

Zenith Ridge

Mortgage Loan Information

Mortgage Loan Seller:	SMC
Original Principal Balance⁽¹⁾:	\$25,000,000
Cut-off Date Principal Balance⁽¹⁾:	\$25,000,000
% of IPB:	2.8%
Loan Purpose:	Refinance
Borrowers⁽²⁾:	Various
Sponsors⁽³⁾:	Various
Interest Rate:	4.70000%
Note Date:	7/13/2018
Maturity Date:	8/6/2028
Interest-only Period:	60 months
Original Term:	120 months
Original Amortization Term:	360 months
Amortization Type:	IO-Balloon
Call Protection:	L(28),Def(88),O(4)
Lockbox / Cash Management:	Hard / Springing
Additional Debt:	Yes
Additional Debt Balance⁽¹⁾:	\$65,000,000
Additional Debt Type⁽¹⁾:	<i>Pari Passu</i>

Property Information

Single Asset / Portfolio:	Single Asset
Title:	Fee
Property Type - Subtype:	Office – Suburban
Net Rentable Area (SF):	486,000
Location:	Canonsburg, PA
Year Built / Renovated:	2014, 2015, 2016 / N/A
Occupancy⁽⁴⁾:	100.0%
Occupancy Date:	7/11/2018
4th Most Recent NOI (As of)⁽⁵⁾:	N/A
3rd Most Recent NOI (As of)⁽⁵⁾:	\$7,657,108 (12/31/2016)
2nd Most Recent NOI (As of)⁽⁵⁾:	\$9,233,988 (12/31/2017)
Most Recent NOI (As of):	\$9,371,083 (TTM 5/31/2018)
UW Economic Occupancy:	95.0%
UW Revenues:	\$12,152,422
UW Expenses:	\$2,723,379
UW NOI⁽⁵⁾:	\$9,429,044
UW NCF:	\$8,627,144
Appraised Value / Per SF:	\$133,100,000 / \$274
Appraisal Date:	6/25/2018

Escrows and Reserves

	Initial	Monthly	Initial Cap
Taxes:	\$30,949	\$54,461	N/A
Insurance⁽⁶⁾:	\$0	Springing	N/A
Replacement Reserves:	\$0	\$6,075	N/A
TI/LC:	\$0	\$60,750	N/A
Other⁽⁷⁾:	\$2,335,949	\$0	N/A

Financial Information⁽¹⁾

Cut-off Date Loan / SF:	\$185
Maturity Date Loan / SF:	\$170
Cut-off Date LTV:	67.6%
Maturity Date LTV:	62.1%
UW NCF DSCR:	1.54x
UW NOI Debt Yield:	10.5%

Sources and Uses

Sources	Proceeds	% of Total	Uses	Proceeds	% of Total
Whole Loan ⁽¹⁾	\$90,000,000	100.0%	Payoff Existing Debt	\$78,785,911	87.5%
			Return of Equity	7,317,560	8.1
			Upfront Reserves	2,366,898	2.6
			Closing Costs	1,529,631	1.7
Total Sources	\$90,000,000	100.0%	Total Uses	\$90,000,000	100.0%

(1) The Zenith Ridge mortgage loan is part of a whole loan evidenced by five *pari passu* notes with an aggregate original principal balance of \$90.0 million (the “**Zenith Ridge Whole Loan**”). The financial information presented in the chart above reflects the Cut-off Date balance of the \$90.0 million Zenith Ridge Whole.

(2) The borrowers under the Zenith Ridge Whole Loan are Quattro Investment Group, L.P., Quattro 2a, L.P. and Quattro 2b, L.P.

(3) The sponsors under the Zenith Ridge Whole Loan are James D. Scalo, John F. Scalo, Charles R. Zappala and John J. Verbanac.

(4) Occupancy includes 30,971 square feet (6.4% of net rentable area) of additional space that is leased by the largest tenant, Ansys, Inc. (“**Ansys**”), but is not yet occupied. Ansys currently occupies 186,000 square feet at the Zenith Ridge Property (as defined below) and is in the process of building out its additional space in Zenith Ridge II (as defined below). According to the sponsors, Ansys is expected to take occupancy of its space in January 2019. Ansys is entitled to 15 months of free rent related to its Zenith Ridge II space for which the borrowers were required to escrow at origination of the Zenith Ridge Whole Loan an amount equal to \$890,416, along with outstanding tenant improvements and leasing commissions in an aggregate amount equal to \$1,445,533.

