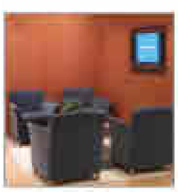
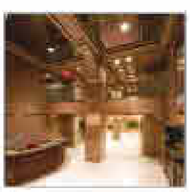
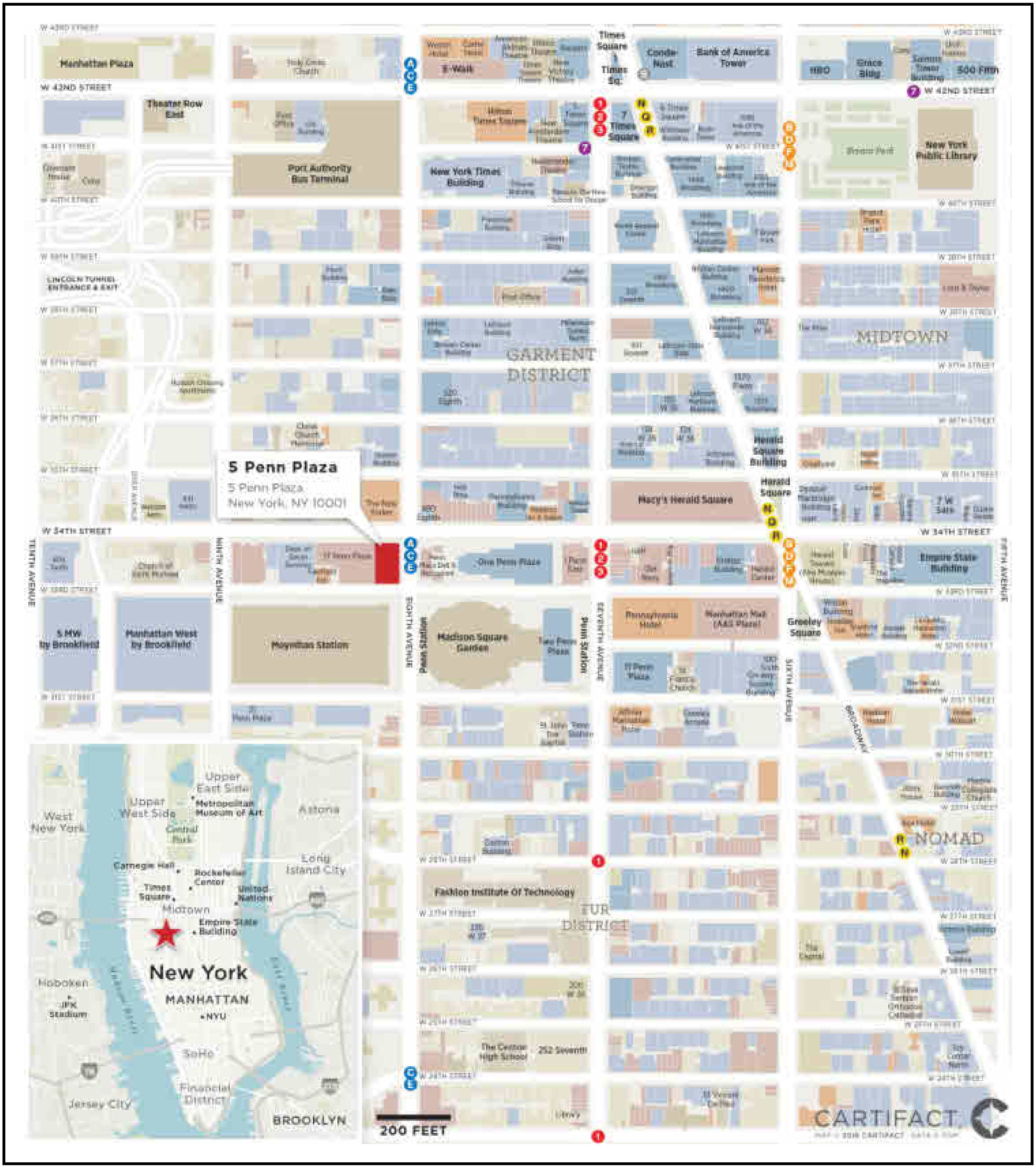
# 5 Penn Plaza

