

VILLAGE SQUARE



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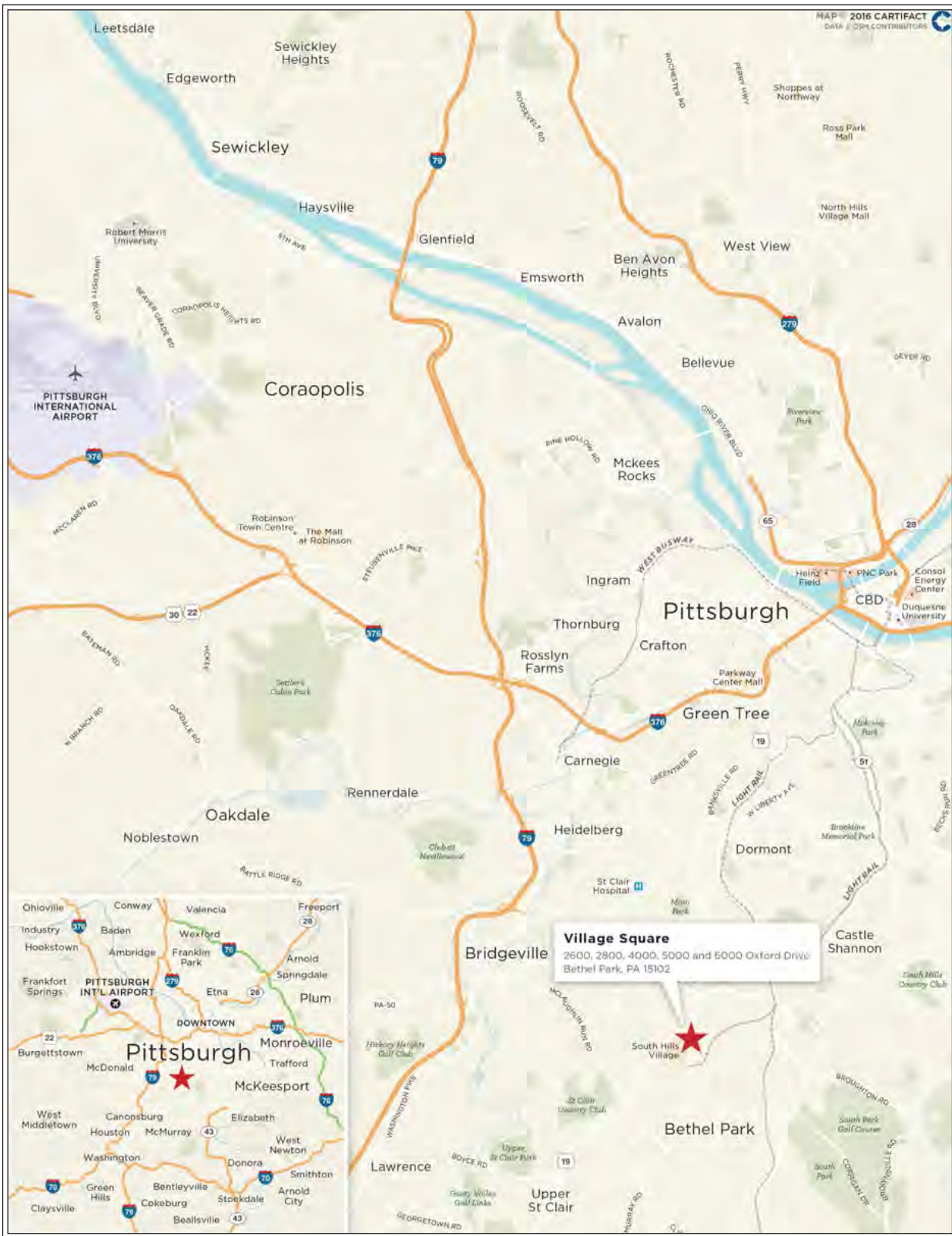
Level 1