(5) UW NOI is higher than historical NOI due in part to (i) the lease-up of the Zenith Ridge Property and (ii) the inclusion of contractual rent steps totaling \$358,484 through April 2019.

(6) Insurance escrows are waived so long as, among other things, the Zenith Ridge Property (as defined below) is covered by an acceptable blanket policy (which is currently maintained). If such condition is no longer satisfied, on each due date, the borrowers will be required to fund an insurance reserve in a monthly amount equal to 1/12 of the amount that the lender estimates will be necessary to pay the annual insurance premiums.

(7) Other reserves consist of \$1,445,533 into an account for outstanding tenant improvements and leasing commissions related to Ansys and \$890,416 into an account for free rent related to Ansys at Zenith Ridge II.

Zenith Ridge

The Loan. The Zenith Ridge Whole Loan is secured by a first mortgage lien on the borrowers' fee interest in a suburban office property totaling 486,000 square feet located in Canonsburg, Pennsylvania (the "**Zenith Ridge Property**"). The Zenith Ridge Whole Loan was originated by Starwood Mortgage Capital LLC, has an outstanding principal balance as of the Cut-off Date of approximately \$90.0 million, and is comprised of five *pari passu* notes, Note A-1, Note A-2, Note A-3, Note A-4 and Note A-5. The Zenith Ridge Whole Loan has a 10-year term and, subsequent to a five-year interest-only period, amortizes on a 30-year basis.

Whole Loan Summary			
Note	Original Balance	Note Holder	Controlling Piece
A-1	\$35,000,000	CD 2018-CD7	Yes
A-2	\$30,000,000	MSC 2018-L1	No
A-3	\$10,000,000	BBCMS 2018-C2	No
A-4	\$10,000,000	BBCMS 2018-C2	No
A-5	\$5,000,000	BBCMS 2018-C2	No

The Property. The Zenith Ridge Property is comprised of three, five-story class A office buildings located in Canonsburg, Pennsylvania, encompassing 486,000 square feet. The Zenith Ridge I building ("**Zenith Ridge I**") has approximately 186,000 square feet and is 100% occupied by Ansys. The Zenith Ridge II building ("**Zenith Ridge II**") has approximately 150,000 square feet and is 100% leased to 12 tenants. The Zenith Ridge III building ("**Zenith Ridge III**") has approximately 150,000 square feet and is 100% occupied by EQT Corp. The Zenith Ridge Property is located in a suburban office park in the Pittsburgh area (the "**Southpointe Business Park**"). The Southpointe Business Park is nearly fully developed and contains approximately 4.0 million square feet of office space and is currently 91.4% occupied.

The Southpointe Business Park was developed in two phases ("**Southpointe I**" and "**Southpointe II**") with Southpointe I being developed in 1989 and Southpointe II being developed approximately 10 years ago. The Zenith Ridge Property is located in Southpointe II, which features developments such as a class A multi-family property known as 1400 Main Street built in 2015, a new Holiday Inn Express, a Homewood Suites by Hilton and the Southpointe Town Center, a mixed-use development with approximately 60,000 square feet of retail and restaurants. All of these developments are within walking distance of the Zenith Ridge Property.

The Zenith Ridge Property has received the LEED Core and Shell Certification and the Class G Certification and is one of three office properties in the Southpointe Business Park with that designation. The Zenith Ridge Property has the following attributes to qualify for the certification: low-flow water fixtures, energy monitoring equipment, preferred parking for "Low Emission Vehicles", low volatile organic compound paints, which positively impact indoor air quality, high performance low emissivity coated glass and a green campus, including walking trails, fire pits and outdoor patios.

