

Mortgage Loan No. 5 — Walgreens Portfolio I



Midland



New London



Killeen



Dodgeville



New Braunfels



Texarkana



Falcon

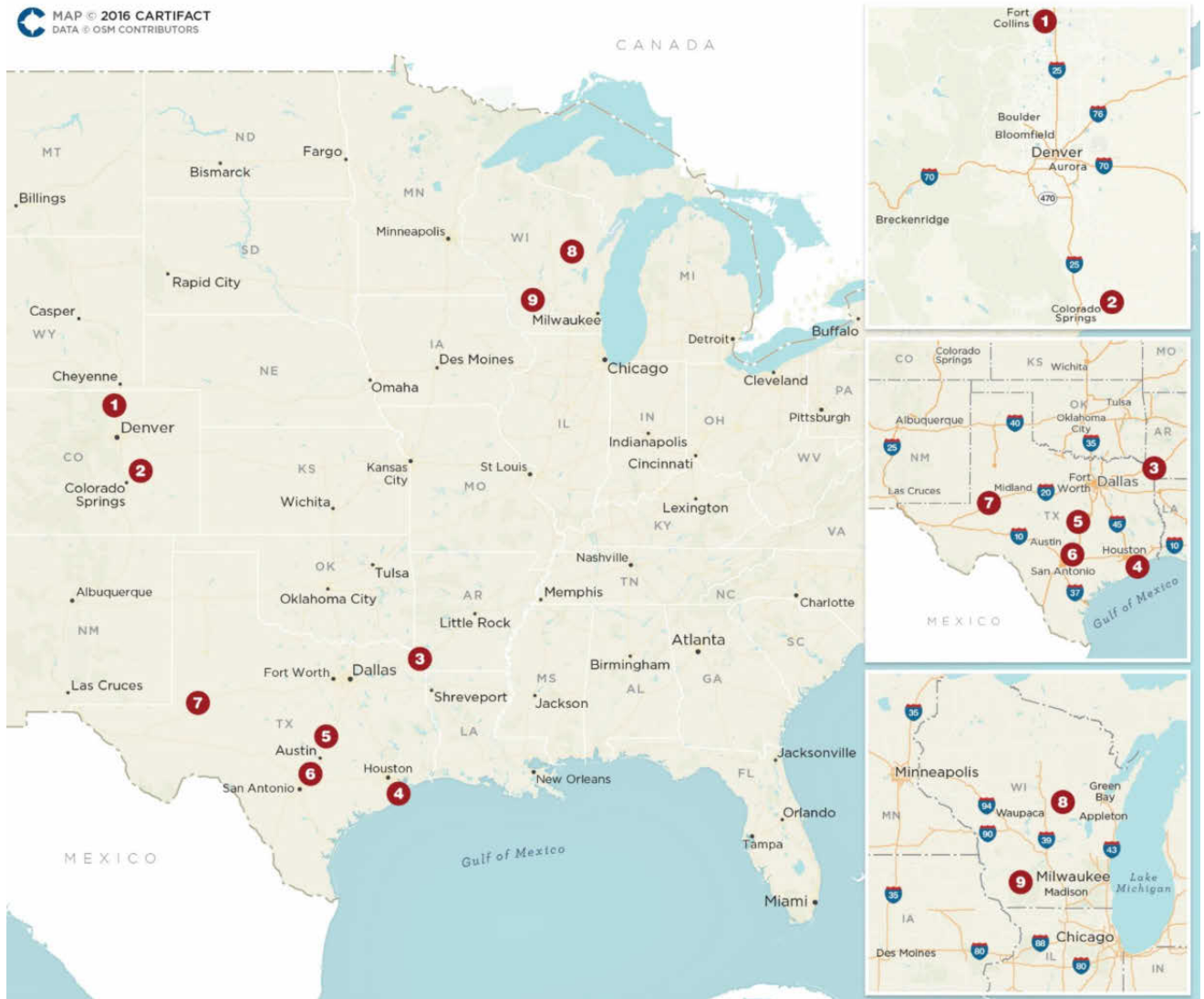


Fort Collins



Galveston

## Mortgage Loan No. 5 — Walgreens Portfolio I



### Walgreens Portfolio I

PROPERTY ADDRESS	CITY, STATE	ZIP
1 2612 South College Avenue	Fort Collins, CO	80525
2 7392 McLaughlin Road	Falcon, CO	80831
3 4415 North State Line Avenue	Texarkana, TX	75503
4 2501 61st Street	Galveston, TX	77551
5 1000 East Central Texas Expressway	Killeen, TX	76541
6 1160 South Business IH-35	New Braunfels, TX	78130
7 215 Andrews Highway	Midland, TX	79701
8 981 Shawano Street	New London, WI	54961
9 1133 North Johns Street	Dodgeville, WI	53533

## Mortgage Loan No. 5 — Walgreens Portfolio I

### Mortgage Loan Information

<b>Mortgage Loan Seller<sup>(1)</sup>:</b>	UBS AG
<b>Original Principal Balance:</b>	\$32,581,902
<b>Cut-off Date Principal Balance:</b>	\$32,581,902
<b>% of Pool by IPB:</b>	5.4%
<b>Loan Purpose:</b>	Acquisition
<b>Borrower:</b>	CF Net Lease Portfolio I DST
<b>Sponsor:</b>	CF Real Estate Holdings, LLC
<b>Interest Rate<sup>(2)</sup>:</b>	4.5930%
<b>Note Date:</b>	11/15/2016
<b>Anticipated Repayment Date<sup>(2)</sup>:</b>	12/1/2026
<b>Interest-only Period<sup>(2)</sup>:</b>	120 months
<b>Original Term:</b>	120 months
<b>Original Amortization:</b>	None
<b>Amortization Type<sup>(2)</sup>:</b>	Interest Only, ARD
