

4685 Investment Drive & 1441 West Long Lake Road
Troy, MI 48098

Collateral Asset Summary – Loan No. 16

Troy Office Portfolio

Cut-off Date Balance: \$18,000,000
Cut-off Date LTV: 67.0%
U/W NCF DSCR: 1.74x
U/W NOI Debt Yield: 12.5%

Mortgage Loan Information

Loan Seller: GACC
Loan Purpose: Refinance
Sponsor: Cyrus Sakhai
Borrower: Long Lake 2, LLC
Original Balance: \$18,000,000
Cut-off Date Balance: \$18,000,000
% by Initial UPB: 2.0%
Interest Rate: 4.5400%
Payment Date: 6th of each month
First Payment Date: May 6, 2017
Maturity Date: April 6, 2027
Amortization: Interest only for first 36 months; 360 months thereafter
Additional Debt: None
Call Protection: L(25), D(90), O(5)
Lockbox / Cash Management⁽¹⁾: Hard / Springing

Reserves

	Initial	Monthly
Taxes:	\$264,912	\$28,879
Insurance⁽²⁾:	\$0	Springing
Replacement:	\$0	\$3,858
TI/LC⁽³⁾:	\$0	\$15,431
Required Repairs:	\$62,500	NAP
Lease Sweep⁽⁴⁾:	\$0	Springing

Financial Information

Cut-off Date Balance / Sq. Ft.:	\$97
Balloon Balance / Sq. Ft.:	\$85
Cut-off Date LTV:	67.0%
Balloon LTV:	58.7%
Underwritten NOI DSCR⁽⁵⁾:	2.05x
Underwritten NCF DSCR⁽⁵⁾:	1.74x
Underwritten NOI Debt Yield:	12.5%
Underwritten NCF Debt Yield:	10.6%

Property Information

Single Asset / Portfolio: Single Asset
Property Type: Suburban Office
Collateral: Fee Simple
Location: Troy, MI
Year Built / Renovated: 1999, 2001 / 2013
Total Sq. Ft.: 185,173
Property Management: Troy Managers 2, LLC
Underwritten NOI⁽⁶⁾: \$2,255,505
Underwritten NCF: \$1,911,457
Appraised Value: \$26,850,000
Appraisal Date: March 8, 2017

Historical NOI⁽⁷⁾

Most Recent NOI: \$1,932,737 (December 31, 2016)
2015 NOI: \$2,089,084 (December 31, 2015)
2014 NOI: \$2,056,901 (December 31, 2014)
2013 NOI: NAV

Historical Occupancy⁽⁶⁾

Most Recent Occupancy: 99.7% (April 1, 2017)
2015 Occupancy: 97.7% (December 31, 2015)
2014 Occupancy: 96.2% (December 31, 2014)
2013 Occupancy: NAV

- (1) In place cash management is triggered (i) upon an event of default, (ii) if the debt service coverage ratio falls below 1.20x until such time that the debt service coverage ratio is at least 1.25x for two consecutive calendar quarters or (iii) during a Lease Sweep Period. A "Lease Sweep Period" will commence upon (i) the earlier of (a) (1) the date that is nine months prior to the earliest stated expiration of a Minor Lease Sweep Lease (as defined below), or 18 months prior if there is another Lease Sweep Lease that expires within 12 months after the Minor Lease Sweep Lease and (2) the date that is 12 months prior to the earliest stated expiration of a Major Lease Sweep Lease (as defined below) or 18 months prior if there is another Lease Sweep Lease that expires within 12 months after the Major Lease Sweep Lease or (b) the date the Lease Sweep Lease is required under its lease to give notice of its exercise of a renewal option, (ii) the earlier of (a) the date by which the Lease Sweep Lease is required to give notice of its exercise of a termination option, (b) the date that Lease Sweep Lease is surrendered, cancelled or terminated prior to its then current expiration date or (c) receipt by the borrower of notice from any tenant under a Lease Sweep Lease that it intends to surrender, cancel or terminate its lease, (iii) the date that the tenant under the Lease Sweep Lease discontinues its business unless the tenant is rated above "BBB-" by S&P (or an equivalent by another national rating agency), (iv) a monetary default for failure to pay base rent or a material, non-monetary default under a Lease Sweep Lease beyond any applicable notice and cure period or (v) a bankruptcy or insolvency proceeding of any tenant under a Lease Sweep Lease. A "Major Lease Sweep Lease" is (i) the Continental Automotive Systems lease or (ii) any replacement lease or leases which collectively cover a majority of the Lease Sweep Lease space. A "Minor Lease Sweep Lease" is (i) The Travelers Indemnity Company lease and the Rockwell Automation, Inc. lease. A "Lease Sweep Lease" is a (i) Major Lease Sweep Lease and (ii) Minor Lease Sweep Lease.
- (2) The borrower will be required to deposit an amount equal to 1/12 of the annual insurance premiums into the insurance reserve if an acceptable blanket policy is no longer in place.
- (3) The TI/LC reserve is subject to a cap of \$500,000.
- (4) On each monthly payment date during a Lease Sweep Period, the borrower is required to deposit all excess cash into the Lease Sweep reserve. The Lease Sweep reserve is generally capped at \$20.00 PSF of the space leased under the applicable Lease Sweep Lease.
- (5) Based on amortizing debt service payments. Based on the current interest only payments, Underwritten NOI DSCR and Underwritten NCF DSCR are 2.72x and 2.31x, respectively.
- (6) The increase from Most Recent NOI to Underwritten NOI is attributed to the Integrated Design Solutions, LLC expansion.
- (7) The sponsor acquired the Troy Office Portfolio in 2014, therefore Historical NOI and Historical Occupancy for 2013 are not available.