The Market. The Zenith Ridge Property is located in Canonsburg, Washington County, Pennsylvania. The Zenith Ridge Property is situated in the Pittsburgh office market and the Washington County office submarket. The Pittsburgh office market contains approximately 133.1 million square feet with a first quarter 2018 vacancy rate of 8.7% and asking rent of \$21.56 per square foot. The Washington County office submarket contains approximately 8.5 million square feet with a first quarter 2018 vacancy rate of 8.3% and asking rent of \$20.78 per square foot. The appraisal determined market rent of \$24.25 per square foot for office space. The estimated 2017 population within a one-, three- and five-mile radius of the Zenith Ridge Property was 5,614, 32,117 and 63,326 people, respectively. The estimated 2017 average household income within a one-, three- and five-mile radius of the Zenith Ridge Property was \$92,636, \$99,010 and \$104,935, respectively. The appraisal identified five competitive properties built between 1996 and 2014 and ranging in size from approximately 62,500 to 115,160 square feet. The comparable properties reported occupancy rates ranging from 96.0% to 100.0%. Asking rents for the comparable properties range from \$20.00 to \$24.50 per square foot.

Zenith Ridge

Top Ten Tenant Summary ⁽¹⁾							
Tenant	Ratings ⁽²⁾ Moody's/S&P/Fitch	Net Rentable Area (SF)	% of Total NRA	Base Rent PSF	Base Rent	% of Total Base Rent	Lease Exp. Date
Ansys ⁽³⁾	NR / NR / NR	216,971	44.6%	\$23.14	\$5,021,304	42.1%	12/31/2029
EQT Corp. ⁽⁴⁾	Baa3 / BBB / BBB-	180,908	37.2	\$25.82	4,671,664	39.1	Various
Nicholson Construction Company	NR / NR / NR	17,342	3.6	\$27.06	469,275	3.9	1/31/2026
Regus	NR / NR / NR	13,814	2.8	\$27.06	373,807	3.1	1/31/2025
Sentric Holdings Corp.	NR / NR / NR	13,334	2.7	\$24.94	332,550	2.8	9/30/2021
Langan Engineering & Environmental Services	NR / NR / NR	12,261	2.5	\$25.62	314,127	2.6	2/28/2021
Aladdin Food Management	NR / NR / NR	7,654	1.6	\$16.13	123,459	1.0	8/31/2021
RBC Capital Markets, LLC	NR / NR / NR	6,637	1.4	\$28.14	186,765	1.6	3/31/2022
Wells Fargo Advisors, LLC	A2 / A- / A+	6,296	1.3	\$28.01	176,335	1.5	8/31/2022
Colonial Life	NR / A / NR	4,000	0.8	\$25.38	101,505	0.9	10/31/2022
Top Ten Tenants		479,217	98.6%	\$24.56	\$11,770,791	98.6%	
Non Top Ten Tenants		6,783	1.4%	\$24.11	\$163,535	1.4%	
Occupied Collateral Total		486,000	100.0%	\$24.56	\$11,934,326	100.0%	
Vacant Space		0	0.0%				
Collateral Total		486,000	100.0%				

(1) Based on the underwritten rent roll dated July 11, 2018.

(2) Ratings provided are for the parent company of the entity listed in the "Tenant" field whether or not the parent company guarantees the lease.

(3) Ansys occupies the entire 186,000 square feet of Zenith Ridge I and is currently building out its 30,971 square foot suite in Zenith Ridge II. The sponsors expect Ansys to take occupancy of its space in Zenith Ridge II in January 2019. Ansys is entitled to 15 months of free rent related to its Zenith Ridge II space which the borrowers were required to escrow at origination of the Zenith Ridge Whole Loan in an amount equal to \$890,416, along with outstanding tenant improvements and leasing commissions in an aggregate amount equal to \$1,445,533. Additionally, Ansys has the one-time right to terminate its lease effective December 2025 by providing 18 months' notice and paying all unamortized tenant improvements allowance, brokerage fees and free rent, plus an additional \$887,671, estimated to total approximately \$5.75 million.

(4) EQT Corp. occupies the entire 150,000 square feet in Zenith Ridge III under a lease that expires in January 2031 and occupies another 30,908 square feet in Zenith Ridge II under a lease that expires in December 2024.

