

## U-Haul Portfolio – AREC 11



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PROPERTY NAME	ADDRESS	CITY	STATE	ZIP CODE
1 U-Haul Moving & Storage - Moreno Valley, CA	23730 Sunnymead Boulevard	Moreno Valley	CA	92553
2 U-Haul Moving & Storage - Gardena, CA	14206 South Van Ness Avenue	Gardena	CA	90249
3 U-Haul Moving & Storage - Hamden, CT	1685 Drywell Avenue	Hamden	CT	06514
4 U-Haul Moving & Storage - Syracuse, NY	740 Erie Boulevard East	Syracuse	NY	13210
5 U-Haul Moving & Storage - Phoenix, AZ	2345 East McDowell Road	Phoenix	AZ	85006
6 U-Haul Moving & Storage - Raleigh, NC	3001 Capital Boulevard	Raleigh	NC	27604
7 U-Haul Moving & Storage - Jacksonville, FL	1651 West Edgewood Avenue	Jacksonville	FL	32208
8 U-Haul Moving & Storage - Nashville, TN	3741 Arnes Avenue	Nashville	TN	37209
9 U-Haul Moving & Storage - Leominster, MA	207 Central Street	Leominster	MA	01453
10 U-Haul Moving & Storage - Pasadena, TX	3536 Red Bluff Road	Pasadena	TX	77503
11 U-Haul Moving & Storage - Evansville, IN	1209 East Riverside Drive	Evansville	IN	47714
12 U-Haul Moving & Storage - Erie, PA	5010 Buffalo Road	Erie	PA	16510
13 U-Haul Moving & Storage - Amarillo, TX	5316 Canyon Drive	Amarillo	TX	79109
14 U-Haul Moving & Storage - Garden City, ID	8151 West Chicken Boulevard	Garden City	ID	83714
15 U-Haul Moving & Storage - Milwaukee, WI	7677 West Appleton Avenue	Milwaukee	WI	53222
16 U-Haul Moving & Storage - Norfolk, VA	3609 Baby Road	Norfolk	VA	23502
17 U-Haul Moving & Storage - Oklahoma City, OK	3101 Southwest 29th Street	Oklahoma City	OK	73119
18 U-Haul Moving & Storage - Norristown, PA	1305 West Main Street	Norristown	PA	19401
19 U-Haul Moving & Storage - Albuquerque, NM	6401 Central Avenue Northeast	Albuquerque	NM	87108
20 U-Haul Moving & Storage - Wyoming, MI	2720 Burlingame Avenue Southwest	Wyoming	MI	49509
21 U-Haul Storage & Storage - Gulfport, MS	1132 Pass Road	Gulfport	MS	39501
22 U-Haul Moving & Storage - West Babylon, NY	451 Sunrise Highway	West Babylon	NY	11704
23 U-Haul Moving & Storage - Spartanburg, SC	345 Whitney Road	Spartanburg	SC	29303
24 U-Haul Moving & Storage - Hermantown, MN	4723 Miller Trunk Highway	Hermantown	MN	55811
25 U-Haul Moving & Storage - Bedford, OH	160 Broadway Avenue	Bedford	OH	44146
26 U-Haul Moving & Storage - Bloomington, IL	1206 North Main Street	Bloomington	IL	61701
27 U-Haul Moving & Storage - Dothan, AL	1402 Montgomery Highway	Dothan	AL	36301

## U-Haul Portfolio – AREC 11

### Mortgage Loan Information

<b>Mortgage Loan Seller:</b>	Barclays
<b>Original Principal Balance:</b>	\$55,000,000
<b>Cut-off Date Principal Balance:</b>	\$54,890,113
<b>% of Pool by IPB:</b>	5.4%
<b>Loan Purpose:</b>	Recapitalization
<b>Borrowers:</b>	UHIL 11, LLC and AREC 11, LLC
<b>Sponsor:</b>	AMERCO
<b>Interest Rate:</b>	4.23300%
<b>Note Date:</b>	1/14/2016
<b>Anticipated Repayment Date<sup>(1)</sup>:</b>	2/6/2026
<b>Interest-only Period:</b>	None
<b>Original Term:</b>	120 months
<b>Original Amortization:</b>	300 months
<b>Amortization Type:</b>	ARD-Balloon
<b>Call Protection:</b>	L(25),Def(91),O(4)
<b>Lockbox:</b>	CMA
<b>Additional Debt:</b>	N/A
<b>Additional Debt Balance:</b>	N/A
<b>Additional Debt Type:</b>	N/A

