

Holiday Inn & Suites Across from Universal Studios

Mortgage Loan Information

Mortgage Loan Seller:	Barclays
Original Principal Balance:	\$36,000,000
Cut-off Date Principal Balance:	\$36,000,000
% of Pool by IPB:	2.5%
Loan Purpose:	Refinance
Borrower:	Orlando Hotel Associates LLC
Sponsor:	Allan V. Rose
Interest Rate:	4.40000%
Note Date:	11/13/2014
Maturity Date:	12/6/2024
Interest-only Period:	36 months
Original Term:	120 months
Original Amortization:	360 months
Amortization Type:	IO-Balloon
Call Protection:	L(24),Def(92),O(4)
Lockbox:	CMA
Additional Debt:	N/A
Additional Debt Balance:	N/A
Additional Debt Type:	N/A

Property Information

Single Asset / Portfolio:	Single Asset
Title⁽¹⁾:	Fee
Property Type - Subtype:	Hotel - Full Service
Net Rentable Area (Rooms):	390
Location:	Orlando, FL
Year Built / Renovated:	1971 / 2010-2011
Occupancy / ADR / RevPAR:	88.1% / \$78.83 / \$69.47
Occupancy / ADR / RevPAR Date:	9/30/2014
Number of Tenants⁽²⁾:	N/A
2011 NOI⁽³⁾:	\$2,320,225
2012 NOI⁽³⁾:	\$3,602,155
2013 NOI:	\$4,113,707
TTM NOI (as of 9/2014):	\$4,100,760
UW Occupancy / ADR / RevPAR:	86.0% / \$80.78 / \$69.47
UW Revenues:	\$11,405,801
UW Expenses:	\$7,302,653
UW NOI:	\$4,103,148
UW NCF:	\$4,103,148
Appraised Value / Per Room:	\$58,600,000 / \$150,256
Appraisal Date:	10/2/2014

Escrows and Reserves

	Initial	Monthly	Initial Cap
Taxes:	\$0	\$24,175	N/A
Insurance:	\$0	Springing	N/A
FF&E Reserves:	\$0	4% of Gross Revenues	N/A
TI/LC:	\$0	\$0	N/A
Other⁽⁴⁾:	\$250,000	\$0	N/A

Financial Information

Cut-off Date Loan / Room:	\$92,308
Maturity Date Loan / Room:	\$80,615
Cut-off Date LTV:	61.4%
Maturity Date LTV:	53.7%
UW NCF DSCR:	1.90x
UW NOI Debt Yield:	11.4%

Sources and Uses

Sources	Proceeds	% of Total	Uses	Proceeds	% of Total
Mortgage Loan	\$36,000,000	100.0%	Payoff Existing Debt	\$24,002,597	66.7%
			Return of Equity	10,803,493	30.0
			Closing Costs	943,910	2.6
			Upfront Reserves	250,000	0.7
Total Sources	\$36,000,000	100.0%	Total Uses	\$36,000,000	100.0%

(1) The loan is secured by the first mortgage on both the fee and leasehold interests in the property as the loan sponsor, Allan V. Rose, is the ground lessor.

(2) The hotel's restaurant is occupied by TGI Friday's, which provides room service.

(3) The increase in 2012 NOI from 2011 NOI is primarily a result of the property undergoing extensive room renovations in 2010 and 2011; as such approximately 42.7% of the available rooms were offline in 2011.

(4) The Initial Other Escrows and Reserves include \$250,000 for a property improvement plan ("PIP") reserve, which is in excess of the engineering and management estimates. By May 26, 2015, the borrower is required to have completed the remaining PIP work, which includes improvements to the parking lot, guest rooms, public spaces and other hotel amenities.

The Loan. The Holiday Inn & Suites Across from Universal Studios loan has an outstanding principal balance of \$36.0 million and is secured by a first mortgage lien on the fee and leasehold interests in a 10-story 390-room full service hotel located in Orlando, Florida. The loan has a 10-year term and, subsequent to a three-year interest-only period, will amortize on a 30-year schedule.

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The Sponsor. The loan sponsor and nonrecourse carve-out guarantor is Allan V. Rose, the owner and chief executive officer of AVR Realty Company ("AVR"), a privately-held real estate development and management company. Over the past 45 years, AVR has built, acquired and developed more than 30 million square feet of office complexes, shopping centers, corporate and industrial parks, apartment complexes, residential communities and hotels. The borrower has a total cost basis of approximately \$45.4 million and approximately \$9.4 million of equity remaining in the property.

