

Fidelis Portfolio



Fidelis Portfolio



Fidelis Portfolio	
1 Victory Lakes Town Center	2520 Gulf Freeway South, League City, TX 77573
2 McKinney Towne Crossing	8800 State Highway 121, McKinney, TX 75070
3 Riverstone Shopping Center	5730 Highway 6, Missouri City, TX 77459



Fidelis Portfolio

Mortgage Loan Information

Mortgage Loan Seller:	SMC
Original Principal Balance⁽¹⁾:	\$49,300,000
Cut-off Date Principal Balance⁽¹⁾:	\$49,188,389
% of IPB:	5.5%
Loan Purpose:	Acquisition
Borrowers⁽²⁾:	Various
Sponsor:	Alan Hassenflu
Interest Rate:	5.01000%
Note Date:	10/5/2018
Maturity Date:	10/6/2028
Interest-only Period:	None
Original Term:	120 months
Original Amortization Term:	360 months
Amortization Type:	Balloon
Call Protection:	L(12),Grtr1%orYM(104),O(4)
Lockbox / Cash Management:	Springing
Additional Debt:	Yes
Additional Debt Balance⁽¹⁾:	\$44,898,124
Additional Debt Type⁽¹⁾:	<i>Pari Passu</i>

Property Information

Single Asset / Portfolio:	Portfolio
Title:	Fee
Property Type - Subtype:	Retail – Anchored
Net Rentable Area (SF):	885,707
Location:	Various, TX
Year Built / Renovated:	2005, 2006 / N/A
Occupancy⁽³⁾:	96.5%
Occupancy Date:	10/1/2018
4th Most Recent NOI (As of):	\$9,847,602 (12/31/2015)
3rd Most Recent NOI (As of):	\$10,138,789 (12/31/2016)
2nd Most Recent NOI (As of):	\$10,165,703 (12/31/2017)
Most Recent NOI (As of)⁽⁴⁾:	\$10,512,329 (TTM 8/31/2018)
UW Economic Occupancy:	91.5%
UW Revenues:	\$15,940,840
UW Expenses:	\$4,767,276
UW NOI⁽⁴⁾:	\$11,173,564
UW NCF:	\$10,597,854
Appraised Value / Per SF:	\$147,700,000 / \$167
Appraisal Date⁽⁵⁾:	Various

Escrows and Reserves⁽⁶⁾

	Initial	Monthly	Initial Cap
Taxes:	\$2,477,325	\$225,211	N/A
Insurance:	\$107,526	\$18,419	N/A
Replacement Reserves:	\$0	\$11,071	N/A
TI/LC:	\$1,500,000	Springing	\$1,500,000
Other:	\$3,664,994	\$0	N/A

Financial Information⁽¹⁾

Cut-off Date Loan / SF:	\$106
Maturity Date Loan / SF:	\$88
Cut-off Date LTV:	63.7%
Maturity Date LTV:	52.5%
UW NCF DSCR:	1.74x
UW NOI Debt Yield:	11.9%

Sources and Uses

Sources	Proceeds	% of Total	Uses	Proceeds	% of Total
Whole Loan ⁽¹⁾	\$94,300,000	67.2%	Purchase Price	\$131,750,000	93.9%
Sponsor Equity	45,949,616	32.8	Upfront Reserves	7,749,845	5.5
			Closing Costs	749,772	0.5
Total Sources	\$140,249,616	100.0%	Total Uses	\$140,249,616	100.0%

(1) The Fidelis Portfolio mortgage loan is part of a loan evidenced by three *pari passu* notes with an aggregate original principal balance of \$94.3 million (the “**Fidelis Portfolio Whole Loan**”). The financial information presented in the chart above reflects the Cut-off Date balance of the \$94.3 million Fidelis Portfolio Whole.

(2) The borrowers under the Fidelis Portfolio Whole Loan are MK Towne Crossing Associates, LLC, RS Shopping Center Associates, LLC and VL Town Center Associates, LLC.