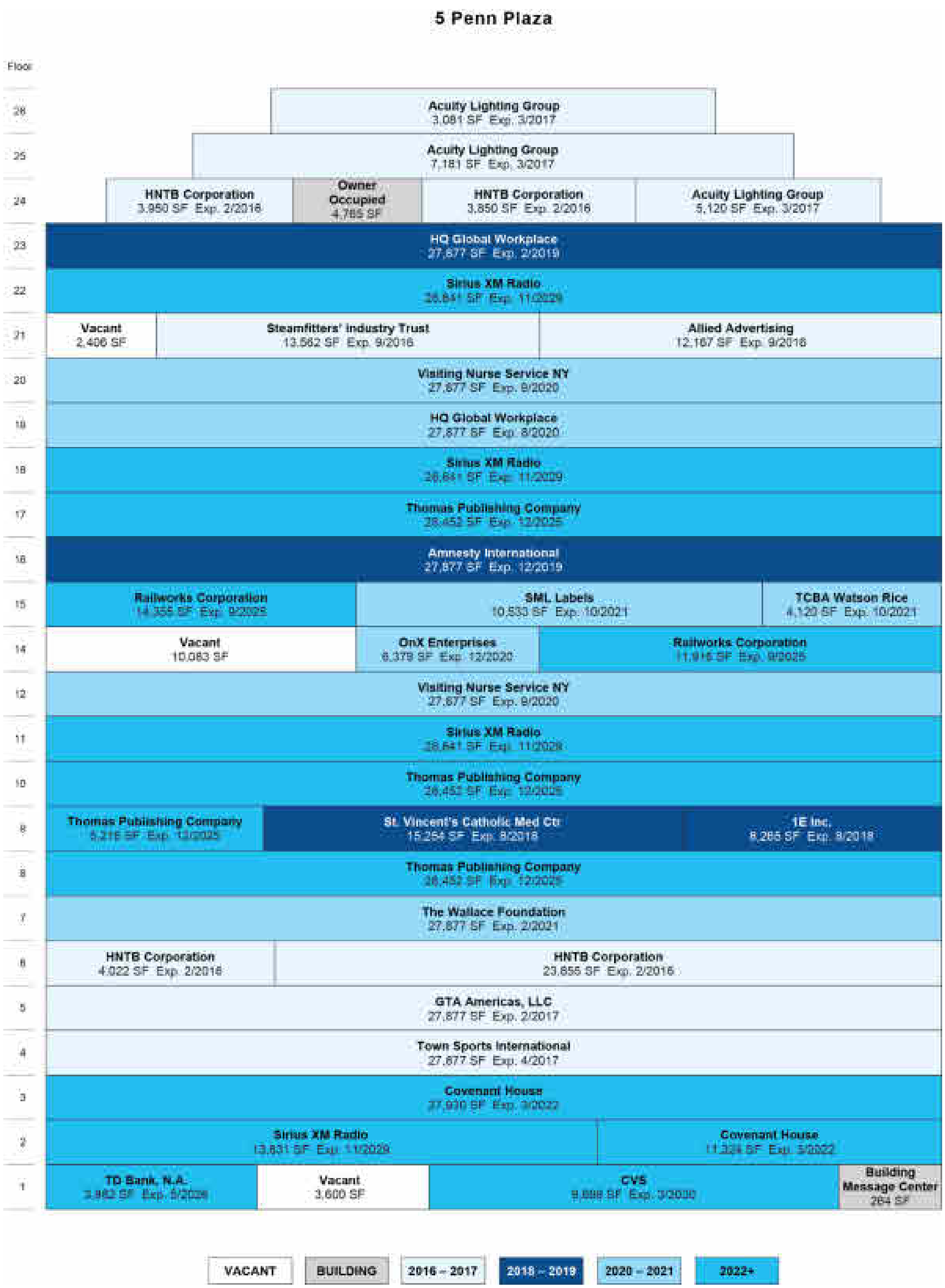




## 5 Penn Plaza


5 Penn Plaza
5 Penn Plaza
New York, NY 10001
W 42ND STREET
W 34TH STREET
TENTH AVENUE
NINTH AVENUE
EIGHTH AVENUE
SEVENTH AVENUE
SIXTH AVENUE
FIFTH AVENUE
BROADWAY
Manhattan Plaza
Theater Row East
Port Authority Bus Terminal
LINCOLN TUNNEL ENTRANCE & EXIT
New York Times Building
Hilton Times Square
E-Walk
Times Square
Conde Nast
Bank of America Tower
HBO
Grace Bldg
500 Fifth
New York Public Library
GARMENT DISTRICT
MIDTOWN
Macy's Herald Square
Herald Square Building
Herald Square
Empire State Building
One Penn Plaza
Two Penn Plaza
Madison Square Garden
Penn Station
Moynihan Station
Manhattan West by Brookfield
5 MW by Brookfield
Pennsylvania Hotel
Manhattan Mall (AAS Plaza)
Greeley Square
11 Penn Plaza
Fashion Institute Of Technology
FUR DISTRICT
NOMAD
The Center High School
252 Seventh
200 FEET
CARTIFACT
Upper East Side
Upper West Side
Metropolitan Museum of Art
West New York
Astoria
Central Park
Carnegie Hall
Rockefeller Center
Long Island City
Times Square
United Nations
Midtown
Empire State Building
New York
MANHATTAN
Hoboken
NYU
SoHo
Financial District
Jersey City
BROOKLYN

