







Mortgaged Property Information		Mortgage Loan Information		
Number of Mortgaged Properties	1	Loan Seller	GSMC	
Location (City/State)	Chicago, Illinois	Cut-off Date Principal Balance ⁽⁵⁾	\$75,292,000	
Property Type	Office	Cut-off Date Principal Balance per SF ⁽²⁾	\$147.72	
Size (SF)	1,098,633	Percentage of Initial Pool Balance	7.3%	
Total Occupancy as of 9/1/2016	92.4%	Number of Related Mortgage Loans	None	
Owned Occupancy as of 9/1/2016	92.4%	Type of Security	Fee Simple	
Year Built / Latest Renovation	2003 / NAP	Mortgage Rate	3.2266%	
Appraised Value ⁽¹⁾	\$627,000,000	Original Term to Maturity (Months) ⁽⁶⁾	120	
		Original Amortization Term (Months)	NAP	
		Original Interest Only Period (Months) ⁽⁶⁾	120	
		Escrows		
			Upfront	Monthly
Underwritten Revenues	\$49,503,312	Taxes	\$1,243,392	\$888,137
Underwritten Expenses	\$19,751,054	Insurance	\$356,002	\$32,364
Underwritten Net Operating Income (NOI)	\$29,752,258	Replacement Reserves ⁽⁷⁾	\$0	\$0
Underwritten Net Cash Flow (NCF)	\$28,338,662	TI/LC ⁽⁷⁾	\$0	\$0
Cut-off Date LTV Ratio ⁽²⁾⁽³⁾	25.9%	Other ⁽⁸⁾	\$40,566,832	\$0
Maturity Date LTV Ratio ⁽²⁾⁽⁴⁾	24.2%			
DSCR Based on Underwritten NOI / NCF ⁽²⁾	5.60x / 5.34x			
Debt Yield Based on Underwritten NOI / NCF ⁽²⁾	18.3% / 17.5%			

Sources and Uses					
Sources	\$	%	Uses	\$	%
Senior Loan Amount	\$162,292,000	40.6%	Loan Payoff	\$261,822,212	65.5%
Subordinate Companion Loan Amount	162,708,000	40.7	Principal Equity Distribution	91,536,944	22.9
Mezzanine Loan Amount	75,000,000	18.8	Reserves	42,166,227	10.5
			Closing Costs	4,474,617	1.1
Total Sources	\$400,000,000	100.0%	Total Uses	\$400,000,000	100.0%

- (1) Appraised value is the "hypothetical as-is" appraised value, which assumes remaining contractual obligations and costs of approximately \$41.2 million (for which approximately \$40.6 million was reserved) are expended. The "as-is" appraised value without the remaining obligations is \$591,000,000. See "—Appraisal" below.
- (2) Calculated based on the aggregate outstanding principal balance of the 540 West Madison Senior Loans. See "—The Mortgage Loan" below.
- (3) The Cut-off Date LTV Ratio is based on the "hypothetical as-is" appraised value of \$627,000,000. The Cut-off Date LTV Ratio calculated on the basis of the "as-is" appraised value without the remaining obligations is 27.5%. See "—Appraisal" below.
- (4) The Maturity Date LTV Ratio is calculated based on the "as stabilized" appraised value of \$672,000,000. The Maturity Date LTV Ratio calculated on the basis of (i) the "hypothetical as-is" appraised value is 25.9% and (ii) the "as-is" appraised value without the remaining obligations is 27.5%. See "—Appraisal" below.
- (5) The Cut-off Principal Balance of \$75,292,000 represents one non-controlling senior note of a \$325,000,000 whole loan evidenced by two *pari passu* senior notes and two subordinate notes. See "—The Mortgage Loan" below.
- (6) Under the terms of the 540 West Madison Loan documents, the first due date for the related loan is November 6, 2016, however the initial and remaining loan term are based on an assumed first due date in October 2016, which results in a period that is one month longer than the actual term.
- (7) See "—Escrows" below.
- (8) Other reserve represents reserves for unfunded obligations (\$23,258,542) and free rent reserve (\$17,308,290).