(3) Occupancy includes 55,613 square feet (6.3% of net rentable area) of space that is leased by five tenants, but is not yet occupied. According to the sponsor, 13,409 square feet (4.9% of net rentable area) is expected to be occupied in the fourth quarter of 2018, while the remaining 42,204 square feet (4.8% of net rentable area) is expected to be occupied in September 2019. Tenants are entitled to free rent related to the recently leased space for which the borrowers were required to escrow at origination an amount equal to approximately \$107,714, along with outstanding tenant improvements and leasing commissions in an aggregate amount equal to \$3,557,280. Additionally, Occupancy includes Staples (2.3% of net rentable area) and Mattress Firm (0.4% of net rentable area), however both tenants were underwritten as vacant.

(4) UW NOI is higher than Most Recent NOI due in part to (i) UTMB (as defined below) expanding by 42,204 square feet at the Victory Lakes Town Center Property (as defined below) with rent commencement in late 2018 (\$633,060 in underwritten base rent), (ii) Patel Brothers rent commencing in late 2018 (\$300,000 in underwritten base rent) and (iii) \$73,524 of contractual rent steps underwritten through April 2019.

(5) The as-is appraised values for the Victory Lakes Town Center Property and McKinney Towne Crossing Property (as defined below) are as of August 17, 2018. The as-is appraised value of Riverstone Shopping Center Property (as defined below) is as of August 20, 2018.

(6) For a full description of Escrows and Reserves, please refer to “Escrows and Reserves” below.

Fidelis Portfolio

The Loan. The Fidelis Portfolio Whole Loan is secured by a first mortgage lien on the borrowers' fee interest in three anchored retail shopping centers located in Texas and totaling 885,707 square feet (the "**Fidelis Portfolio Properties**"). The Fidelis Portfolio Whole Loan was originated by Starwood Mortgage Capital LLC and has an outstanding principal balance as of the Cut-off Date of approximately \$94.1 million, and is comprised of three *pari passu* notes, Note A-1, Note A-2 and Note A-3. The Fidelis Portfolio Whole Loan has a 10-year term and amortizes on a 30-year basis.

Whole Loan Summary			
Note	Original Balance	Note Holder	Controlling Piece
A-1	\$49,300,000	BBCMS 2018-C2	Yes
A-2	\$22,500,000	Starwood Mortgage Funding II, LLC	No
A-3	\$22,500,000	Starwood Mortgage Funding II, LLC	No

The Properties. The Fidelis Portfolio Properties are located in League City (the "**Victory Lakes Town Center Property**"), McKinney (the "**McKinney Towne Crossing Property**") and Missouri City (the "**Riverstone Shopping Center Property**"), Texas and total 885,707 square feet. Overall, the Fidelis Portfolio Properties are 96.5% leased by 81 tenants.

The following tables present certain information relating to the Fidelis Portfolio Properties:

Property Summary										
Property Name, Location	Year Built / Renovated	Allocated Loan Amount ("ALA")	% of ALA	Square Feet	Acquisition Price	Occ. ⁽¹⁾	UW NOI	UW NOI %	Appraised Value	% of Appraised Value
Victory Lakes Town Center 2520 Gulf Freeway South League City, TX	2006 / NAP	\$19,395,864	39.3%	370,367	\$53,000,000	99.4%	\$4,473,551	40.0%	\$56,600,000	38.3%
McKinney Towne Crossing⁽²⁾ 8800 State Highway 121 McKinney, TX	2006 / NAP	18,663,945	37.9	242,805	51,000,000	94.0	3,858,058	34.5	55,100,000	37.3
Riverstone Shopping Center 5730 Highway 6 Missouri City, TX	2005, 2006 / NAP	11,240,191	22.8	272,535	27,750,000	94.7	2,841,955	25.4	36,000,000	24.4
Total/Wtd. Avg.		\$49,300,000	100.0%	885,707	\$131,750,000	96.5%	\$11,173,564	100.0%	\$147,700,000	100.0%

(1) Information based on the underwritten rent rolls dated October 1, 2018.

(2) Occupancy at the McKinney Towne Crossing Property includes Staples (2.3% of net rentable area) and Mattress Firm (0.4% of net rentable area), however both tenants were underwritten as vacant.