The Property. The Holiday Inn & Suites Across from Universal Studios loan is secured by the fee and leasehold interests in a 10-story, 390-guestroom, full service hotel located in Orlando, Florida. The property is situated across the street from Universal Studios and Universal Islands of Adventure, at the intersection of Major Boulevard and South Kirkman Road. In 2010 and 2011 the hotel underwent a property improvement plan incorporating approximately \$11.5 million (\$29,578 per key) in extensive renovations to the lobby, guestrooms, ballrooms, corridors, elevators and building exteriors and façade. An additional \$0.5 million in upgrades to the HVAC, ADA accessibility facilities and property management systems took place from 2012 through 2014.

Amenities at the property include two ballrooms with three meeting rooms, a penthouse, adult and children's swimming pools, a fitness center, a business center and a laundry room. Of the 390 guestrooms available, there are 27 guestrooms with king-sized beds, 229 guestrooms with double beds, 95 one-bedroom suites and 39 two-bedroom suites. There are 427 parking spaces resulting in a ratio of approximately 1.1 parking spaces for every guestroom. Holiday Inn & Suites Across from Universal Studios provides complimentary scheduled transportation to Universal Studios, Wet 'n Wild Orlando, Sea World, Aquatica and Disney. Additionally, the property offers discounted tickets to many of the area's attractions.

The property also benefits from having a TGI Friday's ("TGIF") restaurant located inside the hotel. The approximately 8,800 square foot restaurant is able to seat 200 to 300 people and provides a breakfast buffet, lunch, dinner and room service to hotel guests. TGIF has been at the property since 1998 and recently extended their lease through December 2018 and has six five-year extension options remaining. The restaurant pays fixed rent of \$199,650, \$25,000 in CAM and real estate tax reimbursements and 6.0% percentage rent on gross sales over \$2.5 million. Between 2012 and 2014, with 2014 annualized for the first two quarters, TGIF has paid an average of \$170,295 in overage rent yearly. TGIF total sales were \$5,479,954 and \$6,092,403 in 2012 and 2013, respectively.

The property is located in the Orlando-Deltona-Daytona Beach, Florida combined statistical area, in close proximity to numerous tourist attractions such as Universal Studios, Walt Disney World, SeaWorld Adventure Park, Discovery Cove and Wet 'n Wild Orlando. The property is located across the street from Universal Studios, The Wizarding World of Harry Potter and Universal's Islands of Adventure. Simon Property Group's Orlando Premium Outlets is located across Interstate 4, and features national tenants such as Nike Factory Store, Saks Fifth Avenue Off 5th, Barneys New York Warehouse, Polo Ralph Lauren Factory Store, Forever 21, Fendi, J. Crew and Ferragamo, among others. I-Drive 360, a \$200 million entertainment center, is under construction less than 3.0 miles away and is expected to open in the spring of 2015. I-Drive 360 will include a 425-foot observation wheel, Madame Tussaud's Wax Museum and the Sea Life Aquarium. Additionally, Disney has announced plans to transform Downtown Disney, creating additional demand generators.

According to the appraisal, the property generated approximately 75% of its room nights from leisure, 15% from commercial and 10% from meeting and group business. Annually, there are approximately 60 million tourists who visit the Orlando market. In 2013, there were 59 million people who visited Orlando, up 3.0% from 2012.

Historical Occupancy, ADR, RevPAR									
Year	Competitive Set ⁽¹⁾			Holiday Inn & Suites Across from Universal Studios ⁽²⁾			Penetration Factor ⁽³⁾		
	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR
2011	66.7%	\$70.43	\$46.98	73.3%	\$88.69	\$64.97	109.9%	125.9%	138.3%
2012	72.3%	\$69.98	\$50.63	68.8%	\$81.43	\$56.06	95.1%	116.4%	110.7%
2013	73.7%	\$71.52	\$52.72	81.3%	\$76.84	\$62.50	110.3%	107.4%	118.6%
TTM ⁽⁴⁾	80.6%	\$74.29	\$59.87	86.6%	\$79.23	\$68.58	107.4%	106.7%	114.5%

(1) Data provided by a third party data provider. Competitive set contains the following properties: International Palms Resort Orlando I Drive, DoubleTree by Hilton Universal Orlando, Four Points Studio City, Best Western Orlando Gateway Hotel, Holiday Inn Express Universal Studio and Hyatt Place Orlando Universal.

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

(3) Penetration Factor is calculated based on data provided by a third party data provider and the appraisal for the competitive set and based on operating statements provided by the borrower for the property.