### Property Information

<b>Single Asset / Portfolio:</b>	Portfolio
<b>Title:</b>	Fee
<b>Property Type - Subtype:</b>	Self Storage - Self Storage
<b>Net Rentable Area (Units)<sup>(2)</sup>:</b>	7,328
<b>Location:</b>	Various, Various
<b>Year Built / Renovated:</b>	Various / Various
<b>Occupancy<sup>(2)</sup>:</b>	82.5%
<b>Occupancy Date:</b>	11/30/2015
<b>Number of Tenants:</b>	N/A
<b>2012 NOI:</b>	\$5,261,743
<b>2013 NOI:</b>	\$5,500,598
<b>2014 NOI:</b>	\$5,826,860
<b>TTM NOI (as of 11/2015):</b>	\$6,116,531
<b>UW Economic Occupancy:</b>	80.4%
<b>UW Revenues:</b>	\$9,168,594
<b>UW Expenses:</b>	\$3,058,741
<b>UW NOI:</b>	\$6,109,853
<b>UW NCF:</b>	\$5,967,454
<b>Appraised Value / Per Unit<sup>(3)</sup>:</b>	\$92,545,000 / \$12,629
<b>Appraisal Date<sup>(3)</sup>:</b>	November 2015

### Escrows and Reserves<sup>(4)</sup>

	Initial	Monthly	Initial Cap
<b>Taxes:</b>	\$379,993	Springing	N/A
<b>Insurance:</b>	\$0	Springing	N/A
<b>Replacement Reserves:</b>	\$71,200	Springing	\$71,200
<b>TI/LC:</b>	\$0	\$0	N/A
<b>Other:</b>	\$640,665	\$0	N/A

### Financial Information

<b>Cut-off Date Loan / Unit:</b>	\$7,490
<b>Maturity Date Loan / Unit<sup>(1)</sup>:</b>	\$5,452
<b>Cut-off Date LTV<sup>(3)</sup>:</b>	59.3%
<b>Maturity Date LTV<sup>(1)(3)</sup>:</b>	43.2%
<b>UW NCF DSCR:</b>	1.67x
<b>UW NOI Debt Yield:</b>	11.1%

### Sources and Uses

Sources	Proceeds	% of Total	Uses	Proceeds	% of Total
Mortgage Loan	\$55,000,000	100.0%	Return of Equity <sup>(5)</sup>	\$52,340,183	95.2%
			Closing Costs	1,567,960	2.9
			Reserves	1,091,858	2.0
<b>Total Sources</b>	<b>\$55,000,000</b>	<b>100.0%</b>	<b>Total Uses</b>	<b>\$55,000,000</b>	<b>100.0%</b>

(1) The loan is structured with an anticipated repayment date ("ARD") of February 6, 2026. In the event that the loan is not paid off on or before the ARD, the borrowers are required to make monthly payments to the lender of principal and interest in the amount of the monthly debt service payment and interest will accrue at an interest rate (the "Adjusted Interest Rate") that will be equal to the greater of (i) 7.23300% or (ii) the 10-year swap yield as of the ARD plus 5.22000%, but in no event will the Adjusted Interest Rate exceed 9.23300%. In addition, from and after the ARD, all excess cash flow from the properties will be applied, first to the reduction of the principal balance of the note until the entire outstanding principal balance of the note is paid in full, and then to the payment of accrued interest on the note until all accrued interest on the note is paid in full. The final maturity date of the loan is February 6, 2036. The Maturity Date Loan / Unit and Maturity Date LTV are calculated as of the ARD.

(2) Net Rentable Area (Units) and Occupancy include 318 units that recently came online or are under construction across the portfolio. As of November 30, 2015, the U-Haul Moving & Storage – Evansville, IN property had approximately 224 units under construction. As of January 8, 2016, all the units are complete and are available for use. The U-Haul Moving & Storage – Syracuse, NY property currently has 76 units under construction. It is expected that these units will become available in the first quarter of 2016. The U-Haul Moving & Storage – Amarillo, TX, U-Haul Moving & Storage – Gulfport, MS, U-Haul Moving & Storage – Milwaukee, WI and U-Haul Moving & Storage – Hamden, CT have a total of 18 additional units under construction. These units are included in the Net Rentable Area (Units) count, but are considered vacant for the Occupancy calculation as of November 30, 2015.