<b>Call Protection:</b>	L(25), YM1(92), O(3)
<b>Lockbox<sup>(4)</sup>:</b>	Hard
<b>Additional Debt:</b>	No
<b>Additional Debt Balance:</b>	N/A
<b>Additional Debt Type:</b>	N/A
<b>Additional Future Debt Permitted:</b>	No

### Property Information

<b>Single Asset / Portfolio:</b>	Portfolio of Nine Properties
<b>Title:</b>	Fee
<b>Property Type - Subtype:</b>	Retail – Single Tenant
<b>Net Rentable Area (SF):</b>	140,635
<b>Location:</b>	Various
<b>Year Built / Renovated:</b>	Various
<b>Occupancy:</b>	100.0%
<b>Occupancy Date:</b>	12/1/2016
<b>Number of Tenants:</b>	9
<b>2013 NOI<sup>(3)</sup>:</b>	N/A
<b>2014 NOI<sup>(3)</sup>:</b>	N/A
<b>2015 NOI<sup>(3)</sup>:</b>	N/A
<b>UW Economic Occupancy:</b>	97.0%
<b>UW Revenues:</b>	\$3,224,889
<b>UW Expenses:</b>	\$64,498
<b>UW NOI:</b>	\$3,160,391
<b>UW NCF:</b>	\$3,139,295
<b>Appraised Value / Per SF:</b>	\$57,130,000 / \$406
<b>Appraisal Date:</b>	Various

### Escrows and Reserves<sup>(5)</sup>

	Initial	Monthly	Initial Cap
<b>Taxes:</b>	\$0	Springing	N/A
<b>Insurance:</b>	\$0	Springing	N/A

### Financial Information

<b>Cut-off Date Loan / SF:</b>	\$232
<b>Maturity Date Loan / SF:</b>	\$232
<b>Cut-off Date LTV:</b>	57.0%
<b>Maturity Date LTV<sup>(2)</sup>:</b>	57.0%
<b>UW NCF DSCR:</b>	2.07x
<b>UW NOI Debt Yield:</b>	9.7%

### Sources and Uses

Sources	Proceeds	% of Total
Mortgage Loan	\$32,581,902	62.3%
Sponsor Equity	19,739,381	37.7
<b>Total Sources</b>	<b>\$52,321,283</b>	<b>100.0%</b>

