

MARINA HEIGHTS STATE FARM

The Marina Heights State Farm total debt capital structure is shown below:

Marina Heights State Farm Total Debt Capital Structure

Marina Heights State
Farm Whole Loan

		Cumulative Amount Per SF	Loan-to- Purchase Price ⁽¹⁾	Cut-off Date LTV Ratio ⁽²⁾	Underwritten In-Place NOI / NCF Debt Yield ⁽³⁾	Underwritten In-Place NOI / NCF DSCR ⁽³⁾	Adjusted Underwritten NOI / NCF Debt Yield ⁽⁴⁾	Adjusted Underwritten NOI / NCF DSCR ⁽⁴⁾
Marina Heights State Farm Loan \$27,500,000 Note A-1-C2	Marina Heights State Farm Companion Loans \$532,500,000 Note A-1-S, Note A-1-C1, Note A- 2-C1, Note A-2-C2, Note A-2-C3, Note A-2-C4 and Note A-2-C5	\$275.69	58.4%	58.3%	9.4% / 9.4%	2.62x / 2.62x	11.3% / 11.3%	3.13x / 3.12x
Implied Borrower Sponsor Equity ⁽²⁾ \$400,000,000		\$472.61	-	-	-	-	-	-

- (1) Based on total consideration of approximately \$958.2 million, including \$560.0 million of loan proceeds, approximately \$375.7 million of cash from JDM and an imputed equity contribution from Transwestern of \$22.5 million.
- (2) Based on the Appraised Value of \$960,000,000 as of November 20, 2017, as determined by the appraisal.
- (3) Calculated based on Underwritten In-Place NOI of \$52,901,590 and Underwritten In-Place NCF of \$52,901,590. See "Cash Flow Analysis" in this Term Sheet for a description of Underwritten In-Place NOI and Underwritten In-Place NCF.
- (4) Calculated based on Adjusted Underwritten NOI of \$63,333,156 and Adjusted Underwritten NCF of \$63,137,233. See "Cash Flow Analysis" in this Term Sheet for a description of Adjusted Underwritten NOI and Adjusted Underwritten NCF.

Ten Largest Tenants Based on Underwritten Base Rent

Tenant Name	Credit Rating (Fitch/MIS/S&P) ⁽¹⁾	Tenant GLA	% of GLA	UW Base Rent	% of Total UW Base Rent	UW Base Rent \$ per SF	Lease Expiration	Renewal / Extension Options
State Farm Building B	NR / NR / AA	575,639	28.3%	\$15,265,946	28.9%	\$26.52	12/31/2042	4, 5-year options, 2, 10-year options
State Farm Building E	NR / NR / AA	426,902	21.0	11,321,441	21.4	26.52	12/31/2032	4, 5-year options, 2, 10-year options
State Farm Building D	NR / NR / AA	370,332	18.2	9,821,205	18.6	26.52	12/31/2035	4, 5-year options, 2, 10-year options
State Farm Building A	NR / NR / AA	347,851	17.1	9,225,009	17.5	26.52	12/31/2037	4, 5-year options, 2, 10-year options
State Farm Building C	NR / NR / AA	245,370	12.1	6,507,212	12.3	26.52	12/31/2039	4, 5-year options, 2, 10-year options
MarinaLink (State Farm)	NR / NR / AA	7,154	0.4	182,427	0.3	25.50	3/31/2027	2, 5-year options
Mountainside Fitness	NR / NR / NR	17,485	0.9	174,850	0.3	10.00	3/31/2027	1, 5-year option
Honor Health	NR / NR / NR	5,736	0.3	123,496	0.2	21.53	7/31/2027	1, 5-year option
Compass - Cafe 450	NR / NR / NR	6,610	0.3	69,446	0.1	10.51	12/31/2031	1, 5-year option
Compass - Matt's Big Breakfast	NR / NR / NR	5,007	0.2	52,605	0.1	10.51	12/31/2031	1, 5-year option
Ten Largest Tenants		2,008,086	98.9%	\$52,743,637	99.9%	\$26.27		
Remaining Tenants		12,719	0.6	54,846	0.1	4.31		
Vacant Spaces		10,488	0.5	0	0.0	0.00		
Totals / Wtd. Avg. Tenants		2,031,293	100.0%	\$52,798,483	100.0%	\$26.13		

- (1) Ratings for State Farm leases are those for State Farm Mutual Automobile Insurance Company, the tenant on each State Farm lease.

