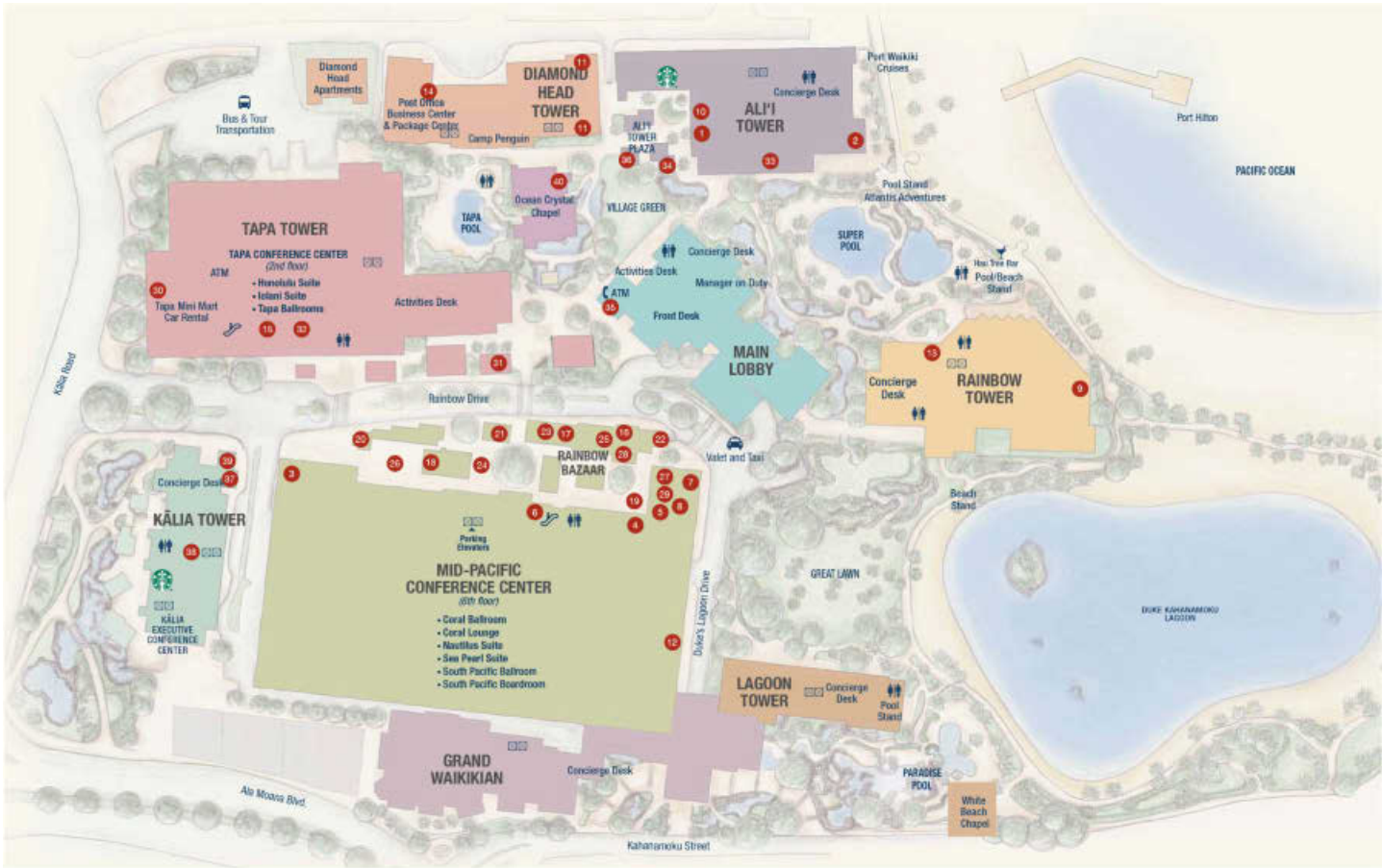




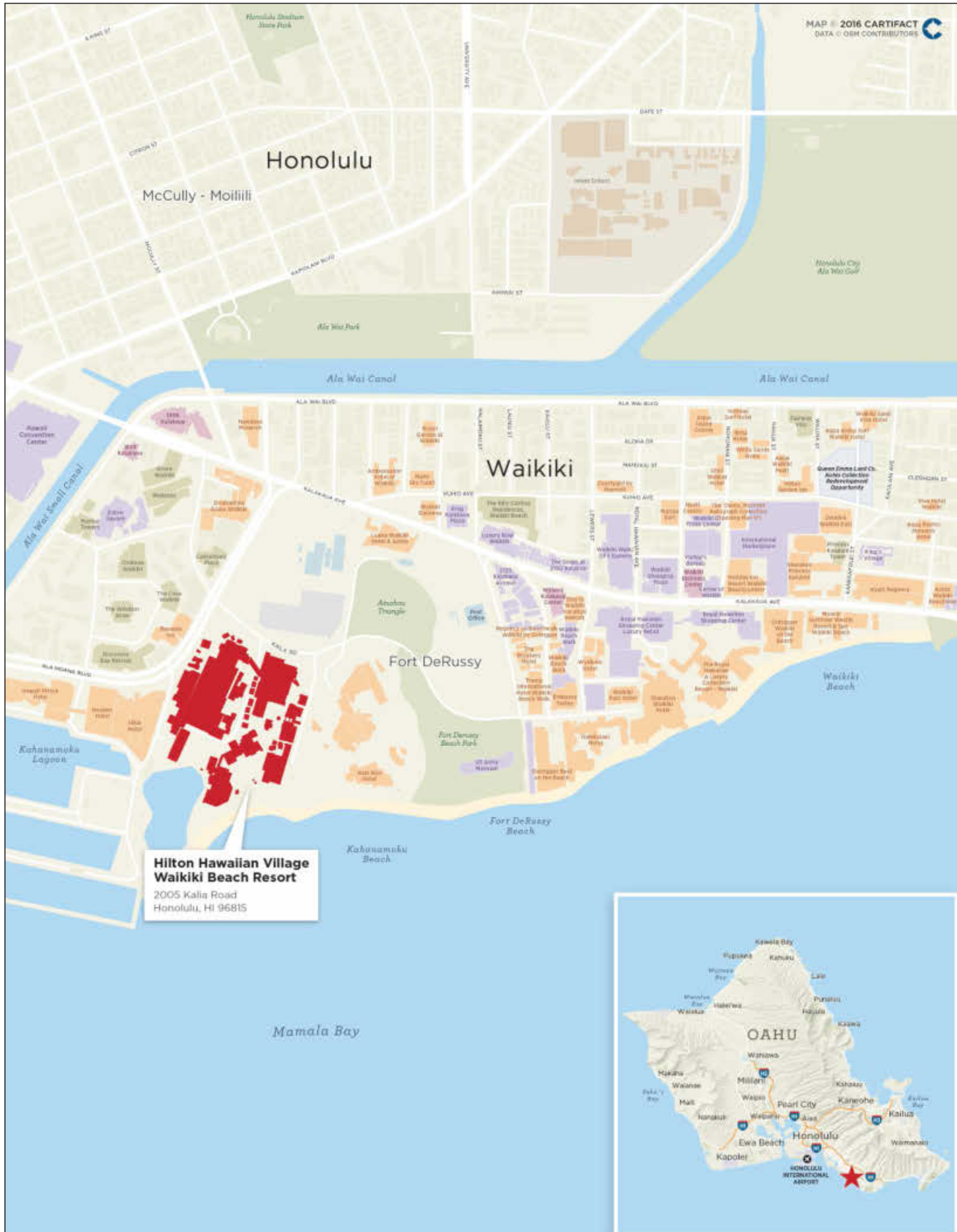


LOAN #8: HILTON HAWAIIAN VILLAGE WAIKIKI BEACH RESORT



Pina Hawaii	1	Round Table Pizza	8	ABC Discount Store	15	Kona Mountain Coffee	22	Tropical Wear	29	Moana Quilts	36
Tropics Bar & Grill	2	DQ Orange Julius	9	Adonia (new location)	16	Maxim Jewelry	23	Blue Ginger	30	Aloha Ukulele	37
Benihana of Tokyo	3	Kariz	10	Crazy Shirts	17	Na Hoku	24	LeSportsac	31	Mandara Spa	38
CJ's New York Style Delicatessen	4	Lamonts & Whalers General Store	11	Elephant Walk	18	Pacific Harley Davidson	25	Oro Gold Cosmetics	32	Maui Clothing Company	39
Fresco Restaurant (2nd Floor)	5	Leon of Copenhagen	12	Gifts of Hawaii-Courtyard Café	19	The Pearl Factory	26	Boutique Sharon	33	Lani International Lounge	40
Hatsuhana Hawaii	6	Rainbow Fashion & Boutique	13	Honolua Surf Boys & Men	20	Poseidon Jewelry	27	Crazy Fish	34		
Lappert's Aloha Ice Cream	7	Xerox Business Center	14	Honolulu Cookie Company	21	Tori Richard	28	Maui Divers Luxury Collection	35		

## LOAN #8: HILTON HAWAIIAN VILLAGE WAIKIKI BEACH RESORT



## LOAN #8: HILTON HAWAIIAN VILLAGE WAIKIKI BEACH RESORT

Mortgaged Property Information		Mortgage Loan Information	
Number of Mortgaged Properties	1	Loan Seller	GACC