Uses	Proceeds	% of Total
Purchase Price	\$51,717,305	98.8%
Closing Costs	603,978	1.2
<b>Total Uses</b>	<b>\$52,321,283</b>	<b>100.0%</b>

- (1) The Walgreens Portfolio I loan was originated by Cantor Commercial Real Estate Lending, L.P. and acquired by UBS AG, by and through its branch office at 1285 Avenue of the Americas, New York, New York ("UBS AG, New York Branch"). UBS AG, New York Branch has re-underwritten such mortgage loan in accordance with the procedures described under "Transaction Parties—The Sponsors and Mortgage Loan Sellers—UBS AG, New York Branch" in the Prospectus.
- (2) The loan is structured with an anticipated repayment date ("ARD") of December 1, 2026 and a stated maturity date of December 1, 2031. Prior to the ARD, the loan accrues interest at a fixed rate equal to 4.5930% (the "Initial Interest Rate"). In the event that the loan is not paid in full on or before the ARD, the loan's interest rate will increase to 3.0000% *per annum* plus the greater of (i) the Initial Interest Rate or (ii) the 10-year swap yield as of the first business day after the ARD (the "Adjusted Interest Rate"). Following the ARD, the borrower is required to continue to make payments of interest based on the Initial Interest Rate. Interest accrued at the excess of the Adjusted Interest Rate over the Initial Interest Rate and not paid will remain an obligation of the borrower, but will be deferred (such accrued interest, the "Accrued Interest") and is required to be paid on the stated maturity date to the extent not sooner paid pursuant to the loan documents. If the loan is not repaid in full on or prior to the ARD, from and after the occurrence of the ARD and provided no event of default under the loan has occurred and is continuing, all excess cash flow is required to be applied to reduce the outstanding principal balance of the loan, with any remaining amounts to be applied towards Accrued Interest.
- (3) The portfolio was acquired by the borrower in 2016 as part of a sale-leaseback. Historical financials are not available.
- (4) For a more detailed description of lockbox, please refer to "Lockbox / Cash Management" below.
- (5) For a more detailed description of escrows and reserves, please refer to "Escrows and Reserves" below.

## Mortgage Loan No. 5 — Walgreens Portfolio I

**The Loan.** The Walgreens Portfolio I loan is a \$32,581,902 first mortgage loan secured by the borrower's fee interests in a 140,635 SF, nine-property portfolio of single-tenant retail properties located in Texas (five properties), Colorado (two properties) and Wisconsin (two properties). The loan is structured with an ARD of December 1, 2026 and a stated maturity date of December 1, 2031. Prior to the ARD, the loan accrues interest at a fixed rate equal to the Initial Interest Rate. In the event that the loan is not paid in full on or before the ARD, the loan's interest rate will increase to the Adjusted Interest Rate. Following the ARD, the borrower is required to continue to make payments of interest based on the Initial Interest Rate. Accrued Interest is required to be paid on the stated maturity date to the extent not sooner paid pursuant to the loan documents. If the loan is not repaid in full on or prior to the ARD, from and after the occurrence of the ARD and provided no event of default under the loan has occurred and is continuing, all excess cash flow is required to be applied to reduce the outstanding principal balance of the loan, with any remaining amounts to be applied towards Accrued Interest.

The acquisition of the portfolio was part of a larger transaction with Walgreens Co. ("Walgreens") consisting of the sale-leaseback of 53 Walgreens properties under a lease agreement that has a term of 15 years NNN with 12 five-year renewal options. The sponsor acquired the 53-property portfolio for approximately \$285.3 million and the allocated purchase price for the nine properties in the portfolio is approximately \$51.7 million (\$368 PSF), representing a loan to purchase price of approximately 63.0%. The sponsor financed the sale leaseback transaction of the properties securing the Walgreens Portfolio I loan with approximately \$19.7 million in equity.

**The Borrower.** The borrowing entity for the loan is CF Net Lease Portfolio I DST, a Delaware statutory trust and special purpose entity.