# 5 Penn Plaza


5 Penn Plaza
Floor
26
Acuity Lighting Group
3,081 SF Exp. 3/2017
25
Acuity Lighting Group
7,181 SF Exp. 3/2017
24
HNTB Corporation
3,950 SF Exp. 2/2016
Owner Occupied
4,765 SF
HNTB Corporation
3,850 SF Exp. 2/2016
Acuity Lighting Group
5,120 SF Exp. 3/2017
23
HQ Global Workplace
27,877 SF Exp. 2/2019
22
Sirius XM Radio
28,641 SF Exp. 11/2029
21
Vacant
2,406 SF
Steamfitters' Industry Trust
13,562 SF Exp. 9/2016
Allied Advertising
12,167 SF Exp. 9/2016
20
Visiting Nurse Service NY
27,877 SF Exp. 9/2020
19
HQ Global Workplace
27,877 SF Exp. 8/2020
18
Sirius XM Radio
28,641 SF Exp. 11/2029
17
Thomas Publishing Company
28,452 SF Exp. 12/2025
16
Amnesty International
27,877 SF Exp. 12/2019
15
Railworks Corporation
14,355 SF Exp. 9/2025
SML Labels
10,533 SF Exp. 10/2021
TCBA Watson Rice
4,120 SF Exp. 10/2021
14
Vacant
10,083 SF
OnX Enterprises
6,379 SF Exp. 12/2020
Railworks Corporation
11,916 SF Exp. 9/2025
12
Visiting Nurse Service NY
27,877 SF Exp. 9/2020
11
Sirius XM Radio
28,641 SF Exp. 11/2029
10
Thomas Publishing Company
28,452 SF Exp. 12/2025
9
Thomas Publishing Company
5,216 SF Exp. 12/2025
St. Vincent's Catholic Med Ctr
15,254 SF Exp. 8/2018
1E Inc.
8,265 SF Exp. 8/2018
8
Thomas Publishing Company
28,452 SF Exp. 12/2025
7
The Wallace Foundation
27,877 SF Exp. 2/2021
6
HNTB Corporation
4,022 SF Exp. 2/2016
HNTB Corporation
23,855 SF Exp. 2/2016
5
GTA Americas, LLC
27,877 SF Exp. 2/2017
4
Town Sports International
27,877 SF Exp. 4/2017
3
Covenant House
27,930 SF Exp. 3/2022
2
Sirius XM Radio
13,831 SF Exp. 11/2029
Covenant House
11,324 SF Exp. 3/2022
1
TD Bank, N.A.
3,862 SF Exp. 5/2026
Vacant
3,600 SF
CVS
9,898 SF Exp. 3/2030
Building Message Center
264 SF
VACANT
BUILDING
2016 – 2017
2018 – 2019
2020 – 2021
2022+

# 5 Penn Plaza

## Mortgage Loan Information

| | |
|---|---|
| Mortgage Loan Seller: | Barclays |
| Original Principal Balance[(1)]: | $78,000,000 |
| Cut-off Date Principal Balance[(1)]: | $78,000,000 |
| % of Pool by IPB: | 7.6% |
| Loan Purpose: | Refinance |
| Borrower: | 5 Penn Plaza LLC |
| Sponsors[(2)]: | Various |
| Interest Rate: | 4.86153% |
| Note Date: | 1/6/2016 |
| Maturity Date: | 1/6/2026 |
| Interest-only Period: | 120 months |
| Original Term: | 120 months |
| Original Amortization: | None |
| Amortization Type: | Interest Only |
| Call Protection[(3)]: | L(26),Def(91),O(3) |
| Lockbox: | CMA |
| Additional Debt: | Yes |
| Additional Debt Balance: | $182,000,000 / $40,000,000 |
| Additional Debt Type: | Pari Passu / Mezzanine Loan |

## Property Information

| | |
|---|---|
| Single Asset / Portfolio: | Single Asset |
| Title: | Fee |
| Property Type - Subtype: | Office – CBD |
| Net Rentable Area (SF): | 650,329 |
| Location: | New York, NY |
| Year Built / Renovated: | 1917 / 2015 |
| Occupancy[(4)]: | 97.2% |
| Occupancy Date: | 11/1/2015 |
| Number of Tenants: | 34 |
| 2012 NOI[(5)]: | $17,422,377 |
| 2013 NOI[(5)]: | $19,006,288 |
| 2014 NOI: | $18,482,303 |
| 2015 NOI[(6)(7)]: | $19,552,867 |
| UW Economic Occupancy: | 95.0% |
| UW Revenues: | $38,272,463 |
| UW Expenses: | $15,542,394 |
| UW NOI[(7)]: | $22,730,069 |
| UW NCF: | $21,073,984 |
| Appraised Value / Per SF: | $540,000,000 / $830 |
| Appraisal Date: | 11/1/2015 |

## Escrows and Reserves[(8)]

| | Initial | Monthly | Initial Cap |
|---|---|---|---|
| Taxes: | $1,168,977 | $584,489 | N/A |
| Insurance: | $0 | Springing | N/A |
| Replacement Reserves: | $0 | $10,839 | N/A |
| TI/LC: | $0 | Springing | N/A |
| Other: | $23,524,035 | $0 | N/A |

## Financial Information[(1)]

| | |
|---|---|
| Cut-off Date Loan / SF: | $400 |
| Maturity Date Loan / SF: | $400 |
| Cut-off Date LTV: | 48.1% |
| Maturity Date LTV: | 48.1% |
| UW NCF DSCR: | 1.64x |
| UW NOI Debt Yield: | 8.7% |

