

InterMountain Hotel Portfolio

Mortgage Loan Information

Mortgage Loan Seller:	RCMC
Original Principal Balance:	\$38,000,000
Cut-off Date Principal Balance:	\$38,000,000
% of Pool by IPB:	2.8%
Loan Purpose:	Refinance
Borrowers⁽¹⁾:	Various
Sponsor:	Dewey F. Weaver, Jr.
Interest Rate:	4.63000%
Note Date:	8/6/2014
Maturity Date:	9/5/2024
Interest-only Period:	None
Original Term:	120 months
Original Amortization:	360 months
Amortization Type:	Balloon
Call Protection:	L(24),Def(92),O(4)
Lockbox:	CMA
Additional Debt:	Yes
Additional Debt Balance:	\$3,000,000
Additional Debt Type:	Mezzanine Loan

Property Information

Single Asset / Portfolio:	Portfolio
Title:	Fee / Leasehold
Property Type - Subtype:	Hotel – Various
Net Rentable Area (Rooms):	449
Location:	Various
Year Built / Renovated:	Various / N/A
Occupancy / ADR / RevPAR:	73.7% / \$109.93 / \$80.97
Occupancy / ADR / RevPAR Date:	5/31/2014
Number of Tenants:	N/A
2011 NOI:	\$3,072,603
2012 NOI:	\$3,339,263
2013 NOI:	\$3,938,356
TTM NOI (as of 5/2014):	\$4,007,273
UW Occupancy / ADR / RevPAR:	73.7% / \$109.93 / \$80.97
UW Revenues:	\$13,795,088
UW Expenses:	\$9,883,901
UW NOI:	\$3,911,187
UW NCF:	\$3,911,187
Appraised Value / Per Room:	\$51,300,000 / \$114,254
Appraisal Date:	Various

Escrows and Reserves

	Initial	Monthly	Initial Cap
Taxes:	\$82,668	\$36,956	N/A
Insurance:	\$21,433	\$10,716	N/A
Replacement:	\$0	4% of Gross Revenues	N/A
TI/LC:	\$0	\$0	N/A
Other⁽²⁾:	\$38,500	\$18,165	N/A

Financial Information

Cut-off Date Loan / Room:	\$84,633
Maturity Date Loan / Room:	\$68,731
Cut-off Date LTV:	74.1%
Maturity Date LTV:	60.2%
UW NCF DSCR:	1.67x
UW NOI Debt Yield:	10.3%

Sources and Uses

Sources	Proceeds	% of Total	Uses	Proceeds	% of Total
Mortgage Loan	\$38,000,000	75.0%	Payoff Existing Debt	\$49,676,737	98.0%
Mezzanine Loan	3,000,000	5.9	Closing Costs	864,235	1.7
Sponsor Equity	9,683,573	19.1	Upfront Reserves	142,601	0.3
Total Sources	\$50,683,573	100.0%	Total Uses	\$50,683,573	100.0%

(1) The borrowing entities for the loan are Harmony Hotels, L.L.C., Palm Desert Hospitality, L.L.C., Reno Airport Lodging, L.L.C. and Reno Hospitality, L.L.C.

(2) Initial Other reserves includes \$38,500 for immediate repairs. On a monthly basis, the borrowers are required to reserve 1/12th of the annual ground rent payable under the ground lease for the Hyatt Place – Reno, NV property, which is initially \$18,165. In addition, an amount equal to 125% of any new PIP imposed by a franchisor in connection with an extension of any franchise agreement will be required to be deposited in the PIP reserve account.

The Loan. The InterMountain Hotel Portfolio loan has an outstanding principal balance of \$38.0 million and is secured by a first mortgage lien on the borrower's fee simple interest in three hotels and the leasehold interest in one hotel comprising the portfolio of four hotels located in Nevada, California and Colorado. The loan has a 10-year term and amortizes on a 30-year schedule. The sponsor developed the InterMountain Hotel Portfolio properties between 2007 and 2009 for a total cost of approximately \$63.9 million.