**The Sponsor.** The loan's sponsor and nonrecourse carve-out guarantor is CF Real Estate Holdings, LLC, a subsidiary of Cantor Fitzgerald, L.P. ("Cantor Fitzgerald" or "Cantor"). Cantor, founded in 1945 as an investment bank and brokerage business, has grown into a global financial services firm with fully-integrated real estate capabilities. Along with its subsidiaries and affiliates, Cantor employs 10,000 people across offices in 20 countries. Cantor is rated BBB- by Fitch and S&P. Recourse to the sponsor is limited to bankruptcy, prohibited transfers, and voluntary granting of a mortgage, deed of trust or security interest on the properties.

**The Properties.** The portfolio is comprised of nine single tenant retail properties totaling 140,635 SF, which are located in Texas, Colorado and Wisconsin. The properties were built between 2000 and 2008 and range in size from 14,490 SF to 21,700 SF, with an average size of 15,626 SF and were 100.0% occupied as of December 1, 2016.

All nine properties are each 100.0% leased and occupied by Walgreens. Walgreens is one of the largest drugstore chains in the United States, with approximately 8,175 stores in all 50 states, the District of Columbia, Puerto Rico and the U.S. Virgin Islands, as of August 31, 2016. In December 2014, Walgreens completed its strategic combination with Alliance Boots to establish Walgreens Boots Alliance, Inc. ("WBA") (NASDAQ: WBA) (rated BBB/Baa2/BBB by Fitch/Moody's/S&P) and is now part of the Retail Pharmacy USA division of WBA. On October 27, 2015, WBA announced its proposed merger with Rite Aid. The merger was approved by the Rite Aid stockholders in February 2016 and is expected to close in early 2017.

At loan origination, Walgreens provided a letter to the sponsor representing that as of the trailing twelve-month period ending April 31, 2016, with respect to the stores at the properties, five stores had total sales above \$11.0 million, three stores had total sales between \$7.0 million and \$11.0 million, and one store had total sales between \$5.0 million and \$7.0 million, and the portfolio's average sales per store were approximately \$12.4 million.

## Mortgage Loan No. 5 — Walgreens Portfolio I

### Property Information

Property	State <sup>(1)</sup>	Year Built <sup>(1)</sup>	NRA SF <sup>(2)</sup>	Allocated Loan Amount (\$)	Allocated Loan Amount (%)	Appraisal Value (\$) <sup>(1)</sup>	Appraisal Date <sup>(1)</sup>	Occupancy <sup>(2)</sup>	UW NOI
Walgreens - Midland	TX	2000	21,700	\$5,112,731	15.7%	\$8,320,000	9/25/2016	100.0%	\$495,927
Walgreens - New Braunfels	TX	2001	15,120	3,562,420	10.9	6,620,000	9/25/2016	100.0%	345,549
Walgreens - Texarkana	TX	2000	15,070	3,550,639	10.9	5,780,000	9/25/2016	100.0%	344,406
Walgreens - Fort Collins	CO	2005	14,975	3,528,256	10.8	6,260,000	9/25/2016	100.0%	342,235
Walgreens - Falcon	CO	2005	14,820	3,491,737	10.7	6,200,000	9/27/2016	100.0%	338,693
Walgreens - Galveston	TX	2004	14,820	3,491,737	10.7	6,200,000	9/30/2016	100.0%	338,693
Walgreens - New London	WI	2007	14,820	3,327,266	10.2	5,910,000	9/26/2016	100.0%	322,739
Walgreens - Dodgeville	WI	2007	14,820	3,327,266	10.2	5,910,000	9/27/2016	100.0%	322,739
Walgreens - Killeen	TX	2008	14,490	3,189,850	9.8	5,930,000	9/25/2016	100.0%	309,410
<b>Total/ Wtd. Avg.:</b>			<b>140,635</b>	<b>\$32,581,902</b>	<b>100.0%</b>	<b>\$57,130,000</b>		<b>100.0%</b>	<b>\$3,160,391</b>

(1) Source: Appraisal.

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

**The Market.** The properties are located in Texas (five properties), Colorado (two properties) and Wisconsin (two properties).