## Sources and Uses

| Sources | Proceeds | % of Total | Uses | Proceeds | % of Total |
|---|---|---|---|---|---|
| Mortgage Loan[(1)] | $260,000,000 | 86.7% | Payoff Existing Debt[(9)] | $213,091,475 | 71.0% |
| Mezzanine Loan | 40,000,000 | 13.3 | Return of Equity | 55,450,831 | 18.5 |
| | | | Upfront Reserves | 24,693,012 | 8.2 |
| | | | Closing Costs | 3,899,961 | 1.3 |
| | | | Mezzanine Loan Upfront Reserves[(10)] | 2,864,722 | 1.0 |
| **Total Sources** | **$300,000,000** | **100.0%** | **Total Uses** | **$300,000,000** | **100.0%** |

(1) The 5 Penn Plaza loan is part of a loan evidenced by three *pari passu* notes with an aggregate original principal balance of $260.0 million. The Financial Information presented in the chart above reflects the Cut-off Date balance of the $260.0 million 5 Penn Plaza Whole Loan.
(2) For a full description of the Sponsors, please refer to "*The Loan Sponsors*" below.
(3) The lockout period will be at least 26 payments beginning with and including the first payment date of February 6, 2016. Defeasance of the full $260.0 million 5 Penn Plaza Whole Loan is permitted after the date that is the earlier of (i) two years from the closing date of the securitization that includes the last *pari passu* note to be securitized and (ii) three years from the note date.
(4) Occupancy includes TD Bank, which has executed a lease but will not take occupancy or commence paying rent until June 2016. In connection with the origination of the 5 Penn Plaza Whole Loan, the lenders escrowed $726,630 for gap rent related to TD Bank.
(5) The increase in 2013 NOI from 2012 NOI is due in part to lease expansions by Sirius XM Radio in the second half of 2012, representing an additional 42,472 square feet and approximately $1.8 million of in-place base rent.
(6) 2015 NOI represents actual property performance from January 2015 through September 2015 and the borrower's budget from October 2015 through December 2015.
(7) The increase in UW NOI from 2015 NOI is primarily due to (i) the expiration of the free rent period offered under the terms of CVS' lease resulting in a total increase of approximately $1.2 million, (ii) TD Bank executing a lease to occupy one of the ground floor retail spaces which was previously rented at a lower rental rate, (iii) contractual rent increases of $736,509 through January 2017 and (iv) the present value of rent steps for TD Bank and CVS totaling $544,562.
(8) For a full description of Escrows and Reserves, please refer to "*Escrows and Reserves*" below.
(9) Payoff Existing Debt of $213,091,475 consists of $203,000,000 used to pay off the principal balance of the prior CMBS loan and $10,091,475 in defeasance costs.
(10) In connection with the funding of the mezzanine loan, the mezzanine borrower delivered the following escrows to the mezzanine lender: (i) $2,666,666 to be used solely for any amounts due from the guarantor under the mezzanine loan recourse carveout guaranty and/or the mezzanine loan environmental indemnity and (ii) $198,056 in a contingency reserve, which amount represents 31 days of interest due under the mezzanine loan documents, to be used to pay debt service and/or reserve deposits on the mezzanine loan in the event of any late payment under the mezzanine loan documents. See "*Additional Debt*" below.

# 5 Penn Plaza

***The Loan.*** The 5 Penn Plaza loan is secured by a first mortgage lien on a 26-story, 650,329 square foot, LEED Gold-certified Class A- office building located in New York, New York. The whole loan was co-originated by Barclays and Citigroup Global Markets Realty Corp. and has an outstanding principal balance as of the Cut-off Date of $260.0 million (the "5 Penn Plaza Whole Loan"), and is comprised of three *pari passu* notes, Note A-1, Note A-2 and Note A-3. Note A-3, with an outstanding principal balance as of the Cut-off Date of $78.0 million (the "Mortgage Loan"), is being contributed to the JPMBB 2016-C1 Trust. Note A-1 has an outstanding principal balance as of the Cut-off Date of $115.0 million and is expected to be contributed to the CGCMT 2016-GC36 trust. Note A-2 has an outstanding principal balance as of the Cut-off Date of $67.0 million and is expected to be contributed to a future securitization trust. The holder of Note A-1 (the "Controlling Noteholder") is the trustee of the CGCMT 2016-GC36 trust. The trustee of the CGCMT 2016-GC36 trust (or, prior to the occurrence and continuance of a control event under the related pooling and servicing agreement, the directing certificateholder for that securitization), will be entitled to exercise all of the rights of the Controlling Noteholder with respect to the 5 Penn Plaza Whole Loan; *provided however*, that the holders of the Mortgage Loan and Note A-2 will be entitled, under certain circumstances, to be consulted with respect to certain major decisions.

The 5 Penn Plaza Whole Loan has a 10-year term and is interest-only for the full term of the loan. The previously existing debt was securitized in the JPMCC 2007-LD11 transaction.

***The Borrower.*** The borrowing entity for the 5 Penn Plaza loan is 5 Penn Plaza LLC, a Delaware limited liability company and special purpose entity.