Location (City/State)	Honolulu, Hawaii	Cut-off Date Balance <sup>(2)</sup>	\$60,000,000
Property Type	Hospitality	Cut-off Date Balance per Room <sup>(1)</sup>	\$243,566.43
Size (Rooms)	2,860	Percentage of Initial Pool Balance	4.5%
Total TTM Occupancy as of 9/30/2016	94.6%	Number of Related Mortgage Loans	None
Owned TTM Occupancy as of 9/30/2016	94.6%	Type of Security	Fee Simple / Leasehold
Year Built / Latest Renovation	1961 / 2016	Mortgage Rate	4.19950%
Appraised Value	\$2,230,000,000	Original Term to Maturity (Months)	120
Appraisal Date	8/30/2016	Original Amortization Term (Months)	NAP
Borrower Sponsor	Park Intermediate Holdings LLC	Original Interest Only Period (Months)	120
Property Management	Hilton Management LLC	First Payment Date	12/1/2016
		Maturity Date	11/1/2026
Underwritten Revenues	\$374,437,742		
Underwritten Expenses	\$226,873,258		
Underwritten Net Operating Income (NOI)	\$147,564,484		
Underwritten Net Cash Flow (NCF)	\$132,586,975		
Cut-off Date LTV Ratio <sup>(1)</sup>	31.2%		
Maturity Date LTV Ratio <sup>(1)</sup>	31.2%		
DSCR Based on Underwritten NOI / NCF <sup>(1)</sup>	4.98x / 4.47x		
Debt Yield Based on Underwritten NOI / NCF <sup>(1)</sup>	21.2% / 19.0%		