### Market Overview

Property	State <sup>(2)</sup>	Rental Rate PSF		One-Mile Radius <sup>(1)</sup>		Three-Mile Radius <sup>(1)</sup>		Five-Mile Radius <sup>(1)</sup>	
		Initial Actual <sup>(3)</sup>	Market <sup>(2)</sup>	2016 Population	Average Household Income	2016 Population	Average Household Income	2016 Population	Average Household Income
Walgreens - Midland	TX	\$23.00	\$23.00	10,678	\$90,219	90,454	\$88,736	135,452	\$98,366
Walgreens - New Braunfels	TX	\$23.00	\$23.00	9,687	\$68,598	52,117	\$74,179	75,813	\$76,643
Walgreens - Texarkana	TX	\$23.00	\$23.00	7,380	\$49,542	43,516	\$54,090	68,647	\$56,224
Walgreens - Fort Collins	CO	\$23.00	\$23.00	12,920	\$57,118	113,385	\$72,118	170,789	\$78,766
Walgreens - Falcon	CO	\$23.00	\$23.00	3,172	\$107,634	14,490	\$108,553	31,656	\$104,479
Walgreens - Galveston	TX	\$23.00	\$23.00	12,373	\$61,694	34,893	\$56,956	46,065	\$56,573
Walgreens - New London	WI	\$21.92	\$22.00	2,487	\$58,680	9,299	\$63,875	12,178	\$66,576
Walgreens - Dodgeville	WI	\$21.92	\$22.00	3,133	\$66,443	5,674	\$70,149	6,291	\$70,443
Walgreens - Killeen	TX	\$21.49	\$21.50	11,502	\$49,153	95,556	\$52,386	176,053	\$57,766

(1) Source: Third Party Market Research Reports.

(2) Source: Appraisal.

(3) Based on the underwritten rent roll dated December 1, 2016.



## Mortgage Loan No. 5 — Walgreens Portfolio I

### Tenant Summary <sup>(1)</sup>

Tenant	Ratings Moody's/S&P/Fitch <sup>(2)</sup>	Net Rentable Area (SF)	% of Total NRA	UW Base Rent PSF	% of Total UW Base Rent	TTM Sales PSF <sup>(3)</sup>	Lease Expiration Date <sup>(4)</sup>
Walgreens - Midland	Baa2/BBB/BBB	21,700	15.4%	\$23.00	15.7%	\$353.60	11/30/2031
Walgreens - New Braunfels	Baa2/BBB/BBB	15,120	10.8	\$23.00	10.9	\$263.31	11/30/2031
Walgreens - Texarkana	Baa2/BBB/BBB	15,070	10.7	\$23.00	10.9	\$190.36	11/30/2031
Walgreens - Fort Collins	Baa2/BBB/BBB	14,975	10.6	\$23.00	10.8	\$184.17	11/30/2031
Walgreens - Falcon	Baa2/BBB/BBB	14,820	10.5	\$23.00	10.7	\$190.67	11/30/2031
Walgreens - Galveston	Baa2/BBB/BBB	14,820	10.5	\$23.00	10.7	\$320.13	11/30/2031
Walgreens - New London	Baa2/BBB/BBB	14,820	10.5	\$21.92	10.2	\$165.10	11/30/2031
Walgreens - Dodgeville	Baa2/BBB/BBB	14,820	10.5	\$21.92	10.2	\$149.25	11/30/2031
Walgreens - Killeen	Baa2/BBB/BBB	14,490	10.3	\$21.49	9.8	\$250.33	11/30/2031
<b>Total/Wtd. Avg.:</b>		<b>140,635</b>	<b>100.0%</b>	<b>\$22.62</b>	<b>100.0%</b>	<b>\$235.63</b>	

(1) Based on the underwritten rent roll dated December 1, 2016.

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

(3) TTM Sales are as of the trailing twelve-month period ending July 31, 2016 and exclude, among other things, gross sales from tobacco products, alcoholic and non-alcoholic beverages, and prescription items pursuant to third party prescription plans. At loan origination, Walgreens provided a letter to the sponsor representing that as of the trailing twelve-month period ending April 31, 2016, with respect to the stores at the properties, five stores had total sales above \$11.0 million, three stores had total sales between \$7.0 million and \$11.0 million, and one store had total sales between \$5.0 million and \$7.0 million, and the portfolio's average sales per store were approximately \$12.4 million.

