United Healthcare Office




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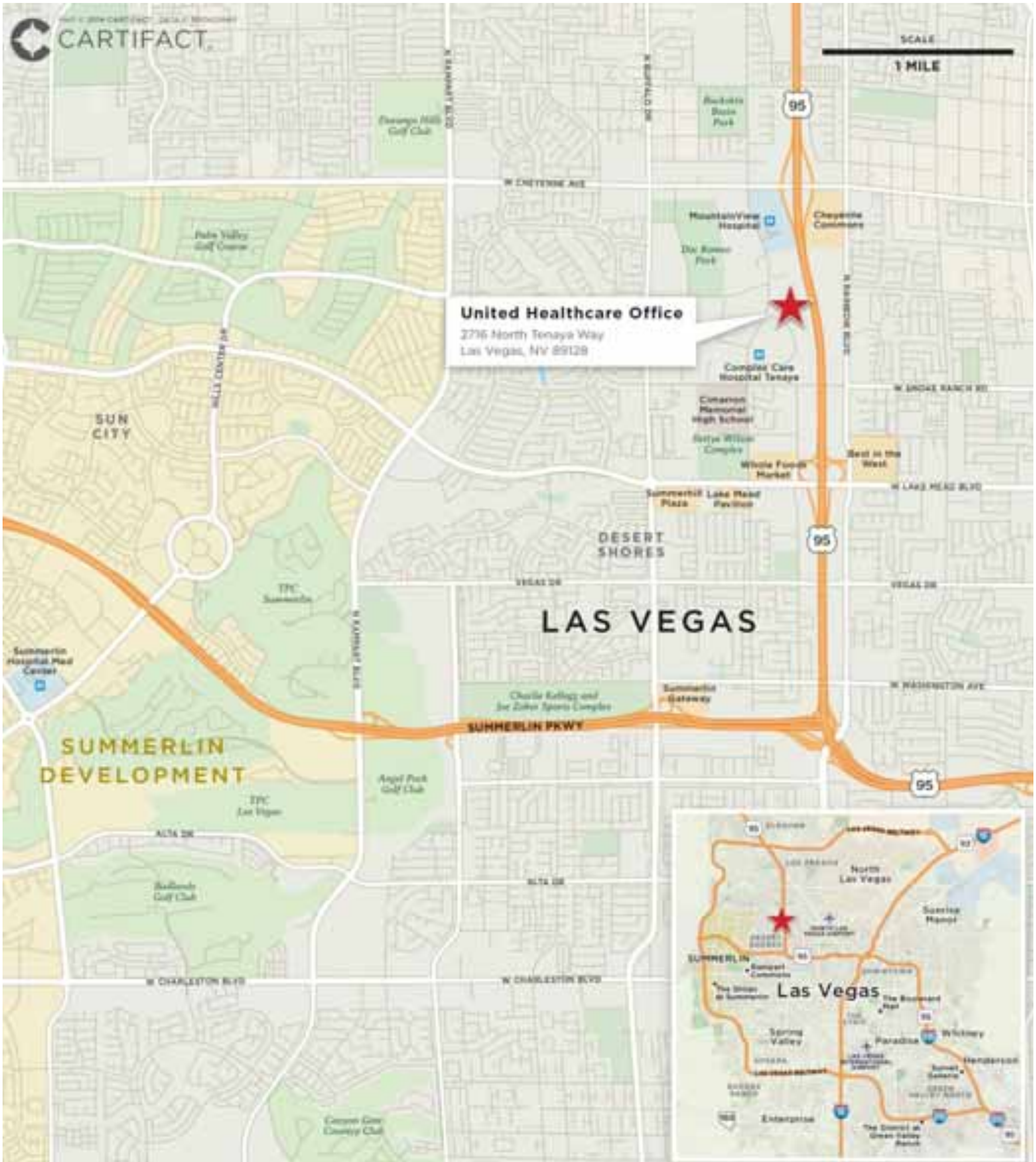