Sources and Uses					
Sources	\$	%	Uses	\$	%
Senior Loan Amount	\$696,600,000	54.6%	Loan Payoff	\$1,255,912,700	98.5%
Junior Loan Amount	578,400,000	45.4	Principal Equity Distribution <sup>(3)</sup>	10,621,760	0.8
			Closing Costs	8,465,540	0.7
Total Sources	\$1,275,000,000	100.0%	Total Uses	\$1,275,000,000	100.0%

(1) Calculated based on the aggregate outstanding principal balance of the *pari passu* senior notes of the Hilton Hawaiian Village Waikiki Beach Resort Loan Combination totaling \$696,600,000. The Hilton Hawaiian Village Waikiki Beach Resort Loan Combination is comprised of 16 senior *pari passu* senior notes with an aggregate original principal balance of \$696,600,000 and five junior notes with an aggregate original principal balance of \$578,400,000.

(2) The Cut-off Date Balance of \$60,000,000 represents the non-controlling note A-2-B-1 of a \$1,275,000,000 loan combination evidenced by 21 *pari passu* notes: 16 senior notes, which have an aggregate principal balance of \$696,600,000 and are evidenced by: (i) the controlling note A-1-A and the non-controlling notes A-1-B, A-1-C, A-1-D and A-1-E, which have an aggregate outstanding principal balance as of the Cut-off Date of \$171,600,000 and were contributed to the Hilton USA Trust 2016-HHV securitization transaction, (ii) the non-controlling note A-2-A-1, which has an outstanding principal balance as of the Cut-off Date of \$94,000,000 and was contributed to the JPMCC 2016-JP4 securitization transaction, (iii) the non-controlling notes A-2-A-2, A-2-A-3 and A-2-A-4, which have an aggregate outstanding principal balance of \$142,250,000, are currently held by JPMorgan Chase Bank, National Association or an affiliate and are expected to be contributed to one or more future securitization transactions, (iv) the non-controlling note A-2-B-2, which has an outstanding principal balance as of the Cut-off Date of \$56,625,000, is currently held by Deutsche Bank AG, New York Branch or an affiliate and is expected to be contributed to one or more future securitization transactions, (v) the non-controlling note A-2-B-3, which has an outstanding principal balance as of the Cut-off Date of \$56,625,000 and was contributed to the CFCRE 2016-C7 securitization transaction, (vi) the non-controlling notes A-2-D-1 and A-2-D-2, which have an aggregate outstanding principal balance as of the Cut-off Date of \$63,000,000 and were contributed to the MSBAM 2016-C32 securitization transaction and (vii) the non-controlling notes A-2-E-1 and A-2-E-2, which have an aggregate outstanding principal balance as of the Cut-off Date of \$52,500,000 and were contributed to the WFCM 2016-C37 securitization transaction, and five junior notes which have an aggregate original principal balance of \$578,400,000. The principal equity distribution was used to fund any working capital requirements of the Hilton Hawaiian Village Waikiki Beach Resort Property and distribute the balance, if any, to the borrower, which may distribute such amount to its direct or indirect owners.

(3) The principal equity distribution returned equity to the borrower and thereafter was utilized by affiliates of Park Hotels & Resorts to prepay other outstanding CMBS loans.

- **The Mortgage Loan.** The mortgage loan (the “**Hilton Hawaiian Village Waikiki Beach Resort Loan**”) is part of a loan combination (the “**Hilton Hawaiian Village Waikiki Beach Resort Loan Combination**”) evidenced by 16 senior *pari passu* notes and 5 subordinate notes that are together secured by a first mortgage encumbering the borrower's fee simple and leasehold interest in a 2,860-room full service beachfront resort located in Waikiki, Honolulu on the Island of Oahu, Hawaii (the “**Hilton Hawaiian Village Waikiki Beach Resort Property**”). The Hilton Hawaiian Village Waikiki Beach Resort Loan, which is evidenced by note A-2-B-1, represents a non-controlling interest in the Hilton Hawaiian Village Waikiki Beach Resort Loan Combination, had an original principal balance of \$60,000,000, has an outstanding balance of as of the Cut-off Date of \$60,000,000 and represents approximately 4.5% of the Initial Pool Balance. The subordinate companion loans totaling \$578,400,000 (collectively, the “**Hilton Hawaiian Village Waikiki Beach Resort Junior Companion Loans**”) which were contributed to the Hilton USA Trust 2016-HHV transaction and 15 senior companion loans (collectively, the “**Hilton Hawaiian Village Waikiki Beach Resort Senior Companion Loans**”) and, together with the **Hilton Hawaiian Village Waikiki Beach Resort Junior Companion Loans**, the “**Hilton Hawaiian Village Waikiki Beach Resort Companion Loans**”). The Hilton Hawaiian Village Waikiki Beach Resort Senior Companion Loans are evidenced by (i) the controlling note A-1-A and the non-controlling notes A-1-B, A-1-C, A-1-D and A-1-E, which have an aggregate outstanding principal balance as of the Cut-off Date of \$171,600,000, which were contributed to the Hilton USA Trust 2016-HHV securitization transaction, (ii) the non-controlling note A-2-A-1, which has an outstanding principal balance as of the Cut-off Date of \$94,000,000 and was contributed to the JPMCC 2016-JP4 securitization transaction, (iii) the non-controlling notes A-2-A-2, A-2-A-3 and A-2-A-4 which have an aggregate outstanding principal balance of \$142,250,000, are currently held by JPMorgan Chase Bank, National Association (“**JPMCB**”) or an affiliate and are expected to be contributed to one or more future securitization transactions, (iv) the non-controlling note A-2-B-2, which has an outstanding principal balance as of the Cut-off Date of \$56,625,000, is currently held by Deutsche Bank AG, New York Branch (“**DBNY**”) or an affiliate and is expected to be contributed to one or more future securitizations, (v) the non-controlling note A-2-B-3, which has an outstanding principal balance as of the Cut-off Date of \$56,625,000 and was contributed to the CFCRE 2016-C7 securitization transaction, (vi) the non-controlling notes A-2-D-1 and A-2-D-2, which have an aggregate outstanding principal balance as of the Cut-off Date of \$63,000,000 and were contributed to the MSBAM 2016-C32 securitization transaction and (vii) the non-controlling notes A-2-E-1 and A-2-E-2, which have an aggregate outstanding principal

