR	4,280	5.3%	\$27.13	3/31/2019
Nails Design Inc. ⁽⁴⁾	NR / NR / NR	3,339	4.1%	\$24.00	10/7/2029
PHO Little Saigon Restaurant	NR / NR / NR	3,275	4.1%	\$26.40	3/15/2019
Tran Trouvian IV, D.D.S.	NR / NR / NR	3,032	3.8%	\$25.46	1/31/2023
Benson & Bingham	NR / NR / NR	2,019	2.5%	\$21.63	6/30/2019
AA Medical	NR / NR / NR	1,615	2.0%	\$24.72	8/26/2019

(1) Based on the underwritten rent roll, including rent increases occurring through September 2017.

(2) Ratings provided are for the parent company of the entity listed in the "Tenant" field whether or not the parent company guarantees the lease.

(3) Goodwill has been at the property since July 2, 2002 and executed a new lease in October 2011, on a 94-month term through August 30, 2019, for 14,127 SF paying \$263,843 in rent. In June 2016, Goodwill executed an early extension for 10 years through August 2029 and expanded its space to 20,280 SF. Goodwill is expected to move into its space and start paying rent in January 2017. Upon taking occupancy, Goodwill will have 20,280 SF paying \$393,056.

(4) Nails Design Inc. has been at the property since August 7, 2009 and executed a new lease in March 2013, on a 72-month term through October 7, 2019 for 4,776 SF of space paying \$106,404 in rent. In July 2016, Nails Design Inc. executed an early extension for 10 years through October 2029, and decided to relocate to a 3,339 SF space. Nails Design Inc. is expected to move into its space and start paying rent in January 2017.

Lease Rollover Schedule⁽¹⁾

Year	Number of Leases Expiring	NRA Expiring	% of NRA Expiring	Base Rent Expiring	% of Base Rent Expiring	Cumulative NRA Expiring	Cumulative % of NRA Expiring	Cumulative Base Rent Expiring	Cumulative % of Base Rent Expiring
Vacant	NAP	0	0.0%	NAP	NAP	0	0.0%	NAP	NAP
2016	0	0	0.0	\$0	0.0%	0	0.0%	\$0	0.0%
2017	0	0	0.0	0	0.0	0	0.0%	\$0	0.0%
2018	0	0	0.0	0	0.0	0	0.0%	\$0	0.0%
2019	6	35,181	43.7	602,285	36.8	35,181	43.7%	\$602,285	36.8%
2020	0	0	0.0	0	0.0	35,181	43.7%	\$602,285	36.8%
2021	1	1,009	1.3	28,073	1.7	36,190	45.0%	\$630,358	38.6%
2022	1	12,018	14.9	261,752	16.0	48,208	59.9%	\$892,110	54.6%
2023	1	3,032	3.8	77,200	4.7	51,240	63.7%	\$969,310	59.3%
2024	0	0	0.0	0	0.0	51,240	63.7%	\$969,310	59.3%
2025	0	0	0.0	0	0.0	51,240	63.7%	\$969,310	59.3%
2026 & Beyond	3	29,239	36.3	665,248	40.7	80,479	100.0%	\$1,634,558	100.0%
Total	12	80,479	100.0%	\$1,634,558	100.0%				

(1) Based on the underwritten rent roll. Rent includes base rent and rent increases occurring through September 2017.

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Operating History and Underwritten Net Cash Flow

	2013	2014	2015	TTM ⁽¹⁾	Underwritten ⁽²⁾	PSF	% ⁽³⁾
Rents in Place	\$1,412,090	\$1,482,090	\$1,451,332	\$1,443,846	\$1,634,558	\$20.31	82.8%
Vacancy	0	0	0	0	0	0.00	0.0
Gross Potential Rent	\$1,412,090	\$1,482,090	\$1,451,332	\$1,443,846	\$1,634,558	\$20.31	82.8%
Total Reimbursements	329,189	330,049	338,035	330,614	339,910	4.22	17.2
Net Rental Income	\$1,741,279	\$1,812,139	\$1,789,367	\$1,774,460	\$1,974,468	\$24.53	100.0%
(Vacancy/Collection Loss)	0	0	0	0	(100,846)	(1.25)	(5.1)
Other Income	54,865	43,894	41,818	42,103	42,444	0.53	2.1
Effective Gross Income	\$1,796,144	\$1,856,033	\$1,831,185	\$1,816,563	\$1,916,066	\$23.81	97.0%
Total Expenses	\$356,945	\$414,465	\$397,610	\$405,755	\$380,877	\$4.73	19.9%
Net Operating Income	\$1,439,199	\$1,441,568	\$1,433,575	\$1,410,808	\$1,535,189	\$19.08	80.1%
Total TI/LC, Capex/RR	0	0	0	0	76,455	0.95	4.0
Net Cash Flow	\$1,439,199	\$1,441,568	\$1,433,575	\$1,410,808	\$1,458,734	\$18.13	76.1%

(1) TTM Column represents the trailing twelve month period ending July 31, 2016.

(2) Based on the underwritten rent roll. The Underwritten Net Operating Income is higher than TTM Net Operating Income primarily due to: (i) rent increases associated with Goodwill's expansion to a total space of 20,280 SF and the relocation of Nails Design Inc. to 3,339 SF, both of which are expected to come into effect by January 2017, (ii) rent associated with 1,615 SF of AA Medical which was vacant through the TTM period (lease started on 9/26/2016), and (iii) rent steps underwritten through the end of September 2017.

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