Level 2



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Mortgaged Property Information		Mortgage Loan Information	
Number of Mortgaged Properties	1	Loan Seller	GSMC
Location (City/State)	Bethel Park, Pennsylvania	Cut-off Date Principal Balance	\$39,500,000
Property Type	Retail	Cut-off Date Principal Balance per SF	\$100.55
Size (SF)	392,854	Percentage of Initial Pool Balance	3.8%
Total Occupancy as of 6/1/2016	100.0%	Number of Related Mortgage Loans	None
Owned Occupancy as of 6/1/2016	100.0%	Type of Security	Fee Simple
Year Built / Latest Renovation	1982 / 1997	Mortgage Rate	4.2130%
Appraised Value	\$58,100,000	Original Term to Maturity (Months)	120
		Original Amortization Term (Months)	360
		Original Interest Only Period (Months)	24
		Escrows	
Underwritten Revenues	\$5,933,650	Taxes	Upfront \$119,272 Monthly \$119,272
Underwritten Expenses	\$2,431,511	Insurance	\$0
Underwritten Net Operating Income (NOI)	\$3,502,139	Replacement Reserves ⁽¹⁾	\$0
Underwritten Net Cash Flow (NCF)	\$3,242,448	TI/LC ⁽²⁾	\$360,000
Cut-off Date LTV Ratio	68.0%	Other	\$0
Maturity Date LTV Ratio	57.6%		
DSCR Based on Underwritten NOI / NCF	1.51x / 1.40x		
Debt Yield Based on Underwritten NOI / NCF	8.9% / 8.2%		

Sources and Uses					
Sources	\$	%	Uses	\$	%
Loan Amount	\$39,500,000	100.0%	Loan Payoff	\$38,182,167	96.7%
			Closing Costs	526,444	1.3
			Reserves	479,272	1.2
			Principal Equity Distribution	312,117	0.8
Total Sources	\$39,500,000	100.0%	Total Uses	\$39,500,000	100.0%

(1) Replacement reserves are capped at \$250,000. See “—Escrows” below.

(2) TI/LC reserves are capped at \$900,000. See “—Escrows” below.

- **The Mortgage Loan.** The mortgage loan (the “**Village Square Loan**”) is evidenced by a note in the original principal amount of \$39,500,000 and is secured by a first mortgage encumbering the borrower’s fee simple interest in a retail property located in Bethel Park, Pennsylvania (the “**Village Square Property**”). The Village Square Loan was originated by Goldman Sachs Mortgage Company on September 30, 2016 and represents approximately 3.8% of the Initial Pool Balance. The note evidencing the Village Square Loan has an outstanding principal balance as of the Cut-off Date of \$39,500,000 and an interest rate of 4.2130% *per annum*. The borrower utilized the proceeds of the Village Square Loan to refinance the existing debt on the Village Square Property, pay origination costs, fund reserves and return equity to the borrower sponsor.

The Village Square Loan had an initial term of 120 months and has a remaining term of 119 months as of the Cut-off Date. The Village Square Loan requires monthly payments of interest only for the initial 24 months, followed by monthly payments of interest and principal sufficient to amortize the loan over a 30-year amortization schedule. The scheduled maturity date of the Village Square Loan is the due date in October 2026. Voluntary prepayment of the Village Square Loan is prohibited prior to the due date in June 2026. Provided that no event of default under the Village Square Loan is continuing, defeasance with direct, non-callable obligations of the United States of America is permitted at any time on or after the first due date following the second anniversary of the securitization Closing Date.

- **The Mortgaged Property.** The Village Square Property is a 392,854 SF anchored retail property located in Bethel Park, Pennsylvania. Anchored by The Home Depot, Kohl’s, Toys R Us, and Burlington Coat Factory, the Village Square Property has achieved 100% occupancy since the end of 2003. In-line tenants at the Village Square Property include Sten’s Stride Rite Shoes, Half Price Books, Famous Footwear and Avenue. Additionally, there are several outparcel tenants including TGI Fridays, Pennzoil and Olive Garden. The Village Square Property has 1,820 surface parking spaces. The Village Square Property has multiple ingress and egress points with frontage alongside Oxford Drive and Route-19.

The Village Square Property was developed by the Oxford Development Company in 1982 and was originally an enclosed mall. However, in 1997, the Village Square Property underwent a renovation, reconfiguring the mall into a property that could accommodate big box retail tenants.