- **The Mortgage Loan.** The mortgage loan (the "**540 West Madison Loan**") is part of a whole loan structure (the "**540 West Madison Whole Loan**") comprised of two senior *pari passu* notes (note A-1 and note A-2, the "**540 West Madison Senior Loans**") with an outstanding aggregate principal balance of \$162,292,000, one subordinate note B with an outstanding principal balance of \$54,208,000 (the "**540 West Madison Non-Trust Subordinate Companion Loan B**") and one subordinate note C with an outstanding principal balance of \$108,500,000 (the "**540 West Madison Non-Trust Subordinate Companion Loan C**") and, together with the 540 West Madison Non-Trust Subordinate Companion Loan B, the "540 West Madison Subordinate Companion Loans"). The 540 West Madison Non-Trust Subordinate Companion Loan C is the initial controlling note. The 540 West Madison Whole Loan has an aggregate outstanding principal balance of \$325,000,000 and is secured by the borrower's fee simple interest in 540 West Madison, an office property located in Chicago, Illinois (the "**540 West Madison Property**"). The 540 West Madison Loan (evidenced by non-controlling note A-2) has an outstanding principal balance as of the Cut-off Date of \$75,292,000 and represents approximately 7.3% of the Initial Pool Balance. Note A-1 (the "**540 West Madison Pari Passu Companion Loan**") has an outstanding principal balance as of the Cut-off Date of \$87,000,000, and together with the 540 West Madison Non-Trust Subordinate Companion Loan B, was contributed to the GSMS 2016-GS3 securitization transaction.

The 540 West Madison Whole Loan was originated by Goldman Sachs Mortgage Company on September 7, 2016. The 540 West Madison Loan has an initial interest rate of 3.2266% *per annum*, and the 540 West Madison Whole Loan has an initial weighted average interest rate of approximately 3.98353846153846% *per annum*. The borrower utilized the proceeds of the 540 West Madison Whole Loan to refinance and defease the existing debt on the 540 West Madison Property, pay defeasance costs, fund reserves, pay origination costs and return equity to the borrower sponsor.

See the 540 West Madison total debt capital structure table below. The relationship between the holders of the 540 West Madison Whole Loan and the 540 West Madison Subordinate Companion Loans is governed by a co-lender agreement as described under “Description of the Mortgage Pool—The Whole Loans—540 West Madison Whole Loan” in the Prospectus.

The 540 West Madison Loan had an initial term of 120 months and has a remaining term of 118 months as of the Cut-off Date. The 540 West Madison Loan requires interest only payments during its term. The scheduled maturity date of the 540 West Madison Loan is the due date in September 2026. Voluntary prepayment of the 540 West Madison Whole Loan is prohibited prior to the due date in June 2026. Provided no event of default under the related loan documents has occurred and is continuing, at any time prior to the maturity date and after the second anniversary of the securitization Closing Date, the 540 West Madison Loan may be defeased with certain direct, non-callable obligations of the United States of America or other obligations which are “government securities” permitted under the related loan documents.

540 West Madison Total Debt

		Interest Rate	Cumulative Cut-off Date Balance	Cumulative Amount Per Unit	Cumulative Cut-off Date LTV Ratio ⁽¹⁾	Underwritten In-Place NOI / NCF Debt Yield	Underwritten In-Place NOI / NCF DSCR		
540 West Madison Whole Loan	Senior Loans	540 West Madison Loan \$75,292,000 Note A-2 GSMS 2016-GS4 (included in the GS4 “pooled certificates”)	540 West Madison <i>Pari Passu</i> Companion Loan \$87,000,000 Note A-1 GSMS 2016-GS3	3.2266%	\$162,292,000	\$148	25.9%	18.3% / 17.5%	5.60x / 5.34x
	Subordinate Loans	540 West Madison Non-Trust Subordinate Companion Loan B \$54,208,000 Note B (GSMS 2016-GS3 “loan-specific certificates”)		3.6148% ⁽²⁾	\$216,500,000	\$197	34.5%	13.7% / 13.1%	4.08x / 3.88x
		540 West Madison Non-Trust Subordinate Companion Loan C \$108,500,000 Note C ⁽³⁾		5.3000%	\$325,000,000	\$296	51.8%	9.2% / 8.7%	2.27x / 2.16x
		540 West Madison Mezzanine Loan \$75,000,000		6.2500%	\$400,000,000	\$364	63.8%	7.4% / 7.1%	1.66x / 1.59x