United Healthcare Office

Mortgage Loan Information	
Mortgage Loan Seller:	Barclays
Original Principal Balance:	$42,000,000
Cut-off Date Principal Balance:	$42,000,000
% of Pool by IPB:	2.9%
Loan Purpose:	Refinance
Borrower:	2716 N. Tenaya Loan 1, LLC
Sponsor:	Lloyd W. Kendall, Jr.
Interest Rate:	4.74186%
Note Date:	10/1/2014
Maturity Date:	10/6/2019
Interest-only Period:	60 months
Original Term:	60 months
Original Amortization:	None
Amortization Type:	Interest Only
Call Protection:	L(26),Def(27),O(7)
Lockbox:	Hard
Additional Debt:	Yes
Additional Debt Balance:	$9,000,000
Additional Debt Type:	Mezzanine Loan

Property Information	
Single Asset / Portfolio:	Single Asset
Title:	Fee
Property Type - Subtype:	Office - Suburban
Net Rentable Area (SF):	204,123
Location:	Las Vegas, NV
Year Built / Renovated:	1998 / N/A
Occupancy:	100.0%
Occupancy Date:	12/6/2014
Number of Tenants:	1
2011 NOI[(1)(2)]:	N/A
2012 NOI[(1)(2)]:	N/A
2013 NOI[(1)]:	$5,689,966
TTM NOI (as of 6/2014)[(1)]:	$5,738,737
UW Economic Occupancy:	100.0%
UW Revenues:	$4,209,843
UW Expenses:	$84,197
UW NOI[(1)]:	$4,125,646
UW NCF:	$4,088,904
Appraised Value / Per SF:	$60,000,000 / $294
Appraisal Date:	7/9/2014

Escrows and Reserves[(3)]	Initial	Monthly	Initial Cap
Taxes:	$0	Springing	N/A
Insurance:	$0	Springing	N/A
Replacement Reserves:	$0	$0	N/A
TI/LC:	$0	$0	N/A
Other:	$0	$0	N/A

Financial Information	
Cut-off Date Loan / SF:	$206
Maturity Date Loan / SF:	$206
Cut-off Date LTV:	70.0%
Maturity Date LTV:	70.0%
UW NCF DSCR:	2.02x
UW NOI Debt Yield:	9.8%

Sources and Uses

Sources	Proceeds	% of Total	Uses	Proceeds	% of Total
Mortgage Loan	$42,000,000	82.4%	Loan Payoff	$47,182,899	92.5%
Mezzanine Loan	9,000,000	17.6	United Healthcare Payment[(4)]	3,316,999	6.5
			Closing Costs	497,933	1.0
			Return of Equity	2,169	0.0
Total Sources	**$51,000,000**	**100.0%**	**Total Uses**	**$51,000,000**	**100.0%**

(1) UW NOI is less than historical figures as a result of a new lease executed in July 2014 with United Healthcare Services, Inc. ("UHS") for a rental rate below its previous rental rate. Based on the previous lease executed by Sierra Healthcare Services, Inc. in December 2000 and assumed by UHS in 2008, UHS's monthly base rents for 2011, 2012, 2013 and 2014 were $434,304, $440,818, $447,431 and $454,142, respectively. Based on the new 11.5-year lease, UHS's current monthly base rent is $331,700 and will increase 3.0% annually beginning in January 2016. The underwritten monthly base rent equals $350,820, which reflects the straight line average base rent over the five-year loan term.

(2) 2011 NOI and 2012 NOI are not available as the property and previous loan went into court appointed receivership in August 2011. Please refer to "*Maturity Default*" below. The 2011 and 2012 monthly base rents under the previous NNN lease were $434,304 and $440,818, which equate to annual rents of $5,211,648 and $5,289,816, respectively.

(3) For a full description of Escrows and Reserves, please refer to "*Escrows and Reserves*" below.

(4) The UHS lease is structured with a 10-month free rent period between October 2014 and July 2015. According to the lease, and at the borrower's option, the borrower was entitled to elect to pay UHS any outstanding free rent amounts in lieu of the tenant continuing to receive free rent. At loan origination, the borrower elected to pay UHS $3,316,999, which represents the outstanding free rent due under the lease. UHS no longer has a free rent period and is currently paying rent of $331,700 per month.