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The following table presents certain information relating to the anchor tenants (of which, certain tenants may have co-tenancy provisions) at the Village Square Property:

Tenant Name	Credit Rating (Fitch/MIS/S&P) ⁽¹⁾	Tenant GLA	% of Total GLA	Mortgage Loan Collateral Interest	Total Rent	Total Rent \$ per SF	Anchor Tenant Lease Expiration	Tenant Sales \$ per SF ⁽²⁾	Occupancy Cost	Renewal / Extension Options
Anchors										
Kohl's	BBB / Baa2 / BBB	91,348	23.3%	Yes	\$1,309,970	\$14.34	1/27/2018	NA	NA	6, 5-year options
The Home Depot	A / A2 / A	82,337	21.0	Yes	\$1,051,196	\$12.77	1/31/2024	NA	NA	7, 5-year options
Burlington Coat Factory ⁽³⁾	NR / NR / NR	71,506	18.2	Yes	\$503,892	\$7.05	3/31/2019	\$69	10.2%	NA
Toys R Us	CC / Caa2 / B-	46,620	11.9	Yes	\$794,633	\$17.04	1/31/2019	\$172	9.9%	2, 5-year options
Total Anchors		291,811	74.3%							
Jr. Anchors										
Office Depot, Inc	NR / NR / B-	25,000	6.4%	Yes	\$478,458	\$19.14	9/30/2020	\$233	8.2%	1, 5-year option
Michaels	NR / NR / NR	23,693	6.0	Yes	\$466,786	\$19.70	2/28/2019	\$216	9.1%	2, 5-year options
Wine & Spirits	NR / NR / NR	12,100	3.1	Yes	\$348,500	\$28.80	7/31/2023	NA	NA	NA
Total Jr. Anchors		60,793	15.5%							
Occupied Outparcel		19,700	5.0%		\$749,112	\$38.03				
Occupied In-line		20,550	5.2%		\$543,400	\$26.44				
Total Owned SF		392,854	100.0%							
Total SF		392,854	100.0%							

(1) Certain ratings are those of the parent company whether or not the parent guarantees the lease.

(2) Tenant sales per SF are as of December 31, 2015.

(3) Burlington Coat Factory has a one-time option to terminate its lease during the 60-day period following September 30, 2016 in the event its sales are less than \$7,150,600 per annum. Sales as of December 31, 2015 were approximately \$4,900,000.

The following table presents certain information relating to the major tenants (of which, certain tenants may have co-tenancy provisions) at the Village Square Property:

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	Tenant Sales \$ per SF ⁽²⁾	Occupancy Cost	Lease Expiration	Renewal / Extension Options
Kohl's	BBB / Baa2 / BBB	91,348	23.3%	\$877,500	19.3%	\$9.61	NA	NA	1/27/2018	6, 5-year options
The Home Depot	A / A2 / A	82,337	21.0	625,000	13.7	7.59	NA	NA	1/31/2024	7, 5-year options
Toys R Us	CC / Caa2 / B-	46,620	11.9	549,463	12.1	11.79	\$172	9.9%	1/31/2019	2, 5-year options
Burlington Coat Factory ⁽³⁾	NR / NR / NR	71,506	18.2	500,542	11.0	7.00	\$69	10.2%	3/31/2019	NA
Office Depot, Inc	NR / NR / B-	25,000	6.4	356,250	7.8	14.25	\$233	8.2%	9/30/2020	1, 5-year option
Michaels	NR / NR / NR	23,693	6.0	343,548	7.6	14.50	\$216	9.1%	2/28/2019	2, 5-year options
Wine & Spirits	NR / NR / NR	12,100	3.1	324,435	7.1	26.81	NA	NA	7/31/2023	NA
Olive Garden	NR / NR / NR	9,200	2.3	267,674	5.9	29.10	NA	NA	9/30/2022	1, 5-year option
TGI Fridays	NR / NR / B+	8,500	2.2	215,000	4.7	25.29	\$449	8.4%	12/31/2021	1, 5-year option
Famous Footwear	NR / NR / NR	7,560	1.9	153,846	3.4	20.35	\$215	12.8%	10/31/2020	1, 5-year option
Largest Tenants		377,864	96.2%	\$4,213,258	92.6%	\$11.15				
Remaining Owned Tenants		14,990	3.8	334,330	7.4	22.30				
Vacant Spaces (Owned Space)		0	0.0	0	0.0	0.00				
Totals / Wtd. Avg. Tenants		392,854	100.0%	\$4,547,588	100.0%	\$11.58				

(1) Certain ratings are those of the parent company whether or not the parent guarantees the lease.

(2) Tenant sales per SF are as of December 31, 2015.

(3) Burlington Coat Factory has a one-time option to terminate its lease during the 60-day period following September 30, 2016 in the event its sales are less than \$7,150,600 per annum. Sales as of December 31, 2015 were approximately \$4,900,000.