(1) Cumulative Cut-off Date LTV Ratio is calculated by dividing the respective Cumulative Cut-off Date Balance by the “hypothetical as-is” appraised value (which assumes remaining contractual obligations are expended) of the 540 West Madison Property. The Cumulative Cut-off Date LTV Ratios for the 540 West Madison Senior Loans, 540 West Madison Non-Trust Subordinate Loan B, 540 West Madison Non-Trust Subordinate Loan C and 540 West Madison Mezzanine Loan, calculated on the basis of the “as-is” appraised value without the remaining obligations are 27.5%, 36.6%, 55.0% and 67.7%, respectively. See “—Appraisal” below.

(2) The 540 West Madison Non-Trust Subordinate Loan B interest rate to full precision is 3.61475488488784%.

(3) The holder of the 540 West Madison Non-Trust Subordinate Companion Loan C is held by Samsung SRA U.S. Office Mezzanine Professional Investment Type Private Real Estate Fund No.1.

■ **The Mortgaged Property.** The 540 West Madison Property is a 31-story, 1,098,633 SF Class A, LEED Platinum certified office property in Chicago's West Loop submarket. The 540 West Madison Property was developed by Hines in 2003, with nearly column free floor plates with floor to ceiling windows, ranging from 67,750 SF on the lower floors to 41,500 SF on the upper floors. Amenities including a full-service cafeteria, fitness center, a coffee shop, conference center, rooftop patio, a garden area and on-site back up power supply. The collateral also includes a 266-space, below grade, heated indoor parking garage. The 540 West Madison Property was originally built to serve as a headquarter facility for ABN AMRO and LaSalle National Bank, and it was acquired by Bank of America in 2007. The 540 West Madison Property has undergone approximately \$4.2 million in capital expenditures since 2013, including a new fitness center, conference center and lobby upgrades. As of September 1, 2016, Total Occupancy and Owned Occupancy for the 540 West Madison Property were both 92.4%.

The 540 West Madison Property is less than 0.5 miles from Clinton Subway Station and approximately 10 miles from Chicago Midway Airport. The 540 West Madison Property is adjacent to the Ogilvie Transportation Center and the terminus for three Metra commuter rail routes operated by Union Pacific ("UP"). The UP North, Northwest and West lines handle more than 102,000 commuters each weekday (arrivals and departures). Additionally, the 540 West Madison Property is situated less than 0.5 miles from the Kennedy Expressway (Interstate 90/94) and the Eisenhower Expressway (Interstate 290) which provides access to other major Chicago expressways.

The office portion of the building has multiple long-term leases to a mix of credit tenants, including Bank of America, Marsh USA and Baxalta (Shire), among others.

The following table presents certain information relating to office and retail tenants at the 540 West Madison 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	Lease Expiration	Renewal / Extension Options
Bank of America ⁽²⁾	A / Baa1 / BBB+	355,943	32.4%	\$10,646,137	36.7%	\$29.91	12/31/2022	3, 5-year options
DRW Investments	NR / NR / NR	129,312	11.8	3,973,222	13.7	30.73	12/31/2029	1, 10-year option
Valence Health ⁽³⁾⁽⁴⁾	NR / NR / NR	125,005	11.4	3,250,130	11.2	26.00	12/31/2027	2, 5-year options
Marsh USA ⁽⁵⁾	NR / NR / NR	120,771	11.0	3,142,749	10.8	26.02	2/29/2024	2, 5-year options
SAC Wireless ⁽⁶⁾	BB+ / Ba1 / BB+	83,228	7.6	2,372,449	8.2	28.51	6/30/2025	1, 5-year option
Baxalta (Shire) ⁽⁷⁾⁽⁸⁾	NR / Baa3 / NR	83,200	7.6	2,217,280	7.6	26.65	2/28/2027	2, 5-year options
Alvarez & Marsal ⁽⁹⁾	NR / NR / NR	41,957	3.8	1,225,564	4.2	29.21	5/31/2027	1, 5-year option
Segall, Bryant & Hamill ⁽¹⁰⁾	NR / NR / NR	26,830	2.4	795,547	2.7	29.65	11/30/2029	1, 5-year option
iManage (Netright) ⁽¹¹⁾	NR / NR / NR	25,470	2.3	725,895	2.5	28.50	3/31/2027	1, 10-year option
Everi (Multimedia) Games	NR / NR / NR	17,124	1.6	497,056	1.7	29.03	6/30/2023	1, 7-year option
Ten Largest Tenants		1,008,840	91.8%	\$28,846,030	99.3%	\$28.59		
Remaining Owned Tenants		5,800	0.5	193,820	0.7	33.42		
Vacant Spaces		83,993	7.6	0	0.0	0.00		
Totals / Wtd. Avg. Tenants		1,098,633	100.0%	\$29,039,850	100.0%	\$28.62		