balance as of the Cut-off Date of \$52,500,000 and were contributed to the WFCM 2016-C37 securitization transaction. The Hilton Hawaiian Village Waikiki Beach Resort Loan Combination, which has an interest rate of 4.19950% *per annum*, was co-originated by JPMCB, DBNY, Goldman Sachs Mortgage Company, Barclays Bank PLC and Morgan Stanley Bank, N.A. on October 24, 2016. The proceeds of the Hilton Hawaiian Village Waikiki Beach Resort Loan Combination were primarily used to refinance existing debt on the Hilton Hawaiian Village Waikiki Beach Resort Property, pay loan origination costs, and return equity to the borrower, which was thereafter utilized by affiliates of Park Hotels & Resorts Inc. ("**Park Hotels & Resorts**") to prepay other outstanding CMBS loans. The Hilton Hawaiian Village Waikiki Beach Resort Loan Combination will be serviced under the Hilton USA Trust 2016-HHV Trust and Servicing Agreement. See "*Description of the Mortgage Pool – The Loan Combinations*" in the Prospectus for more information regarding the co-lender agreement that governs the relative rights of the holders of the Hilton Hawaiian Village Waikiki Beach Resort Loan and the Hilton Hawaiian Village Waikiki Beach Resort Companion Loans.

The Hilton Hawaiian Village Waikiki Beach Resort Loan had an initial term of 120 months and has a remaining term of 117 months as of the Cut-off Date and is interest only throughout the entire term. The scheduled maturity date of the Hilton Hawaiian Village Waikiki Beach Resort Loan is the due date in November 2026. Provided that no event of default has occurred and is continuing under the Hilton Hawaiian Village Waikiki Beach Resort Loan documents, at any time after the date that is the earlier to occur of (i) two years after the closing date of the securitization that includes the last *pari passu* note to be securitized and (ii) May 1, 2019, the Hilton Hawaiian Village Waikiki Beach Resort Loan may be either (x) defeased with certain direct full faith and credit obligations of the United States of America or other obligations which are "government securities" permitted under the Hilton Hawaiian Village Waikiki Beach Resort Loan documents or (y) prepaid in full, provided the applicable prepayment is accompanied by payment of the greater of 1% of the amount prepaid or a yield maintenance premium (as described in the Hilton Hawaiian Village Waikiki Beach Resort Loan documents). Provided that no event of default has occurred and is continuing under the Hilton Hawaiian Village Waikiki Beach Resort Loan documents, voluntary prepayment of the Hilton Hawaiian Village Waikiki Beach Resort Loan without a prepayment premium or yield maintenance charge is permitted on or after May 1, 2026.

- **The Mortgaged Property.** The Hilton Hawaiian Village Waikiki Beach Resort Property is a 2,860-room full service resort situated on an entire city block overlooking Waikiki Beach on the island of Oahu in Hawaii. The resort was initially constructed by Hilton in 1961 and most recently renovated in 2016. The Hilton Hawaiian Village Waikiki Beach Resort Property is located on 18.95 acres, offers panoramic views of Waikiki Beach, Diamond Head and Downtown Honolulu and is located near attractions such as the Waikiki Beach Walk Shops, Honolulu Convention Center and Ala Wai Golf Course.

The resort is one of Hawaii's premier urban resort destinations, featuring 2,860 guest rooms spread across five ocean front towers. The Hilton Hawaiian Village Waikiki Beach Resort Property is the only self-contained destination resort in Waikiki and offers the largest guest room inventory in the state of Hawaii and the most meeting space within its competitive set. The resort offers a variety of resort-style amenities and services, including 20 food and beverage outlets, over 150,000 SF of flexible indoor and outdoor function space, three conference centers, five swimming pools, a saltwater lagoon, spa grottos, the Mandara Spa and Fitness Center, a chapel and over 100 retail tenants.

Guest rooms are situated across five ocean front towers: the Ali'i Tower (348 rooms), the Diamond Head Tower (380 rooms) and the three Village Towers, comprised of the Rainbow Tower (796 rooms), Kalia Tower (315 rooms) and the Tapa Tower (1,021 rooms). Each guest room features a private balcony, 27-37" flat-screen televisions with cable, in-room controlled air conditioning, and in-room refrigerators.