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The following table presents certain information relating to the lease rollover schedule at the Village Square Property based on initial lease expiration dates:

Lease Expiration Schedule⁽¹⁾

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
MTM	0	0.0%	0.0%	\$0	0.0%	\$0.00	0
2016	0	0.0	0.0%	0	0.0	0.00	0
2017	0	0.0	0.0%	0	0.0	0.00	0
2018	96,388	24.5	24.5%	975,730	21.5	10.12	2
2019	141,819	36.1	60.6%	1,393,553	30.6	9.83	3
2020	32,560	8.3	68.9%	510,096	11.2	15.67	2
2021	15,445	3.9	72.9%	343,135	7.5	22.22	2
2022	9,200	2.3	75.2%	267,674	5.9	29.10	1
2023	14,100	3.6	78.8%	399,235	8.8	28.31	2
2024	83,342	21.2	100.0%	658,165	14.5	7.90	2
2025	0	0.0	100.0%	0	0.0	0.00	0
2026	0	0.0	100.0%	0	0.0	0.00	0
2027 & Thereafter	0	0.0	100.0%	0	0.0	0.00	0
Vacant	0	0.0	100.0%	0	0.0	0.00	0
Total / Wtd. Avg.	392,854	100.0%		\$4,547,588	100.0%	\$11.58	14

(1) Calculated based on approximate square footage occupied by each Owned Tenant.

The following table presents certain information relating to historical occupancy at the Village Square Property:

Historical Leased %⁽¹⁾

2013	2014	2015	As of 6/1/2016
100.0%	100.0%	100.0%	100.0%

(1) As provided by the borrower and reflects average occupancy for the indicated year ended December 31 unless specified otherwise.

■ **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 Village Square Property:

Cash Flow Analysis⁽¹⁾

	2013	2014	2015	TTM 6/30/2016	Underwritten ⁽²⁾	Underwritten \$ per SF
Base Rent	\$4,153,108	\$4,328,313	\$4,348,493	\$4,379,861	\$4,547,588	\$11.58
Total Reimbursement Revenue	1,698,075	1,670,008	1,747,874	1,787,505	1,698,359	4.32
Other Revenue	1,686	518	1,296	1,727	0	0.00
Total Rent	\$5,852,868	\$5,998,838	\$6,097,663	\$6,169,092	\$6,245,947	\$15.90
Less Vacancy Loss	0	0	0	0	(312,297)	(0.79)
Less Credit Loss	18,864	576	0	0	0	0.00
Effective Gross Revenue	\$5,871,733	\$5,999,414	\$6,097,664	\$6,169,093	\$5,933,650	\$15.10
Total Operating Expenses	\$2,286,002	\$2,317,452	\$2,376,420	\$2,371,663	\$2,431,511	\$6.19
Net Operating Income	\$3,585,731	\$3,681,962	\$3,721,243	\$3,797,430	\$3,502,139	\$8.91
TI/LC	0	0	0	0	200,763	0.51
Replacement Reserves	0	0	0	0	58,928	0.15
Net Cash Flow	\$3,585,731	\$3,681,962	\$3,721,243	\$3,797,430	\$3,242,448	\$8.25

(1) Certain items such as straight line rent, interest expense, interest income, lease cancellation 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 cash flow based on contractual rents as of June 1, 2016 and contractual rent steps through September 30, 2017.

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- **Appraisal.** According to the appraisal, the Village Square Property had an “as-is” appraised value of \$58,100,000 as of June 16, 2016.
- **Environmental Matters.** According to a Phase I environmental report, dated August 18, 2016, there are no recognized environmental conditions or recommendations for further action at the Village Square Property.
- **Market Overview and Competition.** Village Square is located in the South Pittsburgh/Highway 19 submarket of the larger Pittsburgh retail market area. According to a market research report, as of the third quarter 2016, the South Pittsburgh/Highway 19 market has a total retail inventory of 9,092,861 SF with 432,788 SF vacant, indicating a current vacancy rate of 4.8%. This vacancy rate is in line with both Q3 2015’s vacancy rate (4.4%) as well as the average vacancy over the past 10 years (5.9%). Average asking rent at retail assets in the South Pittsburgh/Highway 19 submarket is currently \$15.20 per SF while the overall average rental rate in the Pittsburgh market is currently \$12.35 per SF.