The Victory Lakes Town Center Property was built in 2006, is situated on approximately 50.2 acres and has a net rentable area of 370,367 square feet. The Victory Lakes Town Center Property is currently 99.4% leased to 24 tenants and anchored by JC Penney and Hobby Lobby. Additionally, the Victory Lakes Town Center Property is shadow anchored by a Walmart and Lowe's and located in immediate proximity to Target, Home Depot, H-E-B Grocery and Cabela's. In addition, the Victory Lakes Town Center Property is home to the University of Texas Medical Branch ("**UTMB**") which offers an array of medical services. The Victory Lakes Town Center Property contains 1,593 parking spaces which equates to a parking ratio of approximately 4.30 spaces per 1,000 square feet of NRA.

The McKinney Towne Crossing Property was built in 2006, is situated on approximately 32.6 acres and has a net rentable area of 242,805 square feet. The McKinney Towne Crossing Property is currently 94.0% leased to 45 tenants and anchored by Patel Brothers. Additionally, the McKinney Towne Crossing Property is shadow anchored by a Target and Lowe's. In addition, the McKinney Towne Crossing Property is home to national tenants such as Ross Dress for Less, Petsmart, Chili's Bar & Grill, Whataburger and Chick-fil-A. The McKinney Towne Crossing Property contains 1,501 parking spaces which equates to a parking ratio of approximately 6.18 spaces per 1,000 square feet of NRA.

The Riverstone Shopping Center Property was built in 2005 and 2006, is situated on approximately 27.9 acres and has a net rentable area of 272,535 square feet. The Riverstone Shopping Center Property is currently 94.7% leased to 14 tenants and anchored by Hobby Lobby, Ross Dress for Less and Palais Royal. Additionally, the Riverstone Shopping Center Property is shadow anchored by a Target and Home Depot and located in immediate proximity to a Walmart Supercenter and Kroger. In addition, the Riverstone Shopping Center Property is home to national tenants such as Bed Bath & Beyond, Petsmart and Office Depot. The Riverstone Shopping Center Property contains 1,594 parking spaces which equates to a parking ratio of approximately 5.85 spaces per 1,000 square feet of NRA.

Fidelis Portfolio

Environmental. According to the Phase I environmental assessments dated August 29, 2018, there was no evidence of any recognized environmental conditions at the Fidelis Portfolio Properties.

	Historical and Current Occupancy ⁽¹⁾			
	2015	2016	2017	Current ⁽²⁾
Victory Lakes Town Center Property	98.3%	99.1%	99.4%	99.4%
McKinney Towne Crossing Property ⁽³⁾	78.1%	78.9%	78.9%	94.0%
Riverstone Shopping Center Property	98.9%	94.4%	96.0%	94.7%
Wtd. Avg.	92.9%	92.1%	92.7%	96.5%

(1) Historical Occupancies are as of December 31 of each respective year.

(2) Current Occupancy is as of October 1, 2018.

(3) Current Occupancy at the McKinney Towne Crossing Property includes Staples (2.3% of net rentable area) and Mattress Firm (0.4% of net rentable area), however both tenants were underwritten as vacant.