The Sponsor. The sponsor and non-recourse carve-out guarantor, Dewey F. Weaver, Jr., formed InterMountain Management, LLC over 30 years ago and has been engaged exclusively in hotel management as an owner and third-party operator since inception. In 2011, InterMountain Management, LLC acquired Pillar Hotels and Resorts, creating a combined portfolio totaling 309 properties.

InterMountain Hotel Portfolio

The Properties.

Homewood Suites – Palm Desert, CA. The Homewood Suites - Palm Desert, CA property is located in Palm Desert, California and consists of 128 rooms. The three story, extended stay hotel was built in 2009 and features amenities that include a fitness center, swimming pool, basketball court, putting green, business center, complimentary hot breakfast, coin laundry and valet service. The property is located in Riverside County, within the Coachella Valley, approximately 14 miles east of Palm Springs and 118 miles east of Los Angeles. The property is situated off the I-10 highway providing access to Riverside, San Bernadino and Los Angeles. The property is proximate to the Palm Desert campuses of California State University-San Bernadino and University of California-Riverside and is within a 15 minute drive of over 120 golf courses.

Below is a chart showing the historical performance of the Homewood Suites - Palm Desert, CA versus its competitive set:

Year	Competitive Set ⁽¹⁾			Homewood Suites - Palm Desert, CA ⁽²⁾			Penetration Factor ⁽³⁾		
	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR
2012	64.9%	\$100.54	\$65.26	71.0%	\$103.62	\$73.58	109.4%	103.1%	112.7%
2013	65.0%	\$107.34	\$69.81	69.8%	\$106.64	\$74.40	107.4%	99.3%	106.6%
TTM ⁽⁴⁾	66.0%	\$111.84	\$73.79	70.2%	\$109.33	\$76.70	106.4%	97.8%	103.9%

(1) Data provided by industry research specialists. Competitive set contains the following properties: Holiday Inn Express Palm Desert, Best Western Plus Palm Desert Resort, Residence Inn Palm Desert, Courtyard Palm Desert, Comfort Suites Palm Desert, Hampton Inn Suites Palm Desert and Homewood Suites La Quinta.

(2) Based on operating statements provided by the borrowers.

(3) Penetration Factor is calculated based on data provided by industry research specialists for the competitive set and based on operating statements provided by the borrowers for the property.

(4) TTM represents the trailing twelve-month period ending May 31, 2014.

Hyatt Place – Reno, NV. The Hyatt Place - Reno, NV property is located in Reno, Nevada and consists of 126 rooms. The six story, limited service hotel was built in 2009 and features amenities that include a fitness center, indoor heated pool, outdoor hot tub spa, self-service check-in/check-out kiosks, complimentary airport shuttle and complimentary hot breakfast. The property is located off of highway I-580, adjacent to the Reno-Tahoe International Airport. The Hyatt Place – Reno, NV property consists of the borrower's leasehold interest in the property pursuant a ground lease with the Reno-Tahoe Airport Authority which expires on September 30, 2056.

Below is a chart showing the historical performance of the Hyatt Place - Reno, NV versus its competitive set:

Year	Competitive Set ⁽¹⁾			Hyatt Place - Reno, NV ⁽²⁾			Penetration Factor ⁽³⁾		
	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR
2012	53.9%	\$93.90	\$50.57	60.3%	\$100.05	\$60.30	111.9%	106.5%	119.2%
2013	58.9%	\$96.90	\$57.05	68.9%	\$104.96	\$72.32	117.0%	108.3%	126.8%
TTM ⁽⁴⁾	59.0%	\$97.00	\$57.20	69.5%	\$106.47	\$74.02	117.8%	109.8%	129.4%

(1) Data provided by industry research specialists. Competitive set contains the following properties: Best Western Airport Plaza Hotel, Courtyard Reno, Holiday Inn Express & Suites Reno Airport, Comfort Inn & Suites Airport Convention Center Reno and Hilton Garden Inn Reno.

(2) Based on operating statements provided by the borrowers.