Guest Room Mix	
Room Type	
Resort	829
Partial Ocean View	415
Ocean View	928
Ocean Front	513
Suites	175
<b>Total Guest Rooms</b>	<b>2,860</b>
Kings	1,078
Doubles	1,607
Queen	175

The resort also features approximately 130,489 SF of leased Class A retail and restaurant space, which was 78.5% occupied by over 100 tenants as of September 2016. For the trailing 12-month period ending September 30, 2016, the retail component of the resort generated approximately \$20.8 million in retail rental revenue and, net of related expenses, accounted for approximately 13.1% of net cash flow (as estimated by the borrower sponsor), providing diversity to traditional hotel revenue streams. The borrower has the right to obtain the separate release of the retail component of the Hilton Hawaiian Village Waikiki Beach Resort Property or portions thereof, as described below under "Release of Collateral".

Since 2008, the Hilton Hawaiian Village Waikiki Beach Resort Property has undergone approximately \$232.2 million (\$81,188 per room) in capital improvements. Most recently, the borrower sponsor invested over \$17.9 million towards a comprehensive renovation of the 380-room Diamond Head Tower in 2014. The scope of the hard good upgrades included new FF&E, paint, new door hardware and ADA upgrades. Soft upgrades included renovations to the bathrooms. Additionally, the borrower sponsor spent \$20.6 million on a full scale renovation of the Ali'i Tower that was completed in 2012.

The following table presents certain information relating to the 2015 demand analysis with respect to the Hilton Hawaiian Village Waikiki Beach Resort Property based on market segmentation, as provided in the appraisal for the Hilton Hawaiian Village Waikiki Beach Resort Property:

**2015 Accommodated Room Night Demand<sup>(1)</sup>**

Property	Wholesale	Transient	Meeting & Group
Hilton Hawaiian Village Waikiki Beach Resort Property	37%	44%	19%

(1) Source: Appraisal.

## LOAN #8: HILTON HAWAIIAN VILLAGE WAIKIKI BEACH RESORT

- **Operating History and Underwritten Net Cash Flow.** The following table presents certain information relating to the historical operating performance and the Underwritten Net Cash Flow, on an aggregate basis and per room, at the Hilton Hawaiian Village Waikiki Beach Resort Property:

### Cash Flow Analysis<sup>(1)</sup>

	2013	2014	2015	TTM 9/30/2016	Underwritten	Underwritten \$ per Room
Room Revenue	\$232,345,007	\$246,124,088	\$237,172,233	\$247,711,744	\$247,034,700	\$86,376
F&B Revenue	56,844,007	62,740,100	70,771,369	69,023,623	68,996,667	24,125
Retail – Store Rentals <sup>(2)</sup>	19,071,361	20,048,658	20,582,018	20,786,062	19,162,812	6,700
Other Revenue <sup>(3)</sup>	16,714,514	17,176,781	38,265,602	39,466,009	39,243,564	13,722
<b>Total Revenue</b>	<b>\$324,974,888</b>	<b>\$346,089,627</b>	<b>\$366,791,222</b>	<b>\$376,987,438</b>	<b>\$374,437,742</b>	<b>\$130,922</b>
Room Expense	\$55,976,889	\$59,766,137	\$62,515,991	\$64,556,543	\$64,380,098	\$22,511
Food & Beverage Expense	45,055,100	48,831,676	56,658,889	56,716,914	56,028,348	19,590
Other Expense	7,418,538	7,148,334	7,483,496	6,425,274	6,371,608	2,228
<b>Total Departmental Expense</b>	<b>\$108,450,526</b>	<b>\$115,746,148</b>	<b>\$126,658,376</b>	<b>\$127,698,731</b>	<b>\$126,780,054</b>	<b>\$44,329</b>
Total Undistributed Expense	61,997,168	64,229,329	62,250,540	64,897,454	62,099,714	21,713
Total Management Fees	17,783,281	19,036,711	20,311,371	21,868,482	21,056,417	7,362
Total Fixed Charges	12,780,083	13,373,036	14,161,563	15,550,153	16,937,073	5,922
<b>Total Operating Expenses</b>	<b>\$201,011,057</b>	<b>\$212,385,223</b>	<b>\$223,381,851</b>	<b>\$230,014,820</b>	<b>\$226,873,258</b>	<b>\$79,326</b>
<b>Net Operating Income</b>	<b>\$123,963,830</b>	<b>\$133,704,404</b>	<b>\$143,409,371</b>	<b>\$146,972,618</b>	<b>\$147,564,484</b>	<b>\$51,596</b>
FF&E	12,998,996	13,843,585	14,671,649	15,079,498	14,977,510	5,237
<b>Net Cash Flow</b>	<b>\$110,964,835</b>	<b>\$119,860,819</b>	<b>\$128,737,723</b>	<b>\$131,893,120</b>	<b>\$132,586,975</b>	<b>\$46,359</b>
<b>Occupancy</b>	<b>89.9%</b>	<b>90.7%</b>	<b>94.4%</b>	<b>94.6%</b>	<b>94.6%</b>	
<b>NOI Debt Yield<sup>(4)</sup></b>	<b>17.8%</b>	<b>19.2%</b>	<b>20.6%</b>	<b>21.1%</b>	<b>21.2%</b>	
<b>NCF DSCR<sup>(4)</sup></b>	<b>3.74x</b>	<b>4.04x</b>	<b>4.34x</b>	<b>4.45x</b>	<b>4.47x</b>	