Top Ten Tenant Summary ⁽¹⁾										
Tenant	Ratings ⁽²⁾ Moody's/S&P/ Fitch	Property	Net Rentable Area (SF)	% of Total NRA	Base Rent PSF	Base Rent	% of Total Base Rent	Sales PSF	Occ. Costs	Lease Exp. Date
Hobby Lobby ⁽³⁾	NR / NR / NR	Various ⁽⁴⁾	115,971	13.1%	\$8.58	\$995,261	8.4%	\$88	14.8%	Various
JC Penney ⁽⁵⁾	NR / B- / NR	Victory Lakes Town Center	103,525	11.7	\$4.35	450,000	3.8	NAP	NAP	9/30/2033
UTMB ⁽⁶⁾	NR / NR / NR	Victory Lakes Town Center	87,615	9.9	\$15.00	1,314,225	11.1	NAP	NAP	8/30/2028
Ross Dress for Less	A3 / A- / NR	Various ⁽⁷⁾	57,863	6.5	\$9.98	577,388	4.9	NAP	NAP	Various
Petsmart	Caa3 / CCC / NR	Various ⁽⁸⁾	47,391	5.4	\$13.42	635,914	5.4	NAP	NAP	Various
LA Fitness	NR / B+ / NR	Riverstone Shopping Center	45,000	5.1	\$15.57	700,800	5.9	NAP	NAP	12/31/2020
Best Buy	Baa1 / BBB / BBB	Victory Lakes Town Center	30,038	3.4	\$15.25	458,079	3.9	NAP	NAP	1/31/2023
Patel Brothers	NR / NR / NR	McKinney Towne Crossing	30,000	3.4	\$10.00	300,000	2.5	NAP	NAP	7/31/2028
Palais Royal ⁽⁹⁾	NR / NR / NR	Riverstone Shopping Center	30,000	3.4	\$9.00	270,000	2.3	\$95	14.4%	1/31/2021
Bed Bath & Beyond	Baa3 / BB+ / NR	Riverstone Shopping Center	28,000	3.2	\$9.50	266,000	2.2	NAP	NAP	1/31/2021
Top Ten Tenants			575,403	65.0%	\$10.37	\$5,967,667	50.2%			
Non Top Ten Tenants			255,428	28.8%	\$23.14	\$5,910,768	49.8%			
Occupied Collateral Total			830,831	93.8%	\$14.30	\$11,878,434	100.0%			
Vacant Space⁽¹⁰⁾			54,876	6.2%						
Collateral Total			885,707	100.0%						

(1) Based on the underwritten rent rolls dated October 1, 2018.

(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) Sales PSF and Occ. Costs for Hobby Lobby represent the trailing 12 months ending October 2017 sales at the Riverstone Shopping Center Property only.

(4) Hobby Lobby occupies 60,971 square feet at the Riverstone Shopping Center Property under a lease with an expiration date on October 31, 2021. Additionally, Hobby Lobby occupies 55,000 square feet at the Victory Lakes Town Center Property under a lease with an expiration date on April 30, 2024.

(5) JC Penney is on a ground lease.

(6) UTMB occupies 45,411 square feet at Victory Lakes Town Center and is currently building out an additional 42,204 square feet. The sponsor expects UTMB to take occupancy of the expansion space in September 2019. At origination of the loan, the borrowers were required to escrow outstanding tenant improvements and leasing commissions in an aggregate amount equal to \$1,900,000 for UTMB's expansion space. Additionally, UTMB has the one time right to terminate its lease August 31, 2023 with 12 months' notice.

(7) Ross Dress for Less occupies 30,174 square feet at the Riverstone Shopping Center Property under a lease with an expiration date on January 31, 2021. Additionally, Ross Dress for Less occupies 27,689 square feet at the McKinney Towne Crossing Property under a lease with an expiration date on January 31, 2024.

(8) Petsmart occupies 27,404 square feet at the McKinney Towne Crossing Property under a lease with an expiration date on July 31, 2023. Additionally, Petsmart occupies 19,987 square feet at the Riverstone Shopping Center Property under a lease with an expiration date on January 31, 2022.

(9) Sales PSF and Occ. Costs for Palais Royal represent the trailing 12 months ending January 2018.

(10) Vacant Space includes Staples (2.3% of net rentable area) and Mattress Firm (0.4% of net rentable area) which are in occupancy, however, were underwritten as vacant.