The Loan. The United Healthcare Office loan has an outstanding principal balance of $42.0 million and is secured by a first mortgage lien on the borrower's fee interest in a six-story, Class A, 204,123 square foot office building located in Las Vegas, Nevada. The loan has a five-year term and is interest only for the term of the loan. The previously existing debt was securitized in WBCMT 2006-C27.

United Healthcare Office

The Borrower. The borrowing entity for the United Healthcare Office loan is 2716 N. Tenaya Loan 1, LLC, a Delaware limited liability company and special purpose entity.

The Sponsor. The loan sponsor and non-recourse carve-out guarantor is Lloyd W. Kendall, Jr., an affiliate of Breakwater Equity Partners. The original borrowing entity purchased the property in 2006 for $73.0 million and after accounting for closing costs and upfront reserves, will have approximately $22.0 million of equity remaining. An affiliate of Breakwater Equity Partners is the managing member of the new borrowing entity. Breakwater Equity Partners is a commercial real estate consulting firm. Lloyd W. Kendall, Jr. has ownership interests in three other commercial properties which are collectively valued at approximately $133.3 million.

The Property. United Healthcare Office is a six-story, 204,123 square foot, Class A office property located in Las Vegas, Nevada, approximately six miles northwest of the Las Vegas central business district and eight miles northwest of the Las Vegas Strip. The property was built in 1998 and includes a five-story parking garage with 727 spaces and 182 surface spaces, resulting in a parking ratio of 4.5 spaces per 1,000 square feet, which is greater than the property's primary competition. Building amenities include two auditoriums, several conference rooms, a library, an executive dining room, employee cafeteria and beauty salon.

As of December 6, 2014, the property was 100.0% occupied by a single tenant, UHS. Since 2000, the property has been 100.0% occupied by UHS or Sierra Health Services, Inc. (acquired by United Health Group in 2008). The property serves as the main administrative office for the UHS's west coast operations and houses a total of 800 employees. According to the borrower, the tenant is consolidating employees from another office location into the property.

On July 15, 2014, UHS signed a new lease with 11.5-year term through December 31, 2025, approximately six years and three months past the loan's maturity date. The lease includes three five-year extension options, resulting in a fully extended maturity date of December 31, 2040. The lease is triple net with the tenant being responsible for all operating and building maintenance expenses. According to the appraisal, the tenant's current rental rate of $19.50 per square foot is in-line with market rental rates. If UHS exercises the extension options, the rental rate would be 95% of the then current market rental rate and would increase 3.0% annually.

United Health Group, UHS's parent company, is based in Minnetonka, Minnesota and is rated A3, A+ and A- by Moody's, S&P and Fitch, respectively. In 2008, United Health Group acquired Sierra Health Services, Inc., who previously occupied the property. United Health Group provides affordable health plans, quality patient care and advanced technology in order to help people achieve optimal health. The company features an array of medical services and specialties such as, cardiology, endocrinology, gastroenterology, neurology, podiatry, rheumatology, pain management and on-site urgent care services. United Health Group serves more than 85 million individuals worldwide, covering all 50 states and more than 125 countries around the world. As of year-end 2013, total revenues were approximately $122.5 billion and annualizing June 2014 total revenues equal approximately $128.6 billion. UHS accounts for a substantial portion of United Health Group's assets. The subsidiaries held by UHS include the individual state insurance holding companies of United Health Group.

The United Healthcare Office property is located immediately west of Highway 95, approximately six miles northwest of the Las Vegas central business district, approximately eight miles northwest of the Las Vegas Strip and approximately 15 miles north of McCarran International Airport. The property is also less than a mile away from Mountain View Hospital and less than five miles away from Summerlin Hospital Medical Center. US Highway 95 is located next to the property and provides access to Phoenix, Arizona to the southeast and Reno, Nevada to the northwest. Additionally, the property has regional access to US Highway 93 and Interstates 215, 15 and 515. Approximately six miles southeast of the property, US Highway 95 intersects Interstate 15. Travel time from the property to the Las Vegas central business district is approximately 20 minutes while travel to McCarran International Airport is approximately 30 minutes. The neighborhood in which the building is located consists of a mixture of residential developments, several retail centers, small strip centers and a mixture of Class A and Class B office buildings.