***The Loan Sponsors.*** The loan sponsors are Stephen D. Haymes and The Stephen D. Haymes Revocable Trust. Stephen D. Haymes is a partner of Haymes Investment Company, a family-owned and operated real estate enterprise established by his father, Morice Haymes, in 1925. Haymes Investment Company is headquartered at the 5 Penn Plaza property. Stephen D. Haymes has been involved in the real estate industry for over 40 years and has owned and operated more than 3 million square feet of office buildings, 500,000 square feet of shopping centers and 5,000 units in residential buildings. Stephen D. Haymes also owns interests in other Manhattan properties, including the nearby 330 West 34th Street. Steven D. Haymes filed chapter 11 bankruptcy on March 15, 2001, advised by a matrimonial law firm during his divorce settlement. See *"Description of the Mortgage Pool – Loan Purpose; Default History, Bankruptcy Issues and Other Proceedings"* in the Prospectus for additional details.

***The Property.*** The 5 Penn Plaza property consists of a 26-story, 650,329 square foot, LEED Gold-certified Class A- office building on a 23,601 square foot parcel of land with ground floor retail located on Eighth Avenue between West 33rd and West 34th Streets in Midtown Manhattan. The 5 Penn Plaza property contains 17,180 square feet of ground floor retail space and the remaining building space consists of 621,951 square feet of office space and 11,198 square feet of miscellaneous non-revenue, concourse and sub-concourse space. The 5 Penn Plaza property was built in 1917 and is currently undergoing a projected $10.6 million renovation of its lobby, elevators and façade. The typical floor plate (on floors three through 23) at the 5 Penn Plaza property is approximately 28,642 square feet. Since 2012, physical occupancy at the property has averaged approximately 98.8% and as of November 1, 2015, the property was 97.2% occupied by 34 tenants. The office space at the property is approximately 98.0% occupied and the ground floor retail space at the property is approximately 79.0% occupied. Two of the three ground floor retail spaces are leased to TD Bank and CVS with leases extending through May 2026 and March 2030, respectively. The third ground floor retail space, which is 3,600 square feet, is currently being utilized as the temporary entranceway during the property's lobby renovation. Following the expected completion of the lobby renovation in the first half of 2016, the third ground floor retail space will be available for leasing.

The largest tenant at the property by both underwritten rent and square feet, Sirius XM Radio ("Sirius"), leases 15.3% of the net rentable area through November 2029 with one option to extend its term for either one additional period of five years or one additional period of ten years with no termination options. Sirius has occupied space at the property since March 2006 and has expanded its space three times from 28,641 square feet in 2006 to 99,754 square feet as of the Cut-off Date. Sirius creates and broadcasts commercial-free music, premier sports, live events, news, comedy, and exclusive talk and entertainment. Sirius is available in vehicles from every major car company in the United States and smartphones and other connected devices, as well as online at SiriusXM. The second largest tenant at the property by both underwritten rent and square feet, Thomas Publishing Company ("Thomas"), leases 14.3% of the net rentable area through December 2025 with one five-year renewal option and no termination options. Thomas has occupied the space since April 2004. Thomas is a private, family-owned and operated company, which connects buyers and suppliers across all industrial sectors. For buyers, it offers up to date and comprehensive product and company information on the market today. For suppliers, Thomas offers proprietary technology and platforms designed to fill sales pipelines and increase exposure in the marketplace. The third largest tenant at the property by underwritten rent, CVS, leases 12,437 square feet of ground floor retail space through March 2030 with one 10-year renewal option and no termination options. CVS is a provider of prescriptions and related healthcare services in the United States and is investment grade rated by Moody's and S&P.

# 5 Penn Plaza

The 5 Penn Plaza property is located in Midtown Manhattan on Eighth Avenue between West 33rd and West 34th Streets across the street from Penn Station. Penn Station is one of the busiest transportation hubs in the United States, providing direct access to Amtrak, New Jersey Transit and the Long Island Railroad, as well as the 1, 2, 3, A, C and E subway lines. Additionally, PATH trains and the N, Q, R, B, D, F and M subway lines all stop two avenues east of the 5 Penn Plaza property at 33rd Street and Broadway.

According to the appraisal, the property is located within the Penn Station office submarket. According to a third party report, as of the third quarter of 2015, the Penn Station Class A submarket contained approximately 6.5 million square feet of office space with a 2.0% direct vacancy rate and average gross rental rate of $63.59 per square foot. The appraisal identified six directly comparable office properties built between 1921 and 1969 ranging in size from 306,000 to 980,000 square feet. The comparable office properties reported occupancies ranging from 73.9% to 100.0% with a weighted average of approximately 92.8%. Asking rents for the comparable office properties range from $64.00 to $85.00 per square foot. The appraisal concluded a gross market rent of $60.00 per square foot for floors two through nine, $63.00 per square foot for floors 10 through 18, $66.00 per square foot for floors 19 through 23 and $69.00 per square foot for floors 24 through 26 at the 5 Penn Plaza property. The appraisal concluded weighted average gross market rent for the office space at the 5 Penn Plaza property is $62.87 per square foot. The weighted average in-place office rent at the 5 Penn Plaza property is $42.86 per square foot, or 31.8% below the market office rent concluded to by the appraisal.

| Historical and Current Occupancy(1) | | | |
|---|---|---|---|
| 2012 | 2013 | 2014 | Current(2) |
| 99.9% | 99.0% | 99.0% | 97.2% |

(1) Historical Occupancies are as of December 31 of each respective year.
(2) Current Occupancy is as of November 1, 2015 and includes TD Bank, which has executed a lease at the property but will not take occupancy or commence paying rent until June 2016. In connection with the origination of the 5 Penn Plaza Whole Loan, the lenders escrowed $726,630 for gap rent related to TD Bank.