(4) The properties each have 12, five-year renewal options and no termination options.

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

Year	Number of Leases Expiring <sup>(2)</sup>	NRA (SF) Expiring	% of NRA Expiring	UW Base Rent Expiring	% of UW Base Rent Expiring	Cumulative NRA (SF) Expiring	Cumulative % of NRA Expiring	Cumulative UW Base Rent Expiring	Cumulative % of UW Base Rent Expiring
Vacant	NAP	0	0.0%	NAP	NAP	0	0.0%	NAP	NAP
MTM	0	0	0.0	\$0	0.0%	0	0.0%	\$0	0.0%
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	0	0	0.0	0	0.0	0	0.0%	\$0	0.0%
2020	0	0	0.0	0	0.0	0	0.0%	\$0	0.0%
2021	0	0	0.0	0	0.0	0	0.0%	\$0	0.0%
2022	0	0	0.0	0	0.0	0	0.0%	\$0	0.0%
2023	0	0	0.0	0	0.0	0	0.0%	\$0	0.0%
2024	0	0	0.0	0	0.0	0	0.0%	\$0	0.0%
2025	0	0	0.0	0	0.0	0	0.0%	\$0	0.0%
2026 & Beyond	9	140,635	100.0	3,180,614	100.0	140,635	100.0%	\$3,180,614	100.0%
<b>Total</b>	<b>9</b>	<b>140,635</b>	<b>100.0%</b>	<b>\$3,180,614</b>	<b>100.0%</b>				

(1) Based on the underwritten rent roll dated December 1, 2016.

(2) The properties each have 12, five-year renewal options and no termination options.

## Mortgage Loan No. 5 — Walgreens Portfolio I

### Operating History and Underwritten Net Cash Flow<sup>(1)</sup>

	Underwritten	PSF	% <sup>(4)</sup>
Rents in Place <sup>(2)</sup>	\$3,260,130	\$23.18	98.1%
Vacancy Gross Up	0	0.00	0.0
<b>Gross Potential Rent</b>	<b>\$3,260,130</b>	<b>\$23.18</b>	<b>98.1%</b>
Total Reimbursements	64,498	0.46	1.9
<b>Net Rental Income</b>	<b>\$3,324,627</b>	<b>\$23.64</b>	<b>100.0%</b>
(Vacancy/Collection Loss) <sup>(3)</sup>	(99,739)	(0.71)	(3.0)
Other Income	0	0.00	0.0
<b>Effective Gross Income</b>	<b>\$3,224,889</b>	<b>\$22.93</b>	<b>97.0%</b>
<b>Total Expenses</b>	<b>\$64,498</b>	<b>\$0.46</b>	<b>2.0%</b>
<b>Net Operating Income</b>	<b>\$3,160,391</b>	<b>\$22.47</b>	<b>98.0%</b>
Total TI/LC, Capex/RR	21,095	0.15	0.7
<b>Net Cash Flow</b>	<b>\$3,139,295</b>	<b>\$22.32</b>	<b>97.3%</b>

- (1) The portfolio was acquired by the borrower in 2016 as part of a sale-leaseback. Historical financials are not available.
- (2) Rents in Place include a straight-line average of contractual rent due under the Walgreens leases of \$79,515. Rents in Place increases 5.0% every five years through the initial term and the first four, five-year extension options. Beginning with the fifth extension option, and every five years thereafter, the rent is required to be based on the fair market value rent as defined by the leases.
- (3) Vacancy/Collection Loss represents a 3.0% underwritten vacancy adjustment. The properties are 100.0% occupied as of the underwritten rent roll dated December 1, 2016.
- (4) % column represents the percentage of Net Rental Income for all revenue lines and represents the percentage of Effective Gross Income for the remainder of the fields.