The following table presents certain information relating to the primary competition for the Village Square Property:

Competitive Set⁽¹⁾

	Village Square	Curry Hollow Shopping Center	660 Washington Road	South Park Shoppes	The Shops on Washington	Norman Centre I
Distance from Subject	-	5.2 Miles	2.9 Miles	2.5 Miles	0.7 miles	0.3 Miles
Property Type	Retail	Retail	Retail	Retail	Retail	Retail
Year Built	1982	1973	1920	1960	1985	1986
Total GLA	392,854	260,000	18,401	85,000	20,000	39,061
Total Occupancy	100%	86%	73%	96%	100%	97%
Anchors & Jr. Anchors	Kohl's, The Home Depot, Burlington Coat Factory, Toys R Us	Levin Furniture	Walnut Grill	NA	Mattress Firm	Scottrade

(1) Source: Appraisal.

- **The Borrower.** The borrower is 4000 Oxford Drive Associates, LP, a single-purpose, single-asset entity. Legal counsel to the borrower delivered a non-consolidation opinion in connection with the origination of the Village Square Loan. The non-recourse carveout guarantor under the Village Square Loan is L&M Associates, a direct owner of the borrower.

Oxford Development Company is a real estate development and management company headquartered in Western Pennsylvania. Oxford Development Company has over 50 years of real estate development, property management, and leasing experience. They have developed, owned, leased and/or managed over 40 million square feet of commercial space including office, retail, hotels, data centers, and multifamily assets. As of the Cut-off Date, Oxford owns or manages approximately 11.2 million square feet of commercial space including 7.4 million square feet of office space and retail space.

- **Escrows.** On the origination date, the borrower funded (i) a tax reserve in an amount equal to \$119,272 and (ii) a tenant improvements and leasing commissions reserve in an amount equal to \$360,000.

On each due date, the borrower is required to fund (i) a tax and insurance reserve in an amount equal to one-twelfth of the amount that the lender reasonably estimates will be necessary to pay taxes and insurance premiums over the then succeeding 12-month period, unless in the case of insurance premiums, the borrower is maintaining a blanket policy in accordance with the related loan documents and there is no continuing event of default, and upon request of lender, borrower provides evidence of renewals of such policies and payment of related premiums, (ii) a tenant improvements and leasing commissions reserve in an amount equal to \$24,553, capped at \$900,000 and (iii) a capital expenditure reserve in an amount equal to \$6,548, capped at \$250,000.

In addition, on each due date during the continuance of a Village Square Trigger Period, the related loan documents require an excess cash flow reserve as discussed under “*Lockbox and Cash Management*” below.

A “**Village Square Trigger Period**” means (i) any period commencing as of the conclusion of any 12-month period (ending on the last day of any fiscal quarter) during which the debt yield based on net operating income (as calculated under the related loan documents) is less than 8.0%, and ending at the conclusion of the second consecutive fiscal quarter for which the debt yield for the trailing twelve-month period (ending on the last day of any fiscal quarter) is greater than 8.0%, (ii) the period commencing upon the borrower’s failure to deliver monthly, quarterly or annual financial reports and ending when such reports are delivered and they indicate that no other Village Square Trigger Period is ongoing or (iii) any period from the occurrence of a Rollover Trigger Event and ending (x) as it relates to a Non-Renewal Trigger Event, either (a) Home Depot, Kohl’s or any successor tenant (the “**Rollover Tenant**”) enters a renewal or extension of its lease and is in occupancy, paying normal monthly rent, and open for business or (b) the applicable space is re-let under one or more approved substitute leases; (y) as it relates to a Vacating Trigger Event, either (a) the lender is provided with evidence reasonably satisfactory to the lender that such Rollover Tenant has recommenced its business and operations in its space, is paying rent and is otherwise in compliance with the terms of its lease, or (b) the applicable space is re-let under one or more approved substitute leases; or (z) as it relates to a Bankruptcy Trigger Event, either (a) such case is dismissed 60 days after commencement without any negative impact on the applicable lease and such Rollover Tenant is paying normal monthly rent and is otherwise in compliance with the terms of its lease (b) such Rollover Tenant affirmed its lease during the bankruptcy proceeding, is paying normal monthly rent and is otherwise in compliance with the terms of its lease, or (c) such Rollover Tenant’s lease is terminated and the applicable space is re-let under one or more approved substitute leases.