**Tenant Summary(1)**

| Tenant | Ratings(2) Moody's/S&P/Fitch | Net Rentable Area (SF) | % of Total NRA | Base Rent PSF | % of Total Base Rent | Lease Expiration Date |
|---|---|---|---|---|---|---|
| Sirius XM Radio | NA / NA / NA | 99,754 | 15.3% | $42.46 | 13.3% | 11/30/2029 |
| Thomas Publishing Company | NA / NA / NA | 93,072 | 14.3% | $41.90 | 12.2% | 12/31/2025 |
| CVS (Retail) | Baa1 / BBB+ / NA | 12,437 | 1.9% | $249.53 | 9.7% | 3/31/2030 |
| Visiting Nurse Service NY | NA / NA / NA | 55,754 | 8.6% | $54.00 | 9.5% | 9/30/2020 |
| HQ Global Workplace(3) | NA / NA / NA | 55,754 | 8.6% | $52.00 | 9.1% | Various |
| TD Bank (Retail)(4) | Aa1 / AA- / NA | 3,882 | 0.6% | $449.23 | 5.5% | 5/31/2026 |
| Covenant House | NA / NA / NA | 39,254 | 6.0% | $40.00 | 4.9% | 3/31/2022 |
| HNTB Corporation(5) | NA / NA / NA | 36,844 | 5.7% | $38.75 | 4.5% | 2/29/2016 |
| Railworks Corporation | NA / NA / NA | 26,561 | 4.1% | $50.89 | 4.2% | 9/30/2025 |
| Town Sports International | NA / NA / NA | 27,877 | 4.3% | $40.00 | 3.5% | 4/30/2017 |

(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) HQ Global Workplace occupies the entire 19th and 23rd floor spaces at the 5 Penn Plaza property under two separate leases. The lease on the 23rd floor expires on February 28, 2019 and the lease on the 19th floor expires on August 31, 2020.
(4) TD Bank has executed a lease but will not take occupancy or commence paying rent until June 2016. In connection with the origination of the 5 Penn Plaza Whole Loan, the lenders escrowed $726,630 for gap rent related to TD Bank.
(5) HNTB Corporation currently leases (i) 27,877 square feet on the sixth floor at a rental rate equal to $35.16 per square foot, (ii) 7,800 square feet on the 24th floor at a rental rate equal to $53.52 per square foot and (iii) 1,167 square feet of concourse space at a rental rate equal to $25.71 per square foot. The tenant has vacated all of its space due to its upcoming lease expiration on February 29, 2016. The Doman Group, LLC and Browne George Ross LLP have both executed leases for the vacated 24th floor space at a weighted average rental rate equal to $66.52 per square foot resulting in a total increase in base rent of $103,120. According to the appraisal, the market rent for the sixth floor space (which is currently being marketed) is equal to $60.00 per square foot which would result in a total increase in base rent of $692,488 if a lease(s) were executed at that level.

## 5 Penn Plaza

**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 | 18,313 | 2.8% | NAP | NAP | 18,313 | 2.8% | NAP | NAP |
| 2016 & MTM | 12 | 72,535 | 11.2 | $3,020,545 | 9.5% | 90,848 | 14.0% | $3,020,545 | 9.5% |
| 2017 | 3 | 71,136 | 10.9 | 2,724,324 | 8.6 | 161,984 | 24.9% | $5,744,869 | 18.0% |
| 2018 | 3 | 24,645 | 3.8 | 1,188,002 | 3.7 | 186,629 | 28.7% | $6,932,871 | 21.8% |
| 2019 | 3 | 55,866 | 8.6 | 2,180,406 | 6.8 | 242,495 | 37.3% | $9,113,277 | 28.6% |
| 2020 | 3 | 90,110 | 13.9 | 5,116,605 | 16.1 | 332,605 | 51.1% | $14,229,88 | 44.7% |
| 2021 | 3 | 42,530 | 6.5 | 1,705,487 | 5.4 | 375,135 | 57.7% | $15,935,36 | 50.1% |
| 2022 | 1 | 39,254 | 6.0 | 1,570,160 | 4.9 | 414,389 | 63.7% | $17,505,52 | 55.0% |
| 2023 | 1 | 524 | 0.1 | 6,000 | 0.0 | 414,913 | 63.8% | $17,511,52 | 55.0% |
| 2024 | 0 | 0 | 0.0 | 0 | 0.0 | 414,913 | 63.8% | $17,511,52 | 55.0% |
| 2025 | 2 | 119,343 | 18.4 | 5,239,131 | 16.5 | 534,256 | 82.2% | $22,750,66 | 71.5% |
| 2026 | 1 | 3,882 | 0.6 | 1,743,913 | 5.5 | 538,138 | 82.7% | $24,494,57 | 76.9% |
| 2027 & Beyond | 2 | 112,191 | 17.3 | 7,339,440 | 23.1 | 650,329 | 100.0% | $31,834,01 | 100.0% |
| **Total** | **34** | **650,329** | **100.0%** | **$31,834,013** | **100.0%** | | | | |

(1) Based on the underwritten rent roll.