- (1) Certain items such as interest expense, interest income, depreciation, amortization, debt service payments and any other non-recurring or non-operating items were excluded from the historical presentation and are not considered for the underwritten cash flow.
- (2) Underwritten Retail - Store Rentals is based off of the in-place rent roll as of September 2016 for the leased retail space at the Hilton Hawaiian Village Waikiki Beach Resort Property and includes base rent (with rent steps through November 2017), overage rent and reimbursements for common area maintenance (including insurance), real estate taxes and marketing expense.
- (3) Other Revenue consists of telephone revenue, parking revenue, resort fee (beginning in 2015), recreation revenue, health club revenue, water sports, beach and pool revenue and miscellaneous revenue.
- (4) Debt service coverage ratios and debt yields shown are based on the aggregate balance of the Hilton Hawaiian Village Waikiki Beach Resort Loan and the Hilton Hawaiian Village Waikiki Beach Resort Senior Companion Loans and exclude the Hilton Hawaiian Village Waikiki Beach Resort Junior Companion Loans.

- **Appraisal.** According to the appraisal, the Hilton Hawaiian Village Waikiki Beach Resort Property had an “as-is” appraised value of \$2,230,000,000 as of August 30, 2016.

Appraisal Approach	Value	Discount Rate	Capitalization Rate
Direct Capitalization Approach	\$2,230,000,000	N/A	6.2%
Discounted Cash Flow Approach	\$2,237,700,000	8.5%	6.5% <sup>(1)</sup>

- (1) Represents the terminal capitalization rate.

- **Environmental Matters.** According to a Phase I environmental report, dated October 17, 2016, there are no recommendations for further action at the Hilton Hawaiian Village Waikiki Beach Resort Property other than the continued implementation of an asbestos operations and maintenance plan and lead paint operations and maintenance plan.
- **Market Overview and Competition.** The Hilton Hawaiian Village Waikiki Beach Resort Property is located on the island of Oahu in the Honolulu market and the Waikiki submarket. The island of Oahu serves as an economic center of the Hawaiian Islands. Oahu is a tourist destination offering many cultural venues, golf courses, restaurants, retail and recreational attractions.

According to the appraisal, Honolulu comprises a strong lodging market in Oahu and among all of the eight Hawaiian islands, a status attributable to a temperate year-round climate, popularity as one of the leading leisure destinations of Hawaii, strong visitor infrastructure and high barriers to new supply. Honolulu encompasses more than 24,000 guest rooms in 74 properties and, between 2009 and 2015, consistently achieved occupancy rates in the mid 70% to 80% range, never dropping below 74%. During this same period, RevPAR in Honolulu increased at an average annual rate of 9.5%, ending 2015 at \$190, and the average daily rate achieved a premium of \$69 over 2009. The market's RevPAR in 2009, which represented the trough during the economic downturn, reflects a 14.6% decline relative to 2007.



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According to a state government tourism authority, approximately 5.3 million tourists, or 62.4% of Hawaii's total air tourists, visited the island of Oahu in 2015, making it the most popular destination of the Hawaii islands. Additionally, visitor expenditures in Oahu totaled \$7.4 billion, which represents 49.3% of total expenditures by air visitors to Hawaii in 2015.

The appraisal identified two hotels either recently opened or currently under construction in the Waikiki submarket that are expected to have some degree of competitive interaction with the Hilton Hawaiian Village Property. The 623-room Hilton Garden Inn (Ohana Waikiki West Redevelopment) opened in June 2016, while the 230-room boutique Hyatt Centric (Waikiki Trade Center Redevelopment) is expected to open in March 2017. Though offered at a competitive price-point with national brand affiliations, the appraisal notes that both options are non-beachfront locations with select-service product offerings.

The following table presents certain information relating to historical occupancy, ADR and RevPAR at the Hilton Hawaiian Village Waikiki Beach Resort Property and its competitive set, as provided in a travel research report for the Hilton Hawaiian Village Waikiki Beach Resort Property:

### Historical Statistics<sup>(1)</sup>

	Hilton Hawaiian Village Waikiki Beach Resort Property			Competitive Set <sup>(2)</sup>			Penetration		
	2014	2015	TTM 9/30/2016	2014	2015	TTM 9/30/2016	2014	2015	TTM 9/30/2016
Occupancy	90.3%	93.1%	94.6%	87.9%	86.6%	89.9%	102.7%	107.4%	105.3%
ADR	\$236.62	\$236.03	\$250.09	\$249.55	\$255.18	\$259.08	94.8%	92.5%	96.5%
RevPAR	\$213.70	\$219.67	\$236.65	\$219.41	\$221.08	\$232.92	97.4%	99.4%	101.6%

(1) Source: September 2016 travel research report.

(2) The competitive set consists of the Sheraton Hotel Waikiki, Sheraton Hotel Princess Kaiulani, Moana Surfrider Westin Resort & Spa, Hyatt Regency Waikiki Resort & Spa, Outrigger Waikiki Beach Resort, Outrigger Reef Waikiki Beach Resort and the Marriott Waikiki Beach Resort & Spa.