Fidelis Portfolio

Lease Rollover Schedule ⁽¹⁾⁽²⁾									
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 ⁽³⁾	NAP	54,876	6.2%	NAP	NAP	54,876	6.2%	NAP	NAP
2018 & MTM	0	0	0.0	\$0	0.0%	54,876	6.2%	\$0	0.0%
2019	6	11,153	1.3	299,874	2.5	66,029	7.5%	\$299,874	2.5%
2020	14	114,527	12.9	1,983,814	16.7	180,556	20.4%	\$2,283,688	19.2%
2021	16	192,322	21.7	2,498,122	21.0	372,878	42.1%	\$4,781,809	40.3%
2022	10	48,988	5.5	965,509	8.1	421,866	47.6%	\$5,747,318	48.4%
2023	7	75,932	8.6	1,332,962	11.2	497,798	56.2%	\$7,080,281	59.6%
2024	5	101,506	11.5	1,096,380	9.2	599,304	67.7%	\$8,176,660	68.8%
2025	3	8,977	1.0	189,940	1.6	608,281	68.7%	\$8,366,600	70.4%
2026	5	11,245	1.3	315,162	2.7	619,526	69.9%	\$8,681,762	73.1%
2027	5	13,072	1.5	373,456	3.1	632,598	71.4%	\$9,055,218	76.2%
2028	5	135,154	15.3	1,974,776	16.6	767,752	86.7%	\$11,029,994	92.9%
2029 & Beyond	5	117,955	13.3	848,440	7.1	885,707	100.0%	\$11,878,434	100.0%
Total	81	885,707	100.0%	\$11,878,434	100.0%				

(1) Based on the underwritten rent rolls dated October 1, 2018.

(2) Certain tenants may have lease termination options that are exercisable prior to the originally stated expiration date of the subject lease that are not considered in the lease rollover schedule.

(3) Staples (2.3% of net rentable area) and Mattress Firm (0.4% of net rentable area) are included in physical occupancy, however both tenants were underwritten as vacant in the Lease Rollover Schedule.

Operating History and Underwritten Net Cash Flow							
	2015	2016	2017	TTM ⁽¹⁾	Underwritten	Per Square Foot	% ⁽²⁾
Rents in Place	\$11,071,283	\$11,252,201	\$11,091,728	\$11,108,190	\$11,878,434	\$13.41	68.4%
Vacant Income	0	0	0	0	1,208,572	1.36	7.0
Gross Potential Rent	\$11,071,283	\$11,252,201	\$11,091,728	\$11,108,190	\$13,087,006	\$14.78	75.3%
Total Reimbursements	3,114,133	3,190,519	3,431,168	3,359,035	4,284,224	4.84	24.7
Net Rental Income	\$14,185,416	\$14,442,720	\$14,522,896	\$14,467,225	\$17,371,230	\$19.61	100.0%
(Vacancy/Credit Loss)	0	0	0	0	(1,471,627)	(1.66)	(8.5)
Other Income	20,769	41,912	41,354	41,236	41,236	0.05	0.2
Effective Gross Income	\$14,206,185	\$14,484,632	\$14,564,250	\$14,508,461	\$15,940,840	\$18.00	91.8%
Total Expenses	\$4,358,583	\$4,345,843	\$4,398,547	\$3,996,132	\$4,767,276	\$5.38	29.9%
Net Operating Income⁽³⁾	\$9,847,602	\$10,138,789	\$10,165,703	\$10,512,329	\$11,173,564	\$12.62	70.1%
Total TI/LC, Capex/RR	0	0	0	0	575,710	0.65	3.6
Net Cash Flow	\$9,847,602	\$10,138,789	\$10,165,703	\$10,512,329	\$10,597,854	\$11.97	66.5%

(1) TTM represents the trailing 12 month period ending August 31, 2018.

(2) Percentage column represents percent of Net Rental Income for all revenue lines and represents percent of Effective Gross Income for the remainder of fields.

(3) Underwritten Net Operating Income is higher than TTM Net Operating Income due in part to (i) UTMB expanding by 42,204 square feet at the Victory Lakes Town Center Property with rent commencement in late 2018 (\$633,060 in underwritten base rent), (ii) Patel Brothers rent commencing in late 2018 (\$300,000 in underwritten base rent) and (iii) \$73,524 of contractual rent steps underwritten through April 2019.

