

3312 North Berkeley Lake Road Northwest
Duluth, GA 30096

Collateral Asset Summary – Loan No. 18
3312 North Berkeley Lake

Cut-off Date Balance: \$23,250,000
Cut-off Date LTV: 70.2%
U/W NCF DSCR: 1.37x
U/W NOI Debt Yield: 9.7%

Mortgage Loan Information

Loan Seller: GACC
Loan Purpose: Acquisition
Sponsor: Kenneth Levy
Borrower: Duluth Georgia 3312 Berkeley Lake Properties, LLC; Duluth Georgia 3312 Berkeley Lake Properties #2, LLC
Original Balance: \$23,250,000
Cut-off Date Balance: \$23,250,000
% by Initial UPB: 2.3%
Interest Rate: 4.5200%
Payment Date: 6th of each month
First Payment Date: December 6, 2015
Maturity Date: November 6, 2025
Amortization: Interest only for first 24 months; 360 months thereafter
Additional Debt: None
Call Protection: L(27), D(88), O(5)
Lockbox / Cash Management⁽¹⁾: Hard / Springing

Reserves

	Initial	Monthly
Taxes:	\$0	\$24,711
Insurance⁽²⁾:	\$23,738	Springing
Replacement⁽³⁾:	\$0	\$13,181
TI/LC⁽⁴⁾:	\$200,407	\$12,303
Required Repairs:	\$2,073,026	NAP
Free Rent:	\$38,268	\$0
Major Tenant Lease Sweep⁽⁵⁾⁽⁶⁾:	\$0	Springing

Financial Information

Cut-off Date Balance / Sq. Ft.:	\$22
Balloon Balance / Sq. Ft.:	\$19
Cut-off Date LTV⁽⁷⁾:	70.2%
Balloon LTV⁽⁷⁾:	60.0%
Underwritten NOI DSCR⁽⁸⁾:	1.59x
Underwritten NCF DSCR⁽⁸⁾:	1.37x
Underwritten NOI Debt Yield:	9.7%
Underwritten NCF Debt Yield:	8.3%

Property Information

Single Asset / Portfolio: Single Asset
Property Type: Warehouse/Distribution Industrial
Collateral: Fee Simple
Location: Duluth, GA
Year Built / Renovated: 1969 / NAP
Total Sq. Ft.: 1,054,500
Property Management: Glen Una Management Company, Inc.
Underwritten NOI: \$2,245,976
Underwritten NCF: \$1,934,521
"As-is" Appraised Value⁽⁷⁾: \$31,200,000
"As-is" Appraisal Date: May 27, 2015
"As Complete" Appraised Value⁽⁷⁾: \$33,100,000
"As Complete" Appraisal Date: November 30, 2015

Historical NOI

Most Recent NOI:	\$2,130,822 (T-12 August 31, 2015)
2014 NOI:	\$1,726,069 (December 31, 2014)
2013 NOI:	\$1,119,587 (December 31, 2013)
2012 NOI:	\$581,736 (December 31, 2012)

Historical Occupancy

Most Recent Occupancy:	100.0% (October 2, 2015)
2014 Occupancy:	100.0% (December 31, 2014)
2013 Occupancy:	92.4% (December 31, 2013)
2012 Occupancy:	66.1% (December 31, 2012)

- (1) In place cash management will be triggered (i) upon an event of default, (ii) if the DSCR falls below 1.15x until such time that the DSCR is at least 1.15x for two consecutive calendar quarters or (iii) during a Major Tenant Sweep Event. A "Major Tenant Sweep Event" will commence (a) upon the earlier of (i) the date that is twelve months prior to the expiration of the lease with Broder Bros/ Alpha Broder or any replacement tenant or tenants that lease all or a majority of the space currently leased by Broder Bros/ Alpha Broder (such tenant or tenants, a "Major Tenant" or (ii) the date the Major Tenant is required to give notice of its exercise of a renewal option (and such renewal has not been exercised), (b) the date on which the Major Tenant terminates, cancels or surrenders its lease or upon borrower's receipt of notice by a Major Tenant of its intent to surrender, cancel or terminate its lease, (c) on the date that the Major Tenant ceases operating its business at the property, (d) upon a default by Major Tenant under its lease beyond any applicable cure period or (e) the occurrence of an insolvency proceeding of a Major Tenant.
- (2) The borrower will be required to deposit 1/12 of the annual insurance premiums into the insurance reserve if an acceptable blanket policy is no longer in place.
- (3) Replacement reserves are subject to a cap of \$316,350.
- (4) TI/LC reserves are subject to a cap of \$295,260.
- (5) On each monthly payment date during a Major Tenant Sweep Event (other than the Major Tenant Sweep Event existing as of the origination date), all excess cash will be deposited into the Major Tenant Lease Sweep reserve account, subject to a cap of \$1,000,054.
- (6) On the loan origination date, the borrower delivered a letter of credit in the amount of \$1,000,000 to avoid a Major Tenant Sweep Event.
- (7) The Cut-off Date LTV and Balloon LTV are based on the "As Complete" Appraised Value. The "As Complete" Appraised Value assumes the 3312 North Berkeley Lake property has completed all scheduled renovations. Based on the "As-is" Appraised Value, the 3312 North Berkeley Lake property has an "As-is" Cut-off Date LTV and "As-is" Balloon LTV of 74.5% and 63.7%, respectively.
- (8) Based on amortizing debt service payments. Based on the current interest only payments, Underwritten NOI DSCR and Underwritten NCF DSCR are 2.11x and 1.82x, respectively.

TRANSACTION HIGHLIGHTS

- **Property.** The 3312 North Berkeley Lake property is a 1,054,500 sq. ft., Class B industrial building located on a 52.11 acre site in Duluth, Georgia. The building was constructed in 1969 and consists of 1,022,865 sq. ft. (97.0% of NRA) of warehouse space and 31,635 sq. ft. (3.0% of NRA) of office space. The 3312 North Berkeley Lake property has 123 dock high doors, a clearance height of 23'- 35' feet and three ground level doors.
- **Tenancy.** As of October 2, 2015, the 3312 North Berkeley Lake property is 100.0% occupied to six tenants. Five of the six tenant leases, approximately 69.6% of NRA, do not expire until 2020 or later. The largest tenant at the property is Broder Bros/ Alpha Broder (320,530 sq. ft., 30.4% of NRA, 38.4% of U/W Base Rent) which has been at the property since 2005. Broder Bros/ Alpha Broder was founded in 1919 and is a distributor of trade, private label and retail apparel brands and merchandise to the imprinting, embroidery and promotional product industries. The second largest tenant, US Lumber Group, LLC (215,690 sq. ft., 20.5% of NRA, 15.0% of U/W Base Rent) is a distributor of specialty building materials in the Southeast and Mid-Atlantic U.S., and is headquartered at the property. The third largest tenant, Baily International (195,990 sq. ft., 18.6% of NRA, 16.6% of U/W Base Rent) is a line distribution company of fresh produce, dry, refrigerated and frozen products in the Southeast Asian market and has been serving the metro Atlanta region and surrounding states since 1996.
- **Market.** The 3312 North Berkeley Lake property is part of the Norcross industrial submarket. Over the past three years the submarket's vacancy has decreased from 13.7% in 2012 to 7.7% as of Q1 2015. Over the same period the asking rent has increased 19.2% to \$4.59 PSF. Since Q1 2013, the Norcross industrial submarket has experienced no growth of supply.