(3) CBRE, Inc. appraised the Portfolio as of November 27, 2015 on a Portfolio basis and on various dates in November 2015 on a property-by-property basis. The Portfolio value was appraised at \$102,000,000, which is reflective of the value of the Portfolio as a whole if sold in its entirety to a single buyer. The aggregate value of the individual Properties totaled \$92,545,000. The Cut-off Date LTV and Maturity Date LTV are based on the aggregate value of the individual properties. The Cut-off Date LTV and Maturity Date LTV based on the Portfolio value are approximately 53.8% and 39.2%, respectively.

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

(5) The U-Haul Portfolio – AREC 11 was previously securitized in the MSC 2005-HQ6 transaction. The loan was paid off in cash by the borrower sponsor prior to the maturity date on July 1, 2015.

## U-Haul Portfolio – AREC 11

**The Loan.** The U-Haul Portfolio – AREC 11 loan has an outstanding principal balance of \$55.0 million and is secured by a first mortgage lien on the fee interests in a 591,666 square foot, 7,328-unit self-storage portfolio consisting of 27 properties located across 23 states (the “Portfolio”). The U-Haul Portfolio – AREC 11 loan is structured with an ARD of February 6, 2026 and a final maturity date of February 6, 2036 and amortizes on a 25-year schedule. The loan was previously securitized in the MSC 2005-HQ6 transaction.

**The Borrowers.** The borrowing entities for the U-Haul Portfolio – AREC 11 loan are UHIL 11, LLC and AREC 11, LLC, each a Delaware limited liability company and special purpose entity.

**The Loan Sponsor.** The loan sponsor and nonrecourse carve-out guarantor is AMERCO (NASDAQ: UHAL), which serves as the holding company for U-Haul International, Inc. (“U-Haul”). U-Haul is one of the largest North American operators of self-storage facilities and has been serving do-it-yourself movers since its founding in 1945. U-Haul operates 1,280 self-storage locations with more than 491,000 self-storage units, comprising approximately 44.2 million square feet of storage space with locations in 49 U.S. states and 10 Canadian provinces. U-Haul locations provide customers with a variety of moving and storage supplies including self-storage, packing supplies and truck and trailer rentals. AMERCO filed for chapter 11 bankruptcy in 2003 and emerged from bankruptcy in 2004. See “Description of the Mortgage Pool - Loan Purpose; Default History, Bankruptcy Issues and Other Proceedings” in the Prospectus for additional details.

**The Portfolio.** The Portfolio is comprised of 27 cross-collateralized self-storage facilities located across 23 states with an aggregate of 7,328 units totaling approximately 591,666 square feet. There are approximately 2,068 climate-controlled units, 5,096 non climate-controlled units and 164 RV/Boat units. The properties were constructed between 1930 and 2015, with some properties renovated between 1969 and 2015. As of November 30, 2015, the Portfolio was 82.5% occupied. Excluding the 318 units that have recently come online or that will come online in the first quarter of 2016, the current occupancy would be 86.3%.

The top three states by allocated loan amount as of the Cut-off Date include California (two properties, approximately 18.0% of the Portfolio), New York (two properties, approximately 7.8% of the Portfolio) and Texas (two properties, approximately 7.3% of the Portfolio). California is the only state accounting for more than 10.0% of the Cut-off Date allocated loan amount and number of units. No other state accounts for more than approximately 7.3% of the Cut-off Date allocated loan amount or 9.5% of the number of units.

Historical and Current Occupancy <sup>(1)</sup>			
2012	2013	2014 <sup>(2)</sup>	Current <sup>(2)(3)</sup>
84.0%	85.8%	88.2%	82.5%

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

(2) The decline in Current Occupancy from 2014 is primarily as a result of 318 units that have recently come online or that will come online in the first quarter of 2016, which have been considered vacant. Excluding the 318 units that have recently come online or that will come online in the first quarter of 2016, the current occupancy would be 86.3%.

(3) Current Occupancy is as of November 30, 2015.