A “**Rollover Trigger Event**” means the earliest of any of the following: (a) the date that any Rollover Tenant gives notice to terminate or vacate all or a material portion of its space, (b) any Rollover Tenant has not given notice to renew its lease as of the date that is the earlier of (1) the date required pursuant to its lease or (2) (A) with respect to Kohl’s, nine months prior to the expiration of its lease, and (B) with respect to Home Depot, 12 months prior to the expiration of its lease (clauses (a) or (b), a “**Non-Renewal Trigger Event**”), (c) the date that a Rollover Tenant vacates or is otherwise not in occupancy of all or substantially all of its space solely by casualty or condemnation or renovations or alterations undertaken pursuant to the terms of its lease (a “**Vacating Trigger Event**”), or (d) the date of the filing of a bankruptcy petition by or against any Rollover Tenant or its guarantor under the applicable lease under the bankruptcy code (a “**Bankruptcy Trigger Event**”).

- **Lockbox and Cash Management.** The Village Square Loan is structured with a hard lockbox and in-place cash management. The related loan documents require the borrower to direct tenants to pay rent directly to a lender-controlled lockbox account and all cash revenues relating to the Village Square Property and all other money received by the borrower or the property manager with respect to the Village Square Property (other than tenant security deposits) be deposited into such lockbox account or the cash management account by the end of the first business day following receipt. All funds in the lockbox account are required to be swept into the cash management account at the end of each business day. For so long as no Village Square Trigger Period or event of default under the Village Square Loan is continuing, all funds in the cash management account in excess of those required to pay amounts due to the lender on the next due date (including any applicable reserves) are required to be swept into a borrower-controlled operating account on a daily basis. On each due date during the continuance of a Village Square Trigger Period or, at the lender’s discretion, during an event of default under the Village Square Loan, the related loan documents require that all amounts on deposit in the cash management account be used to pay debt service, required reserves and operating expenses, and that all remaining amounts be reserved in an excess cash flow reserve account.

- **Property Management.** The Village Square Property is managed by Oxford Development Company, an affiliate of the borrower, pursuant to a management agreement. Under the related loan documents, the Village Square Property is required to remain managed by Oxford Development Company or any other management company approved by the lender (which approval, absent a continuing event of default under the Village Square Loan, will not be unreasonably withheld) and with respect to which a Rating Agency Confirmation has been received. The lender has the right to replace, or require the borrower to replace, the property manager with a property manager selected by the lender (i) during the continuance of an event of default under the Village Square Loan, (ii) following any foreclosure, conveyance in lieu of foreclosure or other similar transaction, (iii) during the continuance of a material default by the property manager under the management agreement (after the expiration of any applicable notice and/or cure periods), (iv) if the property manager files for or is the subject of a petition in bankruptcy or (v) if a trustee or receiver is appointed for the property manager's assets or the property manager makes an assignment for the benefit of its creditors or is adjudicated insolvent.
- **Mezzanine or Secured Subordinate Indebtedness.** Not permitted.
- **Terrorism Insurance.** So long as TRIPRA or a similar or subsequent statute is in effect, the borrower is required to maintain terrorism insurance for foreign and domestic acts (as those terms are defined in TRIPRA or similar or subsequent statute) in an amount equal to the full replacement cost of the Village Square Property (plus 18 months of rental loss and/or business interruption coverage plus an additional period of indemnity covering the 12 months following restoration). If TRIPRA or a similar or subsequent statute is not in effect, then provided that terrorism insurance is commercially available, the borrower will be required to carry terrorism insurance throughout the term of the Village Square Loan as described in the preceding sentence, but in that event the borrower will not be required to spend more than two times the amount of the insurance premium that is payable at that time in respect of the property and business interruption/rental loss insurance required under the related loan documents (without giving effect to the cost of terrorism and earthquake components of such property and business interruption/rental loss insurance), and if the cost of terrorism insurance exceeds such amount, then the borrower will be required to purchase the maximum amount of terrorism insurance available with funds equal to such amount. In either such case, terrorism insurance may not have a deductible in excess of \$50,000. The required terrorism insurance may be included in a blanket policy, provided that the borrower provide evidence satisfactory to the lender that the insurance premiums for the Village Square Property are separately allocated to the Village Square Property and that the policy will provide the same protection as a separate policy. See "*Risk Factors—Terrorism Insurance May Not Be Available for All Mortgaged Properties*" in the Prospectus.