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

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Competitive Hotels Profile ⁽¹⁾								
Property	Rooms	Year Built	2013 Estimated Market Mix			2013 Estimated Operating Statistics		
			Commercial	Meeting & Group	Leisure	Occupancy	ADR	RevPAR
Holiday Inn & Suites Across from Universal Studios	390	1971	15%	10%	75%	81.3%	\$76.84	\$62.50
DoubleTree by Hilton Universal Orlando	742	1972	20%	25%	55%	74%	\$90.00	\$66.60
Hyatt Place Orlando Universal	150	2000	20%	20%	60%	84%	\$95.00	\$79.80
Four Points Studio City	301	1979	15%	15%	70%	78%	\$74.00	\$57.72
Holiday Inn Express Universal Studio	196	2000	20%	15%	65%	70%	\$82.00	\$57.40
Total⁽²⁾	1,389							

(1) Per the appraisal.

(2) Excludes the subject property.

Operating History and Underwritten Net Cash Flow							
	2011 ⁽¹⁾	2012 ⁽¹⁾	2013	TTM ⁽²⁾	Underwritten	Per Room ⁽³⁾	% of Total Revenue ⁽⁴⁾
Occupancy	73.3%	68.8%	81.3%	88.1%	86.0%		
ADR	\$88.69	\$81.43	\$76.84	\$78.83	\$80.78		
RevPAR	\$64.97	\$56.06	\$62.50	\$69.47	\$69.47		
Room Revenue	\$5,311,479	\$8,001,820	\$8,897,098	\$9,889,434	\$9,889,434	\$25,358	86.7%
Food & Beverage Revenue	476,020	529,427	554,708	584,298	584,298	1498	5.1
Telephone Revenue	3,547	2,329	3,294	1,992	1,992	5	0.0
Other Departmental Revenues ⁽⁵⁾	698,393	796,055	928,257	930,078	930,078	2,385	8.2
Total Revenue	\$6,489,439	\$9,329,631	\$10,383,357	\$11,405,801	\$11,405,801	\$29,246	100.0%
Room Expense	\$1,138,501	\$1,854,981	\$2,156,029	\$2,382,034	\$2,382,034	\$6,108	24.1%
Food & Beverage Expense	239,668	279,898	307,165	320,181	320,181	821	54.8
Telephone Expense	36,982	41,546	43,417	47,685	47,685	122	2,394.3
Other Departmental Expenses	38,299	46,246	42,941	44,813	44,813	115	4.8
Departmental Expenses	\$1,453,450	\$2,222,671	\$2,549,552	\$2,794,713	\$2,794,713	\$7,166	24.5%
Departmental Profit	\$5,035,989	\$7,106,960	\$7,833,805	\$8,611,088	\$8,611,088	\$22,080	75.5%
Operating Expenses	\$2,390,820	\$3,146,900	\$3,315,691	\$3,646,355	\$3,646,355	\$9,350	32.0%
Gross Operating Profit	\$2,645,169	\$3,960,060	\$4,518,114	\$4,964,733	\$4,964,733	\$12,730	43.5%
Fixed Expenses	\$324,944	\$357,905	\$404,406	\$407,741	\$405,353	\$1,039	3.6%
FF&E	0	0	0	456,232	456,232	1,170	4.0
Total Other Expenses	\$324,944	\$357,905	\$404,406	\$863,973	\$861,585	\$2,209	7.6%
Net Operating Income	\$2,320,225	\$3,602,155	\$4,113,707	\$4,100,760	\$4,103,148	\$10,521	36.0%
Net Cash Flow	\$2,320,225	\$3,602,155	\$4,113,707	\$4,100,760	\$4,103,148	\$10,521	36.0%

(1) The increase in 2012 NOI from 2011 NOI is primarily a result of the property undergoing extensive room renovations in 2010 and 2011; as such approximately 42.7% of the available rooms were offline in 2011.

(2) TTM column represents the trailing twelve-month period ending on September 30, 2014.

(3) Per Room values based on 390 guestrooms.

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

(5) Other Departmental Revenues are partially comprised of TGIF's rent, inclusive of fixed rent and percentage rent.

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Franchise Agreement. The Holiday Inn & Suites Across from Universal Studios property has a 15-year franchise agreement with Holiday Hospitality Franchising, Inc., an affiliate of InterContinental Hotels Group for use of the Holiday Inn flag through September 30, 2024, with no extension options. The agreement provides for a contractual franchise fee equal to 5.0% of room revenue and may increase by an amount not to exceed 1.0% of room revenue. The franchise agreement also provides for a marketing fee equal to 2.5% of room revenue. If the franchise agreement is not renewed upon terms acceptable to the lender or if the franchise agreement has not been replaced with a replacement franchise agreement acceptable to the lender, cash flow will be swept twelve months prior to the current expiration date of the franchise agreement.