## U-Haul Portfolio – AREC 11

Portfolio Summary													
#	Property <sup>(1)</sup>	Year Built	Cut-off Date Balance	% of Cut-off Date Balance	Unit Type				TTM Nov. 2015 Occupancy <sup>(2)</sup>	Underwritten NCF	% of Underwritten NCF	Appraised Value <sup>(3)</sup>	% of Appraised Value <sup>(3)</sup>
					Regular	Climate Controlled	RV/ Boat	Total <sup>(2)</sup>					
1	Moreno Valley, CA	2000	\$5,089,810	9.3%	602	69	13	684	95.9%	\$560,727	9.4%	\$8,250,000	8.9%
2	Gardena, CA	1957	4,790,410	8.7	191	75	0	266	94.7%	521,371	8.7%	9,600,000	10.4%
3	Hamden, CT	1940	3,717,558	6.8	327	118	0	445	82.2%	401,132	6.7%	5,200,000	5.6%
4	Syracuse, NY	1930, 1940	3,233,527	5.9	382	89	0	471	65.4%	301,875	5.1%	4,780,000	5.2%
5	Phoenix, AZ	1973	2,794,406	5.1	1	295	24	320	94.7%	304,765	5.1%	4,600,000	5.0%
6	Raleigh, NC	1973	2,574,845	4.7	210	26	0	236	91.1%	287,840	4.8%	4,300,000	4.6%
7	Jacksonville, FL	1994	2,495,005	4.5	230	75	0	305	94.1%	286,656	4.8%	3,650,000	3.9%
8	Nashville, TN	1977	2,420,155	4.4	240	18	0	258	89.1%	265,347	4.4%	3,650,000	3.9%
9	Leominster, MA	1950	2,145,704	3.9	293	0	0	293	92.8%	232,451	3.9%	3,200,000	3.5%
10	Pasadena, TX	1979	2,095,804	3.8	277	71	0	348	97.4%	230,082	3.9%	3,170,000	3.4%
11	Evansville, IN	1980, 2015	2,045,904	3.7	407	267	0	674	38.6%	193,981	3.3%	5,780,000	6.2%
12	Erie, PA	1978	1,971,054	3.6	104	177	0	281	92.9%	241,641	4.0%	3,300,000	3.6%
13	Amarillo, TX	1978	1,926,144	3.5	178	80	93	351	78.6%	211,812	3.5%	3,400,000	3.7%
14	Garden City, ID	1980	1,921,154	3.5	151	0	34	185	89.7%	204,103	3.4%	3,720,000	4.0%
15	Milwaukee, WI	1963, 1990	1,821,354	3.3	121	45	0	166	91.0%	198,298	3.3%	2,680,000	2.9%
16	Norfolk, VA	1975	1,521,953	2.8	118	0	0	118	84.7%	165,012	2.8%	2,850,000	3.1%
17	Oklahoma City, OK	1978	1,452,093	2.6	85	100	0	185	84.9%	156,880	2.6%	2,190,000	2.4%
18	Norristown, PA	1960	1,412,173	2.6	130	137	0	267	71.5%	153,821	2.6%	2,725,000	2.9%
19	Albuquerque, NM	1975	1,407,183	2.6	123	111	0	234	79.1%	151,607	2.5%	2,100,000	2.3%
20	Wyoming, MI	1969, 1976, 1980	1,277,443	2.3	107	0	0	107	98.1%	140,134	2.3%	2,100,000	2.3%
21	Gulfport, MS	1964	1,247,503	2.3	64	151	0	215	86.5%	138,540	2.3%	2,150,000	2.3%
22	West Babylon, NY	1953	1,037,922	1.9	30	61	0	91	97.8%	112,822	1.9%	1,650,000	1.8%
23	Spartanburg, SC	1966	983,032	1.8	178	0	0	178	73.0%	109,349	1.8%	1,450,000	1.6%
24	Hermantown, MN	1979	963,072	1.8	70	67	0	137	91.2%	104,785	1.8%	1,600,000	1.7%
25	Bedford, OH	1954	948,102	1.7	181	29	0	210	92.9%	113,795	1.9%	1,400,000	1.5%
26	Bloomington, IL	1948	798,402	1.5	117	7	0	124	80.6%	90,595	1.5%	1,550,000	1.7%
27	Dothan, AL	1945	798,402	1.5	179	0	0	179	79.9%	88,032	1.5%	1,500,000	1.6%
<b>Total / Weighted Average:</b>			<b>\$54,890,113</b>	<b>100.0%</b>	<b>5,096</b>	<b>2,068</b>	<b>164</b>	<b>7,328</b>	<b>82.5%</b>	<b>\$5,967,453</b>	<b>100.0%</b>	<b>\$92,545,000</b>	<b>100.0%</b>

(1) All property names start with "U-Haul Moving & Storage," but have been removed here for presentation purposes.