### Hilton Hawaiian Village Waikiki Beach Resort Property Competitive Set<sup>(1)</sup>

Property	Number of Rooms	Year Built
Hilton Hawaiian Village Waikiki Beach Resort	2,860	1961
Sheraton Waikiki	1,636	1971
Marriott Waikiki Beach Resort & Spa	1,310	1971
Hyatt Regency Waikiki Beach Resort & Spa	1,230	1976
Moana Surfrider Westin Resort & Spa	791	1901-1969
<b>Total<sup>(2)</sup></b>	<b>4,967</b>	

(1) Source: Appraisal

(2) Total excludes the Hilton Hawaiian Village Waikiki Beach Resort Property.

- **The Borrower.** The borrower is Hilton Hawaiian Village LLC, a single-purpose, single-asset entity. Legal counsel to the borrower delivered a non-consolidation opinion in connection with the origination of the Hilton Hawaiian Village Waikiki Beach Resort Loan. The non-recourse carve-out guarantor is Park Intermediate Holdings LLC, a wholly owned subsidiary of Park Hotels & Resorts, provided that any related recourse liability is subject to a cap of 10% of the then outstanding principal balance of the Hilton Hawaiian Village Waikiki Beach Resort Loan plus any reasonable third party collection costs actually incurred by lender. In addition, Park Intermediate Holdings LLC is not a party to the environmental indemnity, and in lieu of such indemnity, the borrower obtained environmental insurance.

Park Hotels & Resorts is the subject of one of two spin-offs announced by Hilton Worldwide Holdings Inc. ("Hilton"). On February 26, 2016, Hilton announced plans to separate into three independent, publicly traded companies: Park Hotels & Resorts Inc. (NYSE: PK), Hilton Grand Vacations Inc. (NYSE: HGV) and Hilton (NYSE: HLT). The restructuring was completed in January 2017.

## LOAN #8: HILTON HAWAIIAN VILLAGE WAIKIKI BEACH RESORT

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The property management agreement is with Hilton Management LLC and became effective upon the restructuring and expires on December 31 of the 30th full operating year following the date of the restructuring.

- **Escrows.** No upfront reserves were taken at origination for the Hilton Hawaiian Village Waikiki Beach Resort Loan Combination. On each due date, the borrower is required to fund the following reserves with respect to the Hilton Hawaiian Village Waikiki Beach Resort Loan: (i) 4.0% of gross income for the calendar month that is two months prior to such payment date (however, such deposits are required to be waived if the property manager is making deposits into a manager reserve account for the Hilton Hawaiian Village Waikiki Beach Resort Property for the payment of replacements in accordance with the provisions of the management agreement) and (ii) during the occurrence of a Low Debt Yield Trigger (as defined below) or if an event of default is continuing, one-twelfth of the estimated annual real estate taxes and insurance premiums, unless such amounts are held in reserve by the property manager. However, provided that no event of default has occurred and is continuing, the requirement to deposit the monthly amount for insurance premiums is waived so long as the borrower is insured under an acceptable blanket policy.
- **Lockbox and Cash Management.** The Hilton Hawaiian Village Waikiki Beach Resort Loan Combination is structured with a hard lockbox and in-place cash management. All rents and other payments are required to be deposited directly into segregated property accounts maintained by the borrower and, after the restructuring, the operating lessee, as applicable, and controlled by the lender. All revenues in the property accounts (less any property account charges and any required minimum peg balance) are required to be transferred on each business day to operating accounts maintained by the borrower and, after the restructuring, operating lessee, as applicable, and controlled by the lender. Funds on deposit in the operating accounts are required to be disbursed in accordance with the Hilton Hawaiian Village Waikiki Beach Resort Loan documents for payments required under the management agreement. On a monthly basis, all remaining funds on deposit in the operating accounts are required to be deposited into a lender controlled cash management account and held as additional collateral for the Hilton Hawaiian Village Waikiki Beach Resort Loan Combination. So long as no event of default or Low Debt Yield Trigger (as defined below) is continuing, all funds in the cash management account are required to be released to operating lessee and/or the borrower, as applicable, not later than the business day immediately following the date such funds are deposited by the property manager. Upon the occurrence of an event of default or a Low Debt Yield Trigger, all funds in the cash management account are required to be deposited into the lender controlled excess cash account and applied as provided in the Hilton Hawaiian Village Waikiki Beach Resort Loan documents. The borrower and/or the operating lessee, as applicable, has granted a security interest in the manager replacement reserve account, the operating account and the property accounts (and the property manager has consented to the same); provided, that such amounts on deposit in the such accounts will be available for use by the property manager in accordance with the management agreement following an event of default and the lender may not apply such amounts on deposit in such accounts to the Hilton Hawaiian Village Waikiki Beach Resort Loan Combination. Upon consummation of the restructuring, the cash management structure will become bifurcated to account for the operating lease structure.

A “**Low Debt Yield Trigger**” will commence upon the debt yield falling below 7.0% for two consecutive quarters. A Low Debt Yield Trigger will cease and all funds held by the lender will be released to operating lessee and/or the borrower, as applicable, if (i) no event of default is continuing and (ii) the debt yield exceeds 7.00% for two consecutive quarters.

Following the lockout period, the borrower is permitted to prepay the Hilton Hawaiian Village Waikiki Beach Resort Loan Combination in part to cure a Low Debt Trigger Period, which is required to be accompanied by the applicable yield maintenance premium if prior to the open period.