**Operating History and Underwritten Net Cash Flow**

| | 2012 | 2013 | 2014 | 2015(1) | Underwritten | Per Square Foot | %(2) |
|---|---|---|---|---|---|---|---|
| Rents in Place(3)(4) | $25,432,229 | $27,243,371 | $26,655,881 | $28,643,579 | $31,834,013 | $48.95 | 85.7% |
| Vacant Income | 0 | 0 | 0 | 0 | 1,851,975 | 2.85 | 5.0 |
| **Gross Potential Rent** | **$25,432,229** | **$27,243,371** | **$26,655,881** | **$28,643,579** | **$33,685,988** | **$51.80** | **90.7%** |
| Total Reimbursements | 1,241,799 | 2,059,774 | 2,461,092 | 2,591,608 | 3,452,319 | 5.31 | 9.3 |
| **Net Rental Income** | **$26,674,028** | **$29,303,145** | **$29,116,973** | **$31,235,187** | **$37,138,307** | **$57.11** | **100.0%** |
| (Vacancy/Credit Loss) | 0 | 0 | 0 | 0 | (1,856,915) | (2.86) | (5.0) |
| Other Income(5) | 3,349,215 | 3,173,699 | 3,063,531 | 2,991,072 | 2,991,072 | 4.60 | 8.1 |
| **Effective Gross Income** | **$30,023,243** | **$32,476,844** | **$32,180,504** | **$34,226,259** | **$38,272,463** | **$58.85** | **103.1%** |
| **Total Expenses** | **$12,600,866** | **$13,470,556** | **$13,698,201** | **$14,673,392** | **$15,542,394** | **$23.90** | **40.6%** |
| **Net Operating Income** | **$17,422,377** | **$19,006,288** | **$18,482,303** | **$19,552,867** | **$22,730,069** | **$34.95** | **59.4%** |
| Total TI/LC, Capex/RR | 0 | 0 | 0 | 0 | 1,656,086 | 2.55 | 4.3 |
| **Net Cash Flow** | **$17,422,377** | **$19,006,288** | **$18,482,303** | **$19,552,867** | **$21,073,984** | **$32.41** | **55.1%** |

(1) The 2015 column represents actual property performance from January 2015 through September 2015 and the borrower's budget from October 2015 through December 2015.
(2) Percentage column represents percent of Net Rental Income for all revenue lines and represents percent of Effective Gross Income for the remainder of the fields.
(3) The increase in Rents in Place from 2012 to 2013 is due in part to lease expansions by Sirius XM Radio in the second half of 2012, representing an additional 42,472 square feet and approximately $1.8 million of in-place base rent.
(4) The increase in Rents in Place from 2015 to Underwritten is due to (i) the expiration of the free rent period offered under the terms of CVS' lease resulting in a total increase of approximately $1.2 million, (ii) TD Bank executing a lease to occupy one of the ground floor retail spaces which was previously rented at a lower rental rate, (iii) contractual rent increases of $736,509 through January 2017 and (iv) the present value of rent steps for TD Bank and CVS totaling $544,562.
(5) Other Income is comprised of sub-metered electricity, condenser water, overtime heating, ventilating and air conditioning, cleaning, trash removal and tenant sundry charges.

## 5 Penn Plaza

***Property Management.*** The 5 Penn Plaza property is managed by CBRE, Inc. Under the 5 Penn Plaza loan documents, the 5 Penn Plaza property may not be managed by any party other than CBRE, Inc.; *provided*, *however*, that so long as no event of default under the 5 Penn Plaza loan documents exists, the borrower can replace CBRE, Inc. with a property manager upon notice to the lender, *provided* that the replacement property manager is reasonably approved by the lender in writing (which approval may be conditioned upon receipt of a rating agency confirmation) unless pre-approved as described below and the replacement manager meets certain criteria under the 5 Penn Plaza loan documents. The lender has pre-approved each of (i) Newmark Grubb Knight Frank, (ii) Jones Lang LaSalle, (iii) Cushman & Wakefield, Inc., (iv) Colliers International and (v) Jeffrey Management Corporation as a replacement property manager; *provided* that the applicable replacement manager has not had a material adverse change in reputation or financial condition since the origination of the 5 Penn Plaza loan. The lender has the right to (or require the borrower to) terminate the management agreement and replace the property manager if (a) the property manager becomes a debtor in (i) any involuntary bankruptcy or insolvency proceeding that is not dismissed within 90 days of the filing thereof or (ii) any voluntary bankruptcy or insolvency proceeding, (b) there exists a Trigger Period (as defined below), (c) the property manager has engaged in gross negligence, fraud, willful misconduct or misappropriation of funds or (d) there exists a default by the property manager beyond all applicable notice and cure periods under the management agreement.