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

(2) Bank of America has the right to terminate the entire 23rd floor (42,470 SF) and/or approximately 4,000 SF on the 1st floor upon 12 months written notice.

(3) Valence Health ("Valence") currently leases 3 floors at the property (13, 14 and 15). Valence is partially dark on the 13th and 14th floor, and plans to sublease the 14th floor. Per the borrower sponsor, Valence has not indicated any plans to sublease the 13th floor. Valence is current on its rent as of September 2016. We cannot assure you Valence will sublease their space on the 14th floor as expected or at all.

(4) Valence has the right to terminate its lease on the last day of any calendar month following April 1, 2025 with no less than 12 months' written notice and payment of a termination fee. Additionally, Valence has the option to contract its space on the 13th and 15th floors (but not the 14th floor), in its entirety, effective on March 31, 2022 with 12 months' notice.

(5) Marsh USA ("Marsh") has the right to terminate its lease in February 2020 with 12 months' notice and payment of a termination fee equal to \$53 per SF. Additionally, Marsh has a right to contract one-half of a floor in January 2018 with 12 months' notice.

(6) SAC Wireless has the right to terminate its lease on the last day of any calendar month after June 2023 with 15 months written notice and a termination fee.

(7) As of June 2016, Baxalta is wholly owned by Shire.

(8) Baxalta (Shire) has the right to terminate its lease on February 28, 2023 with 12 months written notice and a payment of a termination fee.

(9) Alvarez & Marsal has an option to terminate its lease on November 30, 2023 upon 12 months written notice and a payment of a termination fee.

(10) Segall, Bryant & Hamill has an option to terminate its lease on November 30, 2024 upon 12 months written notice and payment of a termination fee.

(11) iManage (Netright) has an option to terminate its lease beginning January 1, 2024 with 12 months written notice and payment of a termination fee.

The following table presents certain information relating to the lease rollover schedule 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	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	355,943	32.4	32.4%	10,646,137	36.7	29.91	1
2023	17,124	1.6	34.0%	497,056	1.7	29.03	1
2024	122,965	11.2	45.1%	3,230,509	11.1	26.27	2
2025	83,228	7.6	52.7%	2,372,449	8.2	28.51	1
2026	3,606	0.3	53.1%	106,060	0.4	29.41	1
2027 & Thereafter	431,774	39.3	92.4%	12,187,638	42.0	28.23	6
Vacant	83,993	7.6	100.0%	0	0.0	0.00	0
Total / Wtd. Avg.	1,098,633	100.0%		\$29,039,850	100.0%	\$28.62	12

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

The following table presents certain information relating to historical occupancy at the 540 West Madison Property:

Historical Leased %⁽¹⁾

2013	2014 ⁽²⁾	2015 ⁽²⁾	As of 9/1/2016 ⁽³⁾
90.5%	82.0%	74.3%	92.4%

(1) As provided by the borrower and reflects occupancy as of the indicated year ended December 31, unless otherwise indicated.

(2) Occupancy decreased in 2014 and 2015 primarily as a result of scheduled Bank of America lease expirations.

(3) Occupancy increased in 2016 as a result of new leasing activity, including DRW Investments (129,312 SF), Baxalta (Shire) (83,200 SF), Alvarez & Marsal (41,957 SF), Valence Health (41,484 SF) and iManage (Netright) (25,470 SF).

- **Operating History and Underwritten Net Cash Flow.** The following table presents certain information relating to historical operating performance and the Underwritten Net Cash Flow at the 540 West Madison Property:

Cash Flow Analysis⁽¹⁾

	