

Various, TX

Collateral Asset Summary – Loan No. 12

Securlock Storage Portfolio

Cut-off Date Balance: \$22,800,401
Cut-off Date LTV: 66.9%
U/W NCF DSCR: 1.29x
U/W NOI Debt Yield: 8.4%

Mortgage Loan Information

Loan Seller: Liberty Island Group I LLC
Loan Purpose: Refinance
Sponsor⁽¹⁾: Steven Houghton
Borrower: Houghton Properties, LTD.
Original Balance: \$22,825,000
Cut-off Date Balance: \$22,800,401
% by Initial UPB: 3.2%
Interest Rate: 4.9400%
Payment Date: 1st of each month
First Payment Date: January 1, 2016
Maturity Date: December 1, 2025
Amortization: 360 months
Additional Debt: None
Call Protection⁽²⁾: L(25), D(91), O(4)
Lockbox / Cash Management: None

Reserves

	Initial	Monthly
Taxes:	\$33,474	\$33,474
Insurance:	\$16,832	\$2,104
Replacement⁽³⁾:	\$2,180	\$2,180

Financial Information

Cut-off Date Balance / Sq. Ft.:	\$87
Balloon Balance / Sq. Ft.:	\$72
Cut-off Date LTV:	66.9%
Balloon LTV:	55.0%
Underwritten NOI DSCR:	1.31x
Underwritten NCF DSCR:	1.29x
Underwritten NOI Debt Yield:	8.4%
Underwritten NCF Debt Yield:	8.3%

Property Information

Single Asset / Portfolio: Portfolio of four properties
Property Type: Self-Storage
Collateral: Fee Simple
Location: Various, TX
Year Built / Renovated: Various / NAP
Total Sq. Ft.: 261,854
Property Management: Houghton Capital Corporation
Underwritten NOI: \$1,919,817
Underwritten NCF: \$1,887,085
Appraised Value: \$34,060,000
Appraisal Date: Various

Historical NOI

Most Recent NOI:	\$1,880,064 (T-12 September 30, 2015)
2014 NOI:	\$1,773,525 (December 31, 2014)
2013 NOI:	\$1,633,769 (December 31, 2013)
2012 NOI:	\$1,523,617 (December 31, 2012)

Historical Occupancy

Most Recent Occupancy:	96.2% (September 25, 2015)
2014 Occupancy:	93.0% (December 31, 2014)
2013 Occupancy:	93.3% (December 31, 2013)
2012 Occupancy:	84.4% (December 31, 2012)

(1) The borrower sponsor is also the borrower sponsor under the mortgage loan identified on Annex A-1 as Securlock Storage Portfolio II, which has a cut-off date balance of \$14,174,707.

(2) At any time during the defeasance lockout period, the borrower may obtain (a) in one transaction the release of two individual properties or (b) in up to two separate transactions the release of one individual property; provided that, among other conditions, the borrower pays an amount equal to the greater of (i) 120% of the allocated loan amount with respect to the released property, (ii) an amount such that the debt service coverage ratio is no less than 1.25x, and (iii) an amount such that the loan-to-value ratio is not greater than 70%. The borrower may also obtain, at any time, the release of the Fort Worth excess parcel if certain conditions in the loan agreement have been satisfied.

(3) Replacement reserve is capped at \$75,000.

TRANSACTION HIGHLIGHTS

- **Portfolio.** The Securlock Storage Portfolio loan is secured by the fee simple interest in four self-storage properties located in Allen, Plano, Fort Worth and Coppell, Texas, totaling 261,854 sq. ft. The Securlock Storage Portfolio properties range from 48,145 sq. ft. to 80,099 sq. ft. The unit mixes include interior and exterior storage units (52.7% climate controlled), as well as RV parking and office space. As of September 25, 2015, the Securlock Storage Portfolio was 96.2% occupied based on total sq. ft.
- **Market & Location.** The Securlock Storage Portfolio properties are located in the Dallas-Fort Worth-Arlington MSA, in the north central section of Texas. The MSA, with a population of approximately 6.9 million, is the 4th most populated in the United States and the most populated in Texas. According to Forbes, Dallas has developed a strong industrial and financial sector, and is becoming a major inland port, due largely to the presence of Dallas/Fort Worth International Airport.
- **Sponsor.** Steven Houghton, who is also the guarantor, serves as the chairman of Houghton Capital Corporation, a commercial real estate investment firm with holdings in the United States and Canada. Houghton Capital Corporation develops, owns and manages commercial real estate with a focus on self-storage. Houghton Capital Corporation entered the self-storage market in 1994 and today has grown to 1.3 million square feet in 17 locations throughout the southern United States.