**Property Management.** The properties are managed by CFNL Portfolio Property Manager, LLC.

### Escrows and Reserves.

**Tax Reserves** - On a monthly basis, the borrower is required to deposit monthly reserves on each payment date in an amount equal to 1/12 of the estimated annual real estate taxes into a tax reserve account. However, monthly tax reserves will be waived, so long as (i) if the Major Tenant (as defined below under “*Lockbox / Cash Management*”) lease is no longer in full force and effect, (a) no event of default under the loan then exists, (b) the debt service coverage ratio, based on the trailing three-month period immediately preceding the date of such determination is equal to or greater than 1.55x, and (c) the borrower provides to the lender prior to the date on which such taxes would be delinquent, evidence satisfactory (as determined by the lender) that such taxes have been paid, or (ii) if the Major Tenant lease remains in full force and effect, (a) no event of default under the loan then exists, (b) the Major Tenant is required under each Major Tenant lease to pay, and does pay, taxes directly to the appropriate public office (and the lender, upon written request, receives evidence of such payment), and (c) no event of default (after applicable notice and cure periods) exists under such Major Tenant lease.

**Insurance Reserves** - On a monthly basis, the borrower is required to deposit monthly reserves on each payment date in an amount equal to 1/12 of the estimated annual insurance premiums into an insurance reserve account. However, monthly insurance reserves will be waived so long as (i) the borrower maintains blanket policies in accordance with the loan documents or (ii) the Major Tenant self-insures pursuant to the terms of the loan documents.

**Lockbox / Cash Management.** The loan is structured with a hard lockbox and in place cash management. Tenants have been directed to remit all payments due under their respective leases directly into the lockbox account controlled by the lender. On each business day during the loan term, funds in the lockbox account are required to be swept to a lender-controlled cash management account and applied on a monthly basis, based upon terms set forth in the cash management agreement.

During the continuance of a Cash Sweep Event (as defined below) prior to the ARD, all excess cash flow in the cash management account is required to be deposited into an excess cash flow reserve, to be held by the lender as additional security for the loan. From and after the occurrence of the ARD and provided no event of default under the loan has occurred and is continuing, all excess cash flow is required to be applied to reduce the outstanding principal balance of the loan, with any remaining amounts to be applied towards Accrued Interest. During the occurrence of a Cash Sweep Event caused solely by a

## Mortgage Loan No. 5 — Walgreens Portfolio I

Tenant Go Dark Trigger (as defined below), the lender is required to retain in the excess cash flow reserve only the rents attributable to the individual properties causing such Tenant Go Dark Trigger, as more particularly set forth in the cash management agreement.

A “Cash Sweep Event” will occur during (i) any event of default under the loan, (ii) any bankruptcy action of the borrower, guarantor, or property manager, (iii) a DSCR Trigger Event, (iv) an ARD Trigger Event, (v) a Tenant Go Dark Trigger, (vi) a Tenant BK Trigger, or (vii) a Tenant Downgrade Trigger. A Cash Sweep Event will end, in regard to clause (i) above, if such event of default no longer exists; in regard to clause (ii) above, upon the replacement of the guarantor or manager with a qualified guarantor or qualified manager, or in the case of a bankruptcy action of the manager, the termination of the management agreement and the borrower’s delivery of written notice to the lender that it will self-manage the properties; in regard to clause (iii) above, the debt service coverage ratio based on the trailing three-month period is greater or equal to 1.60x for two consecutive calendar quarters; in regard to clause (v) above, a Tenant Go Dark Trigger will end when a Major Tenant is operating and open for business in at least 75% of the individual properties (in the aggregate) other than for commercially reasonable periods of time in the ordinary course of business and/or as a result of fire, casualty and/or condemnation; in regard to clause (vi) above, a Tenant BK Trigger Event will end upon (a) the dismissal of the applicable bankruptcy proceeding pursuant to a final, non-appealable order of a court of competent jurisdiction without material modification to the applicable Major Tenant lease, and delivery of one or more estoppel certificates to the lender confirming payment of fully unabated rent at the properties and that the applicable lease is otherwise in effect, or (b) the affirmation by the applicable Major Tenant of its lease in the applicable bankruptcy proceeding pursuant to a final, non-appealable order of a court of competent jurisdiction and delivery of an estoppel certificate to the lender confirming payment of full contractual rent without any right of offset or free rent credit at the properties and that the applicable lease is otherwise in effect; or in regard to clause (vii) above, a Tenant Downgrade Trigger will end when the long-term issuer credit rating of a Major Tenant issued by S&P equals or exceeds “BB-”, and the senior unsecured debt rating of a Major Tenant issued by Moody’s equals or exceeds “Ba3”; *provided however*, if a Major Tenant is not rated by S&P or Moody’s, then a Tenant Downgrade Trigger will end when the long-term issuer credit rating of WBA issued by S&P equals or exceeds “BB-”, and the senior unsecured debt rating of WBA issued by Moody’s equals or exceeds “Ba3”. Notwithstanding the above, such cure to a Cash Sweep Event may occur no more than two times in the aggregate during the loan term and when no event of default under the loan has occurred and is continuing. The borrower does not have the right to cure any Cash Sweep Event caused by a bankruptcy action of the borrower or an ARD Trigger Event except as expressly set forth in the loan documents.