(3) Penetration Factor is calculated based on data provided by industry research specialists for the competitive set and based on operating statements provided by the borrowers for the property.

(4) TTM represents the trailing twelve-month period ending May 31, 2014.

Homewood Suites – Fort Collins, CO. The Homewood Suites - Fort Collins, CO property is located in Fort Collins, Colorado and consists of 99 rooms. The four story, extended stay hotel was built in 2007 and features amenities that include a fitness center, swimming pool, basketball/tennis court, pool table, business center, complimentary hot breakfast and valet service. Fort Collins is located approximately 55 miles north of Denver and is the home of Colorado State University.

InterMountain Hotel Portfolio

Below is a chart showing the historical performance of the Homewood Suites - Fort Collins, CO property versus its competitive set:

Historical Occupancy, ADR, RevPAR									
Year	Competitive Set ⁽¹⁾			Homewood Suites - Fort Collins, CO ⁽²⁾			Penetration Factor ⁽³⁾		
	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR
2012	64.6%	\$94.49	\$61.01	75.1%	\$106.54	\$79.99	116.3%	112.8%	131.1%
2013	66.4%	\$102.74	\$68.20	75.7%	\$114.14	\$86.40	114.0%	111.1%	126.7%
TTM ⁽⁴⁾	72.8%	\$103.41	\$75.23	83.3%	\$113.64	\$94.68	114.4%	109.9%	125.9%

(1) Data provided by industry research specialists. Competitive set contains the following properties: Courtyard Fort Collins, Hampton Inn Fort Collins, Comfort Suites Fort Collins, Residence Inn Fort Collins, Holiday Inn Express & Suites Fort Collins, Hilton Garden Inn Fort Collins and Cambria Suites Fort Collins.

(2) Based on operating statements provided by the borrowers.

(3) Penetration Factor is calculated based on data provided by industry research specialists for the competitive set and based on operating statements provided by the borrowers for the property.

(4) TTM represents the trailing twelve-month period ending May 31, 2014.

Homewood Suites – Reno, NV. The property Homewood Suites - Reno, NV is located in Reno, Nevada and consists of 96 rooms. The four story, extended stay hotel was built in 2008 and features amenities that include a fitness center, indoor pool, whirlpool, outdoor hot tub spa, business center, complimentary hot breakfast, coin laundry/valet service and safety deposit boxes. The property is situated directly off of highway I-580, approximately four miles south of the Reno-Tahoe International Airport.

Below is a chart showing the historical performance of the Homewood Suites - Reno, NV versus its competitive set:

Historical Occupancy, ADR, RevPAR									
Year	Competitive Set ⁽¹⁾			Homewood Suites - Reno, NV ⁽²⁾			Penetration Factor ⁽³⁾		
	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR
2012	68.7%	\$100.19	\$68.83	68.9%	\$110.34	\$76.06	100.3%	110.1%	110.5%
2013	70.4%	\$104.15	\$73.28	72.3%	\$112.51	\$81.34	102.7%	108.0%	111.0%
TTM ⁽⁴⁾	69.9%	\$105.01	\$73.37	73.8%	\$111.47	\$82.23	105.6%	106.2%	112.1%

(1) Data provided by industry research specialists. Competitive set contains the following properties: Residence Inn Reno, Hampton Inn Suites Reno, Holiday Inn Express & Suites Reno Airport, Hilton Garden Inn Reno and Staybridge Suites Reno.

(2) Based on operating statements provided by the borrowers.

(3) Penetration Factor is calculated based on data provided by industry research specialists for the competitive set and based on operating statements provided by the borrowers for the property.

(4) TTM represents the trailing twelve-month period ending May 31, 2014.