## LOAN #8: HILTON HAWAIIAN VILLAGE WAIKIKI BEACH RESORT

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- **Property Management.** The Hilton Hawaiian Village Waikiki Beach Resort Property is managed by Hilton Management LLC, an affiliate of the borrower. Upon consummation of the restructuring, the borrower is required to deliver a substitute management agreement with Hilton Management LLC. The property manager is not expected to be affiliated with the borrower after the restructuring.
- **Current Mezzanine or Secured Subordinate Indebtedness.** The Hilton Hawaiian Village Waikiki Beach Resort Loan includes junior notes, with an aggregate principal balance of \$578.4 million. The junior notes are coterminous with the senior notes and accrue interest at a rate of 4.19950%. The senior notes are generally senior in right of payment to the junior notes.
- **Future Mezzanine or Secured Subordinate Indebtedness.** Not permitted.
- **Condominium.** The portion of the Hilton Hawaiian Village Waikiki Beach Resort Property known as Kalia Tower is a condominium building in which the borrower owns 14 hotel condominium units (on floors 5-11 and 19-25). The remaining floors consist of six timeshare units that are not part of the collateral for the Hilton Hawaiian Village Waikiki Beach Resort Loan Combination, but there are several agreements in place governing shared use of common facilities. The borrower controls the condominium board and is responsible for maintenance of the Kalia Tower.
- **Ground Lease.** The borrower has a leasehold interest in approximately 5,900 SF that contains a small apartment building with 45 rental units pursuant to a ground lease that expires on July 31, 2035. The ground lease currently requires monthly rent of approximately \$12,762 from August 1, 2016 through July 31, 2017, on which date the annual monthly payment will increase by 3% each year through 2035.
- **Release of Collateral.** The Hilton Hawaiian Village Waikiki Beach Resort Loan documents permit, after the expiration of the lockout period, the release from the lien of the mortgage of a portion of the Hilton Hawaiian Village Waikiki Beach Resort Property (the “**Taran Outparcel**”), provided, among other things, the borrower pays a release price of \$2,500,000 together with the applicable yield maintenance premium.

In addition, the Hilton Hawaiian Village Waikiki Beach Resort Loan documents permit, after the expiration of the lockout period, the release of retail and other parcels at the Hilton Hawaiian Village Waikiki Beach Resort Property provided, among other things the release does not materially and adversely affect the ongoing operations of the Hilton Hawaiian Village Waikiki Beach Resort Property (other than the lost income associated with the parcels being released) and the borrower pays a release price equal to the product of, (1) with respect to the release of any retail parcels (which are identified in the loan documents) (a) 110% and (b) the product of (i) the greater of (A) 100% of the difference in value of the Hilton Hawaiian Village Waikiki Beach Resort Property including the release parcel and excluding the release parcel (based on a new appraisal) or (B) the net sales proceeds and (ii) 57.2%, together with the applicable yield maintenance premium and (2) with respect to the release of any other parcels (excluding the Taran Outparcel and excluding any identified retail parcels), (a) 110% and (b) the product of (i) 100% of difference in value of the Hilton Hawaiian Village Waikiki Beach Resort Property including the release parcel and excluding the release parcel (based on a new appraisal) and (ii) 57.2%, together with the applicable yield maintenance premium.

With respect to each partial release described above, the borrower is not required to pay a yield maintenance premium during the open period for the Hilton Hawaiian Village Waikiki Beach Resort Loan Combination. In addition, in the event that after any partial release contemplated above, the loan to value ratio for the Hilton Hawaiian Village Waikiki Beach Resort Loan Combination is greater than 125%, such release will not be permitted unless the borrower pays down the Hilton Hawaiian Village Waikiki Beach Resort Loan Combination in accordance with the loan documents or the lender receives an opinion of counsel that the issuing entity will not fail to maintain its status as a REMIC as a result of the release.

- **Terrorism Insurance.** The borrower is required to obtain an all risk insurance policy which includes insurance for acts of terrorism in an amount equal to the lesser of (1) 100% of the full replacement cost and (2) the amount otherwise required for such insurance, which is the lesser of (x) actual replacement value and (y) \$1,300,000,000 per occurrence, and is also required to obtain business income insurance for a 24 month period of indemnity, which includes insurance against acts of terrorism, in each case to the extent such insurance is commercially available (provided that such all risk and business income insurance is subject to a cap equal to the lesser of \$1,275,000,000 and the amount of the all risk coverage described above); provided, that if the Terrorism Risk Insurance Program Reauthorization Act of 2015 (as the same may be amended, restated, supplemented or otherwise modified from time to time) ("**TRIPRA**") is in effect, and continues to cover both foreign and domestic acts of terrorism, the lender is required to accept terrorism insurance with coverage against "covered acts" within the meaning of TRIPRA. If TRIPRA is not in effect or is modified, which results in a material increase in terrorism insurance premiums or there is a disruption in the terrorism insurance marketplace as the result of a terrorism event which results in a material increase in terrorism insurance premiums for properties located in the United States, the borrower will be required to carry terrorism insurance provided that it is commercially available, however the borrower is not required to pay insurance premiums with respect to such terrorism insurance in excess of the Terrorism Cap (defined below).

The "**Terrorism Cap**" means two times the amount of the then-current annual insurance premiums payable by the borrower for the property and business interruption insurance policies insuring only the Hilton Hawaiian Village Waikiki Beach Resort Property (excluding the terrorism, earthquake, and windstorm components of such insurance).