Fidelis Portfolio

The Markets. The Victory Lakes Town Center Property is located in League City, Galveston County, Texas. The Victory Lakes Town Center Property is situated approximately 27.1 miles southeast of Houston in the NASA/Clear Lake retail submarket. According to a market report, as of November 2018, the NASA/Clear Lake retail submarket contains approximately 27.9 million square feet, and has a vacancy rate of 4.8% and asking rent of \$17.92 per square foot. The appraisal determined market rent of \$26.00 per square foot for inline space, \$30.00 per square foot for front facing space, \$35.00 per square foot for pad site space, \$15.00 per square foot for junior anchor space, \$10.00 per square foot for anchor space and \$5.00 per square foot for the JC Penney space. The appraisal identified 25 comparable quoted and leased grocery, anchor and junior anchor spaces with rental rates ranging between \$5.28 and \$26.00 per square foot. The estimated 2018 population within a one-, three- and five-mile radius of the Victory Lakes Town Center Property was 4,069, 65,260 and 138,378, respectively. The estimated 2018 average household income within a one-, three- and five-mile radius of the Victory Lakes Town Center Property was \$122,346, \$118,165 and \$121,085, respectively.

The following table presents in-line rental data with respect to comparable retail properties with respect to the Victory Lakes Town Center Property as identified in the appraisal:

Comparable In-line Summary ⁽¹⁾						
Property Name/Location	Year Built	Occ.	Size (SF)	Asking Rent PSF ⁽²⁾	Lease Term	Lease Type
Victory Lakes Town Center 2520 Gulf Freeway South League City, TX	2006	99.4%	370,367	\$12.79	-	-
League City Towne Center 3040 Gulf Freeway South League City, TX	2008	97.0%	553,158	\$14.00-\$34.00	60-120	NNN
MarketPlace at Ninety-Six 1920 West League City Parkway League City, TX	2016	90.0%	163,545	\$16.00-\$28.00	60	NNN
Bay Colony Town Center 2885 Gulf Freeway South League City, TX	2008	94.0%	513,906	\$15.00-\$26.00	36-60	NNN

(1) Source: Appraisal

(2) For the Victory Lakes Town Center Property, represents underwritten rent PSF for in-line space.

The McKinney Towne Crossing Property is located in McKinney, Collin County, Texas. The McKinney Towne Crossing Property is situated approximately 26.3 miles north of Dallas in the McKinney retail submarket. According to a market report and as of November 2018, the McKinney retail submarket contains approximately 9.2 million square feet, and has a vacancy rate of 4.8% and asking rent of \$21.64 per square foot. The appraisal determined market rent of \$28.00 per square foot for inline space, \$30.00 per square foot for front facing space, \$35.00 per square foot for pad site space, \$14.00 per square foot for junior anchor space and \$10.00 per square foot for anchor space. The appraisal identified 15 comparable leased anchor and junior anchor spaces with rental rates ranging between \$8.00 and \$22.23 per square foot. The estimated 2018 population within a one-, three- and five-mile radius of the McKinney Towne Crossing Property was 9,370, 104,330 and 325,749, respectively. The estimated 2018 average household income within a one-, three- and five-mile radius of the McKinney Towne Crossing Property was \$167,808, \$157,877 and \$137,429, respectively.

Fidelis Portfolio

The following table presents in-line rental data with respect to comparable retail properties with respect to the McKinney Towne Crossing Property as identified in the appraisal:

Comparable In-line Summary ⁽¹⁾						
Property Name/Location	Year Built	Occ.	Size (SF)	Asking Rent PSF ⁽²⁾	Lease Term	Lease Type
McKinney Towne Crossing 8800 State Highway 121 McKinney, TX	2006	94.0%	242,805	\$20.04	-	-
Cameron Crossing 1739 North Central Expressway McKinney, TX	1998	98.0%	385,855	\$18.00-\$26.00	60-120	NNN
Custer Plaza 500 North Custer Road League McKinney, TX	2007	97.0%	50,577	\$18.00-\$26.00	Negotiable	NNN
Heritage Square 1705 West University Drive McKinney, TX	1980	97.6%	75,396	\$15.00-\$27.50	36-60	NNN
380 Towne Crossing 2050 West University Drive McKinney, TX	1984	97.0%	482,742	\$22.00-\$32.00	60-120	NNN

(1) Source: Appraisal

(2) For the McKinney Towne Crossing Property, represents underwritten rent PSF for in-line space.