(2) Excluding the 318 new additions to the portfolio, the current occupancy would be 86.3%. As of November 30, 2015, the U-Haul Moving & Storage – Evansville, IN property had approximately 224 units under construction. As of January 8, 2016, all the units are complete and are available for use. These units are included in the Total Unit Type count, but are considered vacant for the Occupancy calculation as of November 30, 2015. Excluding the 224 units under construction, the occupancy would be 57.8%. The U-Haul Moving & Storage – Syracuse, NY property currently has 76 units under construction. It is expected that these units will become available in the first quarter of 2016. These units are included in the Total Unit Type count, but are considered vacant for the Occupancy calculation as of November 30, 2015. Excluding the 76 units under construction, the occupancy would be 78.0%. The U-Haul Moving & Storage – Amarillo, TX, U-Haul Moving & Storage – Gulfport, MS, U-Haul Moving & Storage – Milwaukee, WI and U-Haul Moving & Storage – Hamden, CT have a total of 18 additional units under construction, which have been considered vacant for the occupancy calculation as of November 30, 2015.

(3) CBRE, Inc. appraised the Portfolio as of November 27, 2015 on a Portfolio basis and on various dates in November 2015 on a property-by-property basis. The Portfolio value was appraised at \$102,000,000, which is reflective of the value of the Portfolio as a whole if sold in its entirety to a single buyer. The aggregate value of the individual Properties totaled \$92,545,000.

## U-Haul Portfolio – AREC 11

### Geographic Summary

State	Cut-off Date ALA	% of ALA	Property Count	Units	RV / Boat Spaces	Square Feet	Occupancy <sup>(1)</sup>	% Climate- Controlled	Underwritten NCF	% of Underwritten NCF
California	\$9,880,220	18.0%	2	950	13	63,240	95.6%	2.0%	\$1,082,098	18.1%
New York	4,271,449	7.8	2	562	0	34,532	70.6%	2.0%	414,697	6.9
Texas	4,021,948	7.3	2	699	93	63,507	88.0%	2.1%	441,894	7.4
Connecticut	3,717,558	6.8	1	445	0	33,207	82.2%	1.6%	401,132	6.7
Pennsylvania	3,383,227	6.2	2	548	0	41,289	82.5%	4.3%	395,462	6.6
Arizona	2,794,406	5.1	1	320	24	24,950	94.7%	4.0%	304,765	5.1
North Carolina	2,574,845	4.7	1	236	0	19,450	91.1%	0.4%	287,840	4.8
Florida	2,495,005	4.5	1	305	0	25,794	94.1%	1.0%	286,656	4.8
Tennessee	2,420,155	4.4	1	258	0	19,375	89.1%	0.2%	265,347	4.4
Massachusetts	2,145,704	3.9	1	293	0	22,152	92.8%	0.0%	232,451	3.9
Other	17,185,595	31.3	13	2,712	34	244,170	73.9%	10.6%	1,855,111	31.1
<b>Total / Wtd. Avg.</b>	<b>\$54,890,113</b>	<b>100.0%</b>	<b>27</b>	<b>7,328</b>	<b>164</b>	<b>591,666</b>	<b>82.5%</b>	<b>28.2%</b>	<b>\$5,967,453</b>	<b>100.0%</b>

(1) Occupancy is as of November 30, 2015. Occupancy calculations include 318 units that have recently come online or that will come online in the first quarter of 2016, which have been considered vacant.

**Moreno Valley, CA.** The U-Haul Moving & Storage – Moreno Valley, CA property consists of four one-story buildings featuring drive-up access in addition to secured access indoor storage. The property is a 40,067 square foot, 684-unit self-storage facility located in Moreno Valley, California, located in the northwestern section of Riverside County. The property is accessible by the 60 Freeway via ramps at Heacock Street. Heacock Street is a major commercial artery providing access through Moreno Valley. Situated on a 4.20-acre site, the property was originally constructed in 2000. Since January 2009, occupancy at the property has ranged from 76.7% to 99.1%. The area surrounding the property represents a mix of industrial and commercial uses including retail and residential developments. According to the appraisal, the trade area consisting of a one-, three-, and five-mile radius contained 24,893, 139,373 and 232,402 people, respectively, with a median household income of \$36,818, \$46,984 and \$53,277, respectively, as of 2015.