A “DSCR Trigger Event” will occur when the debt service coverage ratio based on the trailing three-month period immediately preceding the date of such determination is less than 1.55x.

An “ARD Trigger Event” will occur when the loan has not been repaid in full pursuant to the terms of the loan documents on or before the payment date that is three months prior to the ARD.

A “Tenant Go Dark Trigger” will occur when a Major Tenant ceases to operate or be open for business in more than 25% of the individual properties (in the aggregate), other than for commercially reasonable periods of time in the ordinary course of business and/or as a result of fire, casualty and/or condemnation.

A “Tenant BK Trigger” will occur upon any bankruptcy action of a Major Tenant.

A “Tenant Downgrade Trigger” will occur when the long-term issuer credit rating of a Major Tenant issued by S&P falls below “BB-”, or the senior unsecured debt rating of a Major Tenant issued by Moody’s falls below “Ba3”; *provided however*, if a Major Tenant is not rated by S&P or Moody’s, then the Tenant Downgrade Trigger will occur when the long-term issuer credit rating of WBA issued by S&P falls below “BB-”, or the senior unsecured debt rating of WBA issued by Moody’s falls below “Ba3”.

A “Major Tenant” means Walgreens and any replacement tenant acceptable to the lender pursuant to the loan documents.

**Property Release.** The borrower may obtain the release of any property, provided that, among other things, (i) the borrower pays the Release Amount (as defined below) and (ii) after giving effect to such release, (a) the net operating income debt service coverage ratio based on the immediately trailing twelve-month period is equal to or greater than the greater of (x) the debt



### Mortgage Loan No. 5 — Walgreens Portfolio I

service coverage ratio at origination of the loan and (y) the debt service coverage ratio immediately prior to the release and (b) the loan to value ratio does not exceed 125% prior to, or immediately after the release of the applicable property; provided however, if the loan-to-value ratio exceeds 125%, the borrower is permitted to prepay the principal balance of the loan by an amount no less than the greater of (i) the Release Amount for the applicable individual property or (ii) the least of the following amounts: (a) only if the released individual property is sold, the net proceeds of an arm's length sale of the released individual property to an unrelated person, (b) the fair market value of the released individual property at the time of the release, or (c) an amount such that the loan to value ratio after the release of the applicable individual property is not greater than the loan to value ratio of the properties immediately prior to such release in each case, together with the applicable yield maintenance premium and costs if such release is prior to the payment date that is three months prior to the ARD.

The "Release Amount" means 120% of the allocated loan amount for the property being released, provided however, if the borrower has requested release of such property because the tenant has ceased operations at such property or has not timely commenced restoration of such property after a casualty, the Release Amount means 100% of the allocated loan amount for the property to be released. In addition, in each case, the borrower is required to pay the applicable yield maintenance premium and costs, if such partial release is prior to the payment date that is three months prior to the ARD. For more detail on the allocated loan amounts for each property, please refer to "*The Properties*" above.