According to the appraisal, the property is located in the Northwest submarket of the Las Vegas market. As of the first quarter of 2014, there was no new construction of office buildings or Class A office buildings in the Northwest submarket. Furthermore, more than 11,000 square feet of office space was absorbed in the Northwest submarket and approximately 2,000 square feet of Class A office space was absorbed in the Northwest submarket. Per the appraisal, as of the first quarter of 2014, average occupancy for office properties within the Las Vegas market was 77.5%, whereas average occupancy was 66.6% within the Northwest submarket. Comparable office rentals near the property have occupancy rates ranging from 31.0% to 82.0%.

Historical and Current Occupancy(1)(2)			
2011	2012	2013	Current(3)
100.0%	100.0%	100.0%	100.0%

(1) Historical Occupancies are as of December 31 of each respective year.
(2) The property has been 100% occupied since 2000.
(3) Current Occupancy is as of December 6, 2014.

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Tenant Summary[1]					
Tenant	Ratings[2] Moody's/S&P/Fitch	Net Rentable Area (SF)	% of Total NRA	UW Base Rent PSF[3]	Lease Expiration Date
United Healthcare Services, Inc.	A3 / A+ / A-	204,123	100.0%	$20.62	12/31/2025

(1) Based on the underwritten rent roll.
(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) UW Base Rent PSF is underwritten on a straight-line basis and represents the five-year average over the five-year loan term.

Lease Rollover Schedule[1]									
Year	Number of Leases Expiring	Net Rentable Area Expiring	% of NRA Expiring	Base Rent Expiring	% of Base Rent Expiring	Cumulative Net Rentable Area 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
2014 & MTM	0	0	0.0	$0	0.0%	0	0.0%	$0	0.0%
2015	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 & Beyond	1	204,123	100.0	4,209,843	100.0	204,123	100.0%	$4,209,843	100.0%
Total	**1**	**204,123**	**100.0%**	**$4,209,843**	**100.0%**				

(1) Based on the underwritten rent roll.

Operating History and Underwritten Net Cash Flow[1]					
	2013	TTM[2]	Underwritten	Per Square Foot	%[3]
Rents in Place[4]	$5,817,297	$5,857,563	$4,209,843	$20.62	100.0%
Vacant Income	0	0	0	0	0.0
Gross Potential Rent	**$5,817,297**	**$5,857,563**	**$4,209,843**	**$20.62**	**100.0%**
Total Reimbursements	0	0	0	0	0.0
Net Rental Income	**$5,817,297**	**$5,857,563**	**$4,209,843**	**$20.62**	**100.0%**
(Vacancy/Credit Loss)	0	0	0	0	0.0
Effective Gross Income	**$5,817,297**	**$5,857,563**	**$4,209,843**	**$20.62**	**100.0%**
Total Expenses	**$127,330**	**$118,826**	**$84,197**	**$0.41**	**2.0%**
Net Operating Income	**$5,689,966**	**$5,738,737**	**$4,125,646**	**$20.21**	**98.0%**
Total Capex/RR	0	0	36,742	0.18	0.9
Net Cash Flow	**$5,689,966**	**$5,738,737**	**$4,088,904**	**$20.03**	**97.1%**