InterMountain Hotel Portfolio

Operating History and Underwritten Net Cash Flow

	2011	2012	2013	TTM ⁽¹⁾	Underwritten	Per Room	% of Total Revenue ⁽²⁾
Occupancy	67.5%	68.5%	71.4%	73.7%	73.7%		
ADR	\$100.30	\$104.70	\$109.08	\$109.93	\$109.93		
RevPAR	\$67.66	\$71.67	\$77.85	\$80.97	\$80.97		
Room Revenue	\$11,111,634	\$11,798,624	\$12,774,138	\$13,290,170	\$13,290,170	\$29,599	96.3%
Food and Beverage	206,679	194,894	204,697	216,319	216,319	482	1.6
Market Revenue	42,471	49,084	52,664	52,691	52,691	117	0.4
Other Revenue	191,010	188,108	274,919	287,154	235,909	525	1.7
Total Revenue	\$11,551,795	\$12,230,710	\$13,306,417	\$13,846,334	\$13,795,088	\$30,724	100.0%
Room Expense	\$3,157,962	\$3,388,042	\$3,579,584	\$3,706,820	\$3,706,820	\$8,256	27.9%
Food and Beverage Expense	67,867	77,400	84,164	80,826	80,920	180	37.4
Market Expense	22,327	22,062	30,329	32,927	32,927	73	62.5
Other Departmental Expenses	71,576	67,514	69,427	67,072	67,072	149	28.4
Departmental Expenses	\$3,319,731	\$3,555,018	\$3,763,505	\$3,887,645	\$3,887,739	\$8,659	28.2%
Departmental Profit	\$8,232,063	\$8,675,692	\$9,542,913	\$9,958,688	\$9,907,349	\$22,065	71.8%
Operating Expenses	\$3,003,433	\$3,485,884	\$3,570,378	\$3,849,727	\$3,891,250	\$8,666	28.2%
Gross Operating Profit	\$5,228,630	\$5,189,808	\$5,972,535	\$6,108,961	\$6,016,099	\$13,399	43.6%
Fixed Expenses	\$561,881	\$489,696	\$558,485	\$570,154	\$576,934	\$1,285	4.2%
Management Fee	345,054	366,541	399,196	415,358	413,853	922	3.0
Franchise Fee	787,021	505,080	544,241	562,323	562,323	1,252	4.1
FF&E	462,072	489,228	532,257	553,853	551,804	1,229	4.0
Total Other Expenses	\$2,156,027	\$1,850,545	\$2,034,178	\$2,101,688	\$2,104,912	\$4,688	15.3%
Net Operating Income	\$3,072,603	\$3,339,263	\$3,938,356	\$4,007,273	\$3,911,187	\$8,711	28.4%
Net Cash Flow	\$3,072,603	\$3,339,263	\$3,938,356	\$4,007,273	\$3,911,187	\$8,711	28.4%

(1) TTM column represents the trailing twelve-month period ending May 31, 2014.

(2) % of Total Revenue column for Room Expense, Food and Beverage Expense, Market Revenue and Other Departmental Expenses is based on their corresponding revenue line item.

Franchise Agreements. The Homewood Suites - Palm Desert, CA property has a franchise agreement with Promus Hotels, Inc. for use of the Homewood Suites flag which is set to expire in May 2027 with no extension options. The Hyatt Place - Reno, NV property has a franchise agreement with Hyatt Place Franchising, L.L.C. for use of the Hyatt Place flag which is set to expire in September 2029 with no extension options. The Homewood Suites - Fort Collins, CO property has a franchise agreement with Promus Hotels, Inc. for use of the Homewood Suites flag which is set to expire in February 2026 with no extension options. The Homewood Suites - Reno, NV property has a franchise agreement with Promus Hotels, Inc. for use of the Homewood Suites flag which is set to expire in November 2025 with no extension options.

Release of Properties. None

Additional Mezzanine Debt. A mezzanine loan of \$3.0 million secured by the equity interests in the borrowers was provided by RCMC. The mezzanine loan matures coterminously with the mortgage loan. The mezzanine loan amortizes over 30 years and has a 10.0% coupon. Including the mezzanine loan, the Cut-off Date LTV is 79.9%, the UW NCF DSCR is 1.47x and the UW NOI Debt Yield is 9.5%.