The Riverstone Shopping Center Property is located in Missouri City, Fort Bend County, Texas. The Riverstone Shopping Center Property is situated approximately 21.0 miles southwest of Houston in the Far New Territory retail submarket. According to a market report and as of November 2018, the Far New Territory retail submarket contains approximately 7.3 million square feet, and has a vacancy rate of 3.6% and asking rent of \$25.59 per square foot. The appraisal determined market rent of \$24.00 per square foot for inline space, \$28.00 per square foot for front facing space and between \$9.00 and \$15.00 per square foot for anchor space. The appraisal identified 25 comparable quoted and leased grocery, anchor and junior anchor spaces with rental rates ranging between \$5.28 and \$26.00 per square foot. The estimated 2018 population within a one-, three- and five-mile radius of the Riverstone Shopping Center Property was 11,050, 104,013 and 192,238, respectively. The estimated 2018 average household income within a one-, three- and five-mile radius of the Riverstone Shopping Center Property was \$177,950, \$143,751 and \$141,488, respectively.

Fidelis Portfolio

The following table presents in-line rental data with respect to comparable retail properties with respect to the Riverstone Shopping Center Property as identified in the appraisal:

Comparable In-line Summary ⁽¹⁾						
Property Name/Location	Year Built	Occ.	Size (SF)	Asking Rent PSF ⁽²⁾	Lease Term	Lease Type
Riverstone Shopping Center 5730 Highway 6 Missouri City, TX	2005, 2006	94.7%	272,535	\$11.90	-	-
Tang City Plaza 4899-B Highway 6 Missouri City, TX	2017	90.0%	89,500	\$24.00-\$30.00	60-120	NNN
Siena Crossing 9130 Highway 6 Missouri City, TX	2008	98.0%	236,250	\$24.00-\$32.00	60-120	NNN
First Colony Marketplace 4610 Highway 6 Sugar Land, TX	1993	100.0%	159,166	\$14.40-\$24.00	36-60	NNN
Market at First Colony 3591 Highway 6 Sugar Land, TX	1988	97.0%	190,320	\$15.00-\$26.00	36-60	NNN

(1) Source: Appraisal

(2) For the Riverstone Shopping Center Property, represents underwritten rent PSF for in-line space.

The Borrowers. The borrowing entities for the Fidelis Portfolio Whole Loan are MK Towne Crossing Associates, LLC, RS Shopping Center Associates, LLC and VL Town Center Associates, LLC, each a Delaware limited liability company and special purpose entity with two independent directors. Legal counsel to the borrowers delivered a non-consolidation opinion in connection with the origination of the Fidelis Portfolio Whole Loan. Alan Hassenflu is the guarantor of certain nonrecourse carve-outs under the Fidelis Portfolio Whole Loan, provided that his liability is limited to 20% of the Fidelis Portfolio Whole Loan balance for certain breaches.

The Loan Sponsor. The Fidelis Portfolio Whole Loan sponsor is Alan Hassenflu, President and Chief Executive Officer of Fidelis Realty Partners, Ltd. ("**Fidelis Realty**"). Fidelis Realty is a national retail commercial real estate developer, investor and operator headquartered in Houston, Texas with more than 60 employees. Fidelis Realty was founded in 2003 by Alan Hassenflu. Fidelis Realty's current commercial real estate portfolio consists of more than 10 million square feet located across 60 retail assets throughout Texas, New Mexico, Louisiana and Tennessee. Additionally, Fidelis Realty is the property manager for the Fidelis Portfolio Properties.

Property Management. The Fidelis Portfolio Properties are managed by Fidelis Realty, an affiliate of the borrowers.

Escrows and Reserves. At origination, the borrowers were required to deposit into escrow approximately \$3,557,280 for outstanding tenant improvements and leasing commissions, approximately \$2,477,325 for real estate taxes, \$1,500,000 for future tenant improvements and leasing commissions, approximately \$107,526 for insurance premiums and approximately \$107,714 for free rent.

Tax Escrows – On a monthly basis, the borrowers are required to escrow 1/12 of the annual estimated tax payments, which currently equates to approximately \$225,211.

Insurance Escrows - On a monthly basis, the borrowers are required to escrow 1/12 of the annual estimated insurance payments, which currently equates to approximately \$18,419.