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The following table presents certain information relating to the lease rollover schedule at the Marina Heights State Farm Property based on initial lease expiration dates:

Lease Expiration Schedule

Year Ending December 31,	Expiring Owned GLA	% of Owned GLA	Cumulative % of Owned GLA	UW Base Rent	% of Total UW Base Rent	UW Base Rent \$ per SF	# of Expiring Leases ⁽¹⁾
MTM	0	0.0%	0.0%	\$0	0.0%	\$0.00	0
2018	0	0.0	0.0%	0	0.0	0.00	0
2019	0	0.0	0.0%	0	0.0	0.00	0
2020	0	0.0	0.0%	0	0.0	0.00	0
2021	0	0.0	0.0%	0	0.0	0.00	0
2022	0	0.0	0.0%	0	0.0	0.00	0
2023	0	0.0	0.0%	0	0.0	0.00	0
2024	0	0.0	0.0%	0	0.0	0.00	0
2025 ⁽²⁾	915	0.0	0.0%	0	0.0	0.00	1
2026 ⁽²⁾	6,621	0.3	0.4%	0	0.0	0.00	3
2027	30,375	1.5	1.9%	480,773	0.9	15.83	3
2028	0	0.0	1.9%	0	0.0	0.00	0
2029 & Thereafter	1,982,894	97.6	99.5%	52,317,710	99.1	26.38	11
Vacant	10,488	0.5	100.0%	0	0.0	0.00	0
Total / Wtd. Avg.	2,031,293	100.0%		\$52,798,483	100.0%	\$26.13	18

(1) Some tenants have more than one lease.

(2) Includes total of 7,536 SF which pertains to the management office, which does not pay rent or reimbursements at the Marina Heights State Farm Property.

The following table presents certain information relating to historical occupancy at the Marina Heights State Farm Property:

Historical Leased %⁽¹⁾

2015	2016
NAP	NAP

(1) Historical occupancy is not available as the Marina Heights State Farm Property was constructed between 2015 to 2017. Historical occupancy information was not provided in connection with the sale leaseback transaction.

- **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 at the Marina Heights State Farm Property:

Cash Flow Analysis⁽¹⁾

	Borrower Sponsor Budget (11/2018)	Underwritten In-Place⁽²⁾	Adjusted Underwritten⁽²⁾	Adjusted Underwritten \$ per SF
Base Rental Revenue	\$51,595,814	\$52,798,483	\$52,798,483	\$25.99
Contractual Rent Steps ⁽³⁾	0	0	11,242,393	5.53
Overage / Percentage Rent	48,000	0	0	0.00
Total Reimbursement Revenue	17,862,446	17,819,370	19,919,069	9.81
Market Revenue from Vacant Units	0	0	300,493	0.15
Gross Revenue	\$69,506,260	\$70,617,853	\$84,260,438	\$41.48
Vacancy / Credit Loss ⁽⁴⁾	0	0	(1,100,423)	(0.54)
Effective Gross Revenue	\$69,506,260	\$70,617,853	\$83,160,015	\$40.94
Total Operating Expenses ⁽⁵⁾	\$17,716,262	\$17,716,262	\$19,826,859	\$9.76
Net Operating Income	\$51,789,998	\$52,901,590	\$63,333,156	\$31.18
TI/LC	0	0	53,733	0.03
Capital Expenditures	0	0	142,191	0.07
Net Cash Flow	\$51,789,998	\$52,901,590	\$63,137,233	\$31.08

(1) Historical financial information is not available as the Marina Heights State Farm Property was constructed from 2015 to 2017.

(2) Underwritten cash flow based on contractual rents as of December 7, 2017 and contractual rent steps through January 31, 2019.

(3) Reflects the net present value of future contractual rent steps for investment grade tenants using a discount rate of 7%.

(4) Reflects 1.0% vacancy for State Farm space, supported by long-term investment grade tenancy; in-place economic vacancy for retail space of 21.2%; and 0% vacancy on management office space.

(5) Includes the average of ground rent expense over the Marina Heights State Farm Whole Loan term, which is required to be reimbursed by the tenants.