TRANSACTION HIGHLIGHTS

- Property.** The Troy Office Portfolio properties consist of two Class A office buildings totaling 185,173 sq. ft. located in Troy, Michigan. The Troy Office Portfolio includes a three-story building located at 1441 West Long Lake Road which contains 108,119 sq. ft. and as of April 1, 2017, is 99.5% occupied by 12 tenants. The 1441 West Long Lake Road property was built in 2001 and includes a lower level parking garage. The building provides 445 parking stalls (356 surface and 89 below-grade) equating to 4.12 spaces per 1,000 sq. ft. The second building is located at 4685 Investment Drive which consists of three stories totaling 77,054 sq. ft. and is 100% occupied by a single tenant. The 4685 Investment Drive property was built in 1999 and includes 326 surface parking spaces equating to 4.23 spaces per 1,000 sq. ft. Since acquisition in 2014, the sponsor has invested approximately \$1.1 million in capital improvements and tenant improvements including the addition of a café and conference room, the installation of a putting green, and upgrades to the common areas, fitness center, lobby HVAC system, parking lot/garage and signage.
- Tenancy.** The Troy Office Portfolio properties' tenants consist of approximately 78.1% investment grade tenants including Continental Automotive Systems (41.6% of NRA, 32.3% of U/W Base Rent, rated BBB+/Baa1/BBB+ by Fitch/Moody's/S&P), The Travelers Indemnity Company (15.2% of NRA, 17.7% of U/W Base Rent, rated A/A2/A by Fitch/Moody's/S&P), Rockwell Automation, Inc. (13.3% of NRA, 15.4% of U/W Base Rent, rated A/A3/A by Fitch/Moody's/S&P), Ameriprise Holdings, Inc. (6.4% of NRA, 7.5% of U/W Base Rent, rated A3/A by Moody's/S&P) and The Prudential Insurance Company (1.7% of NRA, 2.0% of U/W Base Rent, rated A-/Baa1/A by Fitch/Moody's/S&P). The largest tenant, Continental Automotive Systems recently signed a 10-year lease extension in 2013 through 2023 (subject to a termination option in March 31, 2021) and has invested approximately \$1.5 million (\$19.50 PSF) of their own capital on improvements to their premises. With the exception of Continental Automotive Systems, no tenant makes up more than 15.2% of the NRA. The Troy Office Portfolio historical occupancy since 2013 is 95.2%.
- Submarket.** The Troy Office Portfolio is located in the North Troy Office submarket and considered Class A office space. According to the appraiser, as of Q1 2017, the total submarket vacancy rate was 14.7% with average asking rents equal to \$18.56 PSF. In recognition of the property's reasonably low age, the appraiser examined trends for newer multi-tenant inventory in the North Troy Office submarket, which concluded in a 4.7% vacancy rate and average asking rents equal to \$19.60 PSF. The Troy Office Portfolio's average rent PSF of \$16.73 is approximately 9.9% and 14.6% below the total submarket and newer inventory average asking rents, respectively.