Zenith Ridge

Lease Rollover Schedule⁽¹⁾⁽²⁾

Year	Number of Leases Expiring	Net Rentable Area Expiring	% of NRA Expiring	Base Rent Expiring	% of Base Rent Expiring	Cumulative Net Rentable Area Expiring	Cumulative % of NRA Expiring	Cumulative Base Rent Expiring	Cumulative % of Base Rent Expiring
Vacant	NAP	0	0.0%	NAP	NAP	0	0.0%	NAP	NAP
2018 & MTM	0	0	0.0	\$0	0.0%	0	0.0%	\$0	0.0%
2019	0	0	0.0	0	0.0	0	0.0%	\$0	0.0%
2020	0	0	0.0	0	0.0	0	0.0%	\$0	0.0%
2021	3	33,249	6.8	770,136	6.5	33,249	6.8%	\$770,136	6.5%
2022	5	23,716	4.9	628,140	5.3	56,965	11.7%	\$1,398,276	11.7%
2023	0	0	0.0	0	0.0	56,965	11.7%	\$1,398,276	11.7%
2024	1	30,908	6.4	762,790	6.4	87,873	18.1%	\$2,161,066	18.1%
2025	1	13,814	2.8	373,807	3.1	101,687	20.9%	\$2,534,873	21.2%
2026	1	17,342	3.6	469,275	3.9	119,029	24.5%	\$3,004,148	25.2%
2027	0	0	0.0	0	0.0	119,029	24.5%	\$3,004,148	25.2%
2028	0	0	0.0	0	0.0	119,029	24.5%	\$3,004,148	25.2%
2029 & Beyond	3	366,971	75.5	8,930,178	74.8	486,000	100.0%	\$11,934,326	100.0%
Total	14	486,000	100.0%	\$11,934,326	100.0%				

(1) Based on the underwritten rent roll dated July 11, 2018.

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

Operating History and Underwritten Net Cash Flow

	2016	2017	TTM ⁽¹⁾	Underwritten	Per Square Foot	% ⁽²⁾
Rents in Place	\$9,082,608	\$10,827,320	\$11,012,814	\$11,934,326	\$24.56	93.3%
Vacant Income	0	0	0	0	0.00	0.0
Gross Potential Rent	\$9,082,608	\$10,827,320	\$11,012,814	\$11,934,326	\$24.56	93.3%
Total Reimbursements	159,691	353,016	398,350	857,697	1.76	6.7
Net Rental Income	\$9,242,299	\$11,180,336	\$11,411,164	\$12,792,023	\$26.32	100.0%
(Vacancy/Credit Loss)	0	0	0	(639,601)	(1.32)	(5.0)
Other Income	33,000	13,482	0	0	0.00	0.0
Effective Gross Income	\$9,275,299	\$11,193,818	\$11,411,164	\$12,152,422	\$25.00	95.0%
Total Expenses	\$1,618,191	\$1,959,830	\$2,040,081	\$2,723,379	\$5.60	22.4%
Net Operating Income⁽³⁾	\$7,657,108	\$9,233,988	\$9,371,083	\$9,429,044	\$19.40	77.6%
Total TI/LC, Capex/RR	0	0	0	801,900	1.65	6.6
Net Cash Flow	\$7,657,108	\$9,233,988	\$9,371,083	\$8,627,144	\$17.75	71.0%
Occupancy⁽⁴⁾	91.1%	93.6%	100.0%	95.0%		

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

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

(3) Underwritten Net Operating Income is higher than historical Net Operating Income due in part to (i) the lease-up of the Zenith Ridge Property and (ii) the inclusion of contractual rent steps totaling \$358,484 through April 2019.

(4) Occupancy for 2016 and 2017 represents physical occupancy as of December 31 for each respective year. TTM Occupancy is as of July 11, 2018 and includes 30,971 square feet (6.4% of net rentable area) of additional space that is leased by the largest tenant, Ansys, but is not yet occupied. Ansys currently occupies 186,000 square feet at the Zenith Ridge Property and is in the process of building out its additional space in Zenith Ridge II. According to the sponsors, Ansys is expected to take occupancy of its space in January 2019. Ansys is entitled to 15 months of free rent related to its Zenith Ridge II space for which the borrowers were required to escrow at origination of the Zenith Ridge Whole Loan an amount equal to \$890,416, along with outstanding tenant improvements and leasing commissions in an aggregate amount equal to \$1,445,533. Underwritten Occupancy is based on underwritten economic occupancy.