Replacement Reserves - On a monthly basis, the borrowers are required to escrow \$11,071 for replacement reserves (approximately \$0.15 per square foot annually). In no event will the borrowers be required to escrow more than 105% of the amount paid by the borrowers during the immediately preceding calendar year for replacement reserves.

TI/LC Reserves – When the reserve falls below the cap, the borrowers are required to escrow \$21,667 (approximately \$0.29 per square foot annually) on a monthly basis for tenant improvement and leasing commission reserves. The reserve is subject to a cap of \$1,500,000 (approximately \$1.69 per square foot).

Fidelis Portfolio

Lockbox / Cash Management. The Fidelis Portfolio Whole Loan is structured with a springing lockbox and springing cash management. The Fidelis Portfolio Whole Loan requires that after the occurrence of a Sweep Event Period (as defined below), the borrowers or property manager deliver tenant direction letters to the tenants directing such tenants to pay all rents into the lockbox account. Upon the occurrence and during the continuance of a Sweep Event Period, all funds in the lockbox account are required to be swept daily to a cash management account under the control of the lender to be applied and disbursed in accordance with the Fidelis Portfolio Whole Loan documents and all excess cash flow funds remaining in the cash management account after the application of such funds in accordance with the Fidelis Portfolio Whole Loan documents are required to be held by the lender in an excess cash flow reserve account as additional collateral for the Fidelis Portfolio Whole Loan. To the extent that no Sweep Event Period is continuing, all excess cash flow funds are required to be disbursed to the Fidelis Portfolio Whole Loan borrowers. Additionally, the Fidelis Portfolio Whole Loan borrowers have a two-time right to cure a Sweep Event Period and cease making deposits into the lockbox account. Upon the commencement of a third Sweep Event Period, the Fidelis Portfolio Whole Loan borrowers will be required to open, maintain and resume causing all rents and other revenue to be deposited into the lockbox for the remainder of the term of the Fidelis Portfolio Whole Loan.

A "**Sweep Event Period**" will commence upon the earliest of the following: (i) the occurrence of an event of default or (ii) the debt service coverage ratio based on the trailing 12-month period is less than 1.15x.

A Sweep Event Period will end: with regard to clause (i), upon the cure of such event of default and the lender's acceptance of such a cure in its reasonable discretion, and with regard to clause (ii), upon the debt service coverage ratio based on the trailing 12-month period being at least 1.20x for two consecutive calendar quarters.

Subordinate and Mezzanine Debt. None

Partial Release. Commencing on the payment date in November 2019, the Fidelis Portfolio Whole Loan borrowers are permitted to obtain the release of any one individual property or more (each a "**Release Property**") as collateral for the Fidelis Portfolio Whole Loan, provided that the following conditions, among others, are satisfied: (a) no event of default or other Sweep Event Period then exists; (b) the Fidelis Portfolio Whole Loan borrowers partially prepay the Fidelis Portfolio Whole Loan (together with payment of a prepayment fee equal to the greater of 1% of the unpaid principal balance or yield maintenance) in an amount equal to the greatest of (i) 125% of the allocated loan amount for such Release Property, (ii) an amount which would result in the debt service coverage ratio on the then-remaining balance of the Fidelis Portfolio Whole Loan for the properties remaining after giving effect to the release being not less than the greater of (x) the debt service coverage ratio immediately prior to the release and (y) 1.74x, (iii) an amount which would result in the loan-to-value ratio on the then-remaining balance of the Fidelis Portfolio Whole Loan for the properties remaining after giving effect to the release being not greater than 65.0%, and (iv) an amount which would result in the debt yield on the then-remaining balance of the Fidelis Portfolio Whole Loan for the properties remaining after giving effect to the Release being not less than the greater of (x) the debt yield immediately prior to the release and (y) 11.8%; and (c) title to the Release Property will be transferred to a person or entity other than the Fidelis Portfolio Whole Loan borrowers or an affiliate of the Fidelis Portfolio Whole Loan borrowers. The allocated loan amounts, based on the Fidelis Portfolio Whole Loan, for the Victory Lakes Town Center Property, McKinney Towne Crossing Property and the Riverstone Shopping Center Property are \$37,100,000, \$35,700,000 and \$21,500,000, respectively.

Ground Lease. None.