(1) 2011 NOI and 2012 NOI are not available as the property and previous loan went into court appointed receivership in August 2011. Please refer to "Maturity Default" below. The 2011 and 2012 monthly base rents under the previous NNN lease were $434,304 and $440,818 which equate to annual rents of $5,211,648 and $5,289,816, respectively.
(2) TTM column represents the trailing twelve-month period ending on June 30, 2014.
(3) Percentage column represents percent of Net Rental Income for all revenue lines and represents percent of Effective Gross Income for the remainder of fields.
(4) UW Rents in Place is less than historical figures as a result of a new lease executed in July 2014 with UHS for a rental rate below its previous rental rate. Based on the previous lease executed by Sierra Healthcare Services, Inc. in December 2000 and assumed by UHS in 2008, UHS's monthly base rents for 2011, 2012, 2013 and 2014 were $434,304, $440,818, $447,431 and $454,142, respectively. Based on the new 11.5-year, lease, UHS's current monthly base rent is $331,700 and will increase 3.0% annually beginning in January 2016. The underwritten monthly base rent equals $350,820 which reflects the straight line average base rent over the five-year loan term.

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Property Management. The property is managed by Clear Vista Management, LLC, a Nevada limited liability company.

Escrows and Reserves. At origination, the borrower was not required to deposit funds into escrow.

Tax Escrows - On a monthly basis, the borrower is required to escrow 1/12 of the annual estimated tax payments; however, these are waived for so long as UHS pays for taxes and evidence of such is provided to the lender within five days of written request.

Insurance Escrows - On a monthly basis, the borrower is required to escrow 1/12 of the annual estimated insurance premiums payments; however, these are waived for so long as UHS pays for insurance and evidence of such is provided to lender within five days of written request.

Lockbox / Cash Management. The loan is structured with a hard lockbox and in-place cash management. The borrower was required to send tenant direction letters to tenants instructing them to deposit all rents and payments directly to the lockbox account controlled by the lender. All funds in the lockbox account are swept daily to a cash management account under the control of the lender and disbursed during each monthly payment date of the term of the loan in accordance with the loan documents. To the extent that there is a Triggering Event, all excess cash flow after payment of debt service, required reserves and operating expenses will be held as additional collateral for the loan.

A "Triggering Event" means the period commencing upon the earlier of: (i) an event of default or a mezzanine event of default, (ii) the debt service coverage ratio falling below 1.20x, (iii) United Healthcare Services, Inc. filing for bankruptcy, (iv) United Health Group's long term unsecured debt being downgraded (as determined by any rating agency rating such debt) below the rating as of the origination date and (v) United Healthcare Services, Inc. going dark, vacating or ceasing operations at the property.

Maturity Default. United Healthcare Office was previously securitized in the WBCMT 2006-C27 transaction with an original balance of $50.75 million. The property was held in a court appointed receivership as a result of a maturity default in August 2011. According to the loan sponsor, the borrower was awaiting the UHS's lease renewal and the recovery of the real estate market in order to refinance. In July 2014, UHS signed a new lease through December 31, 2025 with an 11.5-year term. In 2012, the owners hired Breakwater Equity Partners to assist in extending and refinancing the loan. An affiliate of Breakwater Equity Partners, Lloyd W. Kendall, Jr., is the non-recourse carve-out guarantor for the loan. An affiliate of Breakwater Equity Partners is the managing member of the new borrowing entity. In February, May and July 2014, the borrower made three principal payments from excess property cash escrows worth approximately $5.5 million, reducing the previous loan's outstanding principal balance to approximately $45.3 million. At loan origination, a majority of proceeds from the mortgage and mezzanine loans were used by the borrower to pay off the previous loan's $45.3 million outstanding principal balance, pay $3.3 million to United Healthcare Services, Inc. in lieu of a free rent period, pay default interest on the previous loan of approximately $1.6 million and pay approximately $642,000 of interest due on the previous loan. Approximately $4.9 million in default interest was forgiven by the special servicer.

Additional Debt. The $9.0 million mezzanine loan is secured by the direct equity interests in the borrower and is coterminous with the mortgage loan. The mezzanine loan is interest-only for the term of the loan and has a 10.50000% coupon. Including the mezzanine loan, the Cut-off Date LTV is 85.0%, the UW NCF DSCR is 1.37x and the UW NOI Debt Yield is 8.10%. The lenders have entered into an intercreditor agreement.