***Escrows and Reserves.*** At origination, the borrower was required to deposit into escrow approximately $3,069,378 for outstanding tenant improvements and leasing commissions related to Sirius XM Radio and TD Bank, $1,306,250 for deferred maintenance, $1,168,977 for real estate taxes, $1,088,443 in a contingency reserve, which represents 31 days of interest due under the 5 Penn Plaza loan documents, to be used to pay debt service and/or reserve account deposits on the 5 Penn Plaza loan in the event of any late payment under the 5 Penn Plaza loan documents and $726,630 for gap rent related to TD Bank, as the tenant will not commence paying rent until June 2016.

*Tax Escrows* - On a monthly basis, the borrower is required to escrow 1/12 of the annual estimated tax payments, which currently equates to $584,489.

*Insurance Escrows* - The requirement for the borrower to make deposits to the insurance escrow is waived so long as no event of default has occurred and is continuing and the property is insured under a blanket insurance policy in accordance with the loan documents.

*Replacement Reserves* - On a monthly basis, the borrower is required to escrow $10,839 (approximately $0.20 per square foot annually) for replacement reserves. The replacement reserves are not subject to a cap.

*TI/LC Reserves* - The requirement for the borrower to make deposits into the tenant improvement and leasing commission escrow is waived so long as no TI/LC Trigger Event (as defined below) has occurred and is continuing. In the event a TI/LC Trigger Event exists, on a monthly basis, the borrower is required to escrow $125,000 (approximately $2.31 per square foot annually) for tenant improvement and leasing commission reserves.

A "TI/LC Trigger Event" means the debt service coverage ratio as calculated in the loan documents based on the trailing 12-month period is less than 1.20x.

*Guaranty Collateral Reserve* - Additionally, the borrower was required to deposit into escrow approximately $17,333,334 (the "Guaranty Collateral") to be used solely for any amounts due from the guarantors under the recourse carveout guaranty and/or the environmental indemnity under the 5 Penn Plaza loan documents (the "Guaranty Obligations") prior to the enforcement of any judgment against the guarantor; *provided* that (x) if the mezzanine lender obtains a judgment against the guarantors in connection with the 5 Penn Plaza mezzanine loan documents and the mortgage lender does not have any competing claim against the guarantors, the mortgage lender may make up to approximately $7.3 million of the Guaranty Collateral available to the mezzanine lender to satisfy the claim and (y) the Guaranty Collateral is not general collateral for the 5 Penn Plaza loan but only collateral for the Guaranty Obligations.

***Lockbox / Cash Management.*** The loan is structured with a CMA lockbox. Tenant direction letters were required to be sent to all tenants upon the origination of the loan instructing them to deposit all rents and payments into the lockbox account controlled by the lender. The funds are then returned to an account controlled by the borrower until the occurrence of a Trigger Period (as defined below). During a Trigger Period, all funds in the lockbox account are swept on each business day to a segregated cash management account under the control of the lender. To the extent there is a Trigger Period continuing (other than a Trigger Period caused solely by clause (iii) of the definition of a Trigger Period), all excess cash flow after payment of the mortgage debt service, mezzanine debt service, required reserves and operating expenses will be held as additional collateral for the mortgage loan. The lender has a first priority security interest in the cash management account. If a Trigger Period is continuing solely because of clause (iii) of the definition of a Trigger Period or the mezzanine lender has provided the lender notice it is entitled to sums under the mezzanine loan documents, in addition to mezzanine loan debt service, then all excess cash flow will be provided to the mezzanine lender to be held and applied pursuant to the terms of the mezzanine loan documents.

## 5 Penn Plaza

A "Trigger Period" means the occurrence of (i) an event of default, (ii) the debt service coverage ratio (inclusive of debt service for the mezzanine loan) as calculated in the loan documents based on the trailing 12-month period is less than 1.10x or (iii) a mezzanine loan event of default. Notwithstanding the foregoing, no Trigger Period will be deemed to exist solely with respect to clause (ii) of this definition during any period that the Collateral Cure Conditions (as defined below) are satisfied.

"Collateral Cure Conditions" exist if the borrower: (i) deposits cash into an account with the lender or delivers to the lender a letter of credit which, in either case, serves as additional collateral for the 5 Penn Plaza loan, in an amount equal to $2.6 million (the "Collateral Deposit Amount") and on each one-year anniversary date thereafter, the borrower deposits additional cash collateral in the amount of the Collateral Deposit Amount or increases the amount of the letter of credit (as applicable) by an amount equal to the Collateral Deposit Amount and (ii) provides evidence to the lender that the mezzanine borrower has deposited $400,000 with the mezzanine lender (in the form of cash or a letter of credit) as and when required by the mezzanine loan documents.

***Additional Debt.*** SM Core Credit Finance LLC provided a $40.0 million mezzanine loan to 461 Eighth Holdings LLC, a Delaware limited liability company, that is secured by the direct equity interests in the borrower and is coterminous with the 5 Penn Plaza Whole Loan. The mezzanine loan has a 5.75000% coupon and is interest-only for the full term of the loan. Including the mezzanine loan, the cumulative Cut-off Date LTV is 55.6%, the cumulative UW NCF DSCR is 1.39x and the cumulative UW NOI Debt Yield is 7.6%. The mortgage and mezzanine lenders have entered into an intercreditor agreement.