**Gardena, CA.** The U-Haul Moving & Storage – Gardena, CA property consists of two one-story buildings comprised of 23,173 square feet and 266 units. The property is a self-storage facility located in Gardena, California, situated east of the 110 Freeway, connecting the property to the Los Angeles Harbor area and downtown Los Angeles. Situated on a 4.20-acre site, the property was originally constructed in 1957 and subsequently renovated in 2006. Since January 2009, occupancy at the property has ranged from 85.3% to 99.2%. The area surrounding the property consists primarily of multifamily housing with some industrial businesses and commercial properties. According to the appraisal, the trade area consisting of a one-, three-, and five-mile radius contained 40,482, 309,074 and 769,785 people, respectively, with a median household income of \$43,762, \$45,546 and \$47,338, respectively, as of 2015.

**Hamden, CT.** The U-Haul Moving & Storage – Hamden, CT property is a single-story, 33,207 square foot, 445-unit self-storage facility located in Hamden, Connecticut, approximately ten miles north of the New Haven central business district. Situated on a 1.84-acre site, the property was originally constructed in 1940 as an industrial facility, but was subsequently converted to a self-storage facility. Since January 2009, occupancy at the property has ranged from 60.9% to 89.0%. The area surrounding the property consists primarily of commercial and industrial properties, with some multifamily housing. According to the appraisal, the trade area consisting of a one-, three-, and five-mile radius contained 15,420, 91,740 and 218,397 people, respectively, with a median household income of \$62,191, \$54,995 and \$49,331, respectively, as of 2015.

**Syracuse, NY.** The U-Haul Moving & Storage – Syracuse, NY property is a 28,763 square foot, 471-unit self-storage facility consisting of one eight-story building and another single-story building, situated within downtown Syracuse, New York and north of Syracuse University. Situated on a 0.73-acre site, the property was originally constructed in 1930 and 1940 and 76 new self-storage units were recently added to the sixth floor of the eight-story building. Since January 2009, occupancy at the property has ranged from 65.4% to 99.2%. The building's height makes it highly visible from Interstate 81 and Interstate 390. The area surrounding the property consists primarily of mixed use projects, Syracuse University and some multifamily housing. According to the appraisal, the trade area consisting of a one-, three-, and five-mile radius contained 26,046, 144,773 and 223,167 people, respectively, with a median household income of \$19,510, \$33,864 and \$41,411, respectively, as of 2015.

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**Phoenix, AZ.** The U-Haul Moving & Storage – Phoenix, AZ property is a 24,950 square foot, 320-unit self-storage facility consisting of six, one-story buildings located in Phoenix, Arizona, approximately three miles east of the Phoenix central business district. Situated on a 3.07-acre site, the property was originally constructed in 1973. Since January 2009, occupancy at the property has ranged from 64.4% to 97.2%. The tenant mix at the property is approximately comprised of residential (70.0%), commercial (20.0%), student (5.0%) and military (5.0%). The area surrounding the property represents multifamily, commercial and some industrial uses. According to the appraisal, the trade area consisting of a one-, three-, and five-mile radius contained 24,520, 137,791 and 289,478 people, respectively, with a median household income of \$22,769, \$30,821 and \$34,412, respectively, as of 2015.

**Raleigh, NC.** The U-Haul Moving & Storage – Raleigh, NC property is a 19,450 square foot, 236-unit self-storage facility consisting of four, single-story buildings located in Raleigh, North Carolina, approximately four miles northeast of the Raleigh central business district. Situated on a 6.56-acre site, the property was originally constructed in 1973 and subsequently expanded in 1993. Since January 2009, occupancy at the property has ranged from 76.3% to 97.0%. The tenant mix at the property is approximately comprised of residential (70.0%), commercial (20.0%), student (5.0%) and military (5.0%). The area surrounding the property consists primarily of commercial uses and multifamily housing. According to the appraisal, the trade area consisting of a one-, three-, and five-mile radius contained 7,978, 86,360 and 209,772 people, respectively, with a median household income of \$51,144, \$46,724 and \$49,750, respectively, as of 2015.

**Jacksonville, FL.** The U-Haul Moving & Storage – Jacksonville, FL property is a 25,794 square foot, 305-unit self-storage facility consisting of four single-story buildings and one, two-story building located in Jacksonville, Florida, approximately six miles north of the Jacksonville central business district. Situated on a 2.17-acre site, the property was originally constructed in 1994. Since January 2009, occupancy at the property has ranged from 70.6% to 96.7%. The tenant mix at the property is approximately comprised of residential (70.0%), commercial (20.0%), student (5.0%) and military (5.0%). The property is south of US Highway 1 and east of Interstate 95. The area surrounding the property is predominantly single-unit residential and multifamily housing, with some commercial and industrial uses. According to the appraisal, the trade area consisting of a one-, three-, and five-mile radius contained 6,804, 70,494 and 148,758 people, respectively, with a median household income of \$32,453, \$25,244 and \$27,831, respectively, as of 2015.

**Nashville, TN.** The U-Haul Moving & Storage – Nashville, TN property is a single-story, 19,375 square foot, 258-unit self-storage facility located in Nashville, Tennessee. Situated on a 1.78-acre site, the property was originally constructed in 1977. Since January 2009, occupancy at the property has ranged from 77.4% to 99.6%. The area surrounding the property consists primarily of multifamily housing and some agricultural, commercial and industrial uses. According to the appraisal, the trade area consisting of a one-, three-, and five-mile radius contained 8,336, 39,156 and 119,615 people, respectively, with a median household income of \$39,390, \$50,132 and \$51,614, respectively, as of 2015.

Operating History and Underwritten Net Cash Flow							
	2012	2013	2014	TTM <sup>(1)</sup>	Underwritten	Per Unit	% <sup>(2)</sup>
Rents in Place <sup>(3)</sup>	\$5,649,721	\$6,002,202	\$6,426,767	\$6,845,731	\$7,166,972	\$978	83.4%
Vacant Income	0	0	0	0	1,421,532	194	16.6
<b>Gross Potential Rent</b>	<b>\$5,649,721</b>	<b>\$6,002,202</b>	<b>\$6,426,767</b>	<b>\$6,845,731</b>	<b>\$8,588,504</b>	<b>\$1,172</b>	<b>100.0%</b>
Reimbursements	0	0	0	0	0	0	0.0
<b>Net Rental Income</b>	<b>\$5,649,721</b>	<b>\$6,002,202</b>	<b>\$6,426,767</b>	<b>\$6,845,731</b>	<b>\$8,588,504</b>	<b>\$1,172</b>	<b>100.0%</b>
(Vacancy/Credit Loss)	0	0	0	0	(1,682,143)	(230)	(19.6)
Other Income <sup>(4)</sup>	2,237,375	2,298,753	2,300,991	2,261,165	2,262,233	309	26.3
<b>Effective Gross Income</b>	<b>\$7,887,096</b>	<b>\$8,300,955</b>	<b>\$8,727,758</b>	<b>\$9,106,896</b>	<b>\$9,168,594</b>	<b>\$1,251</b>	<b>106.8%</b>
<b>Total Expenses</b>	<b>\$2,625,354</b>	<b>\$2,800,357</b>	<b>\$2,900,898</b>	<b>\$2,990,365</b>	<b>\$3,058,741</b>	<b>\$417</b>	<b>33.4%</b>
<b>Net Operating Income</b>	<b>\$5,261,743</b>	<b>\$5,500,598</b>	<b>\$5,826,860</b>	<b>\$6,116,531</b>	<b>\$6,109,853</b>	<b>\$834</b>	<b>66.6%</b>
Total TI/LC, Capex/RR	59,167	59,167	59,167	59,167	142,399	19	1.6
<b>Net Cash Flow</b>	<b>\$5,202,576</b>	<b>\$5,441,431</b>	<b>\$5,767,693</b>	<b>\$6,057,365</b>	<b>\$5,967,454</b>	<b>\$814</b>	<b>65.1%</b>

(1) The TTM column represents the trailing 12-months ending on November 30, 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) Rents in Place consist of storage income.

(4) Other Income includes net sales, U-Box net income, U-Move net commission, intercompany lease income and third party lease income, forfeited deposits, late charges, lock fees, shipping fees, insurance fees, truck rental fees and other miscellaneous charges.

## U-Haul Portfolio – AREC 11

**Property Management.** The Portfolio will be managed by various affiliates of the borrowers.

**Escrows and Reserves.** At origination, the borrowers deposited into escrow approximately \$640,665 for required repairs, \$379,993 for real estate taxes and \$71,200 for replacement reserves.

**Tax Escrows** - The requirement for the borrowers to make monthly deposits into the tax escrow is waived so long as no event of default exists and the borrowers deposit and maintain an amount sufficient to pay taxes for six months.

**Insurance Escrows** - The requirement for the borrowers to make deposits to the insurance escrow is waived so long as no event of default has occurred and is continuing and the borrowers provide satisfactory evidence that the properties are insured as part of a blanket policy in accordance with the loan documents.

**Replacement Reserves** - The requirement for the borrowers to make monthly deposits of \$11,867 (approximately \$19.43 per unit annually) into the replacement reserve escrow is waived so long as the amounts in the reserve are equal to or exceed \$71,200 (approximately \$9.72 per unit).

**Lockbox / Cash Management.** The U-Haul Portfolio – AREC 11 loan is structured with a CMA lockbox. The borrowers are required to cause the property managers to deposit all revenues into the lockbox account controlled by the lender. Funds deposited into the deposit account will be disbursed to the borrower's operating account until the occurrence of a Cash Sweep Event (as defined below). During a Cash Sweep Event, the funds in the deposit account will be swept to a segregated cash management account under the control of the lender. After the occurrence and during the continuance of a Cash Sweep Event, the funds in the deposit account will be disbursed in accordance with the loan documents.

A "Cash Sweep Event" means the occurrence of (i) an event of default; (ii) a DSCR Trigger Event (as defined below); (iii) a Tax/Insurance Trigger Event (as defined below); (iv) any involuntary bankruptcy action of the borrower or bankruptcy action of the property manager or (v) an Extension Term Trigger Event (as defined below).

A "DSCR Trigger Event" means the trailing twelve-month debt service coverage ratio calculated in accordance with the loan documents is less than 1.15x for two consecutive calendar quarters and will end if the trailing-twelve month debt service coverage ratio calculated in accordance with the loan documents is at least 1.25x for four consecutive calendar quarters.

A "Tax/Insurance Trigger Event" means (i) the borrowers fail to provide timely evidence of the payment of taxes or (ii) the borrowers fail to provide timely evidence that the properties are insured according to provisions of the loan documents.

An "Extension Term Trigger Event" means the payment date that is three payment dates prior to the ARD, if the loan has not been repaid in full.

**After Acquired Adjacent Property.** The borrowers will have the right to acquire the fee simple estate in vacant land that is adjacent and contiguous to an existing mortgaged property, *provided* that, among other conditions, the borrowers provide the lender with: (i) an environmental report showing no hazardous materials or risk of contamination at the adjacent property, (ii) a new title insurance policy and current survey covering the property, (iii) evidence that the adjacent property is insured in accordance with the loan documents and (iv) evidence that the property is acquired for cash (i.e., without the incurrence of any debt). Any such after acquired adjacent property will be encumbered by the lien of the mortgage on the related mortgaged property.

**After Acquired Leasehold Property.** The borrowers will have the right to acquire a leasehold estate in property that is not contiguous to an existing mortgaged property that is operated as a storage facility, *provided* that, among other conditions: (i) the borrowers deliver an environmental report showing no hazardous materials or risk of contamination from any off-site hazardous materials, a current survey and evidence that the property is insured in accordance with the loan documents, (ii) a fee simple title in the acquired property is owned by an affiliate of the guarantor, (iii) the borrowers shall have executed and delivered to the lender a lease in the form attached to the loan agreement, which will not be recorded and (iv) the leased property is operated only as a remote storage facility, U-Box storage facility or vehicle storage facility with no office, showroom, retail or administrative uses. Any such after acquired leasehold property will be encumbered by the lien of the mortgage on the related mortgaged property.

**Partial Releases.** None.

**Environmental Issue.** The environmental assessment(s) delivered at origination of the loan identified some properties where Phase II evaluations were required for further investigation of environmental activities. In lieu of performing Phase II evaluations, the borrowers have obtained an additional \$5.0 million environmental insurance policy and executed an environmental indemnity. The borrowers have added the lender as an additional named insured to the environmental policy. See "*Description of the Mortgage Pool – Environmental Considerations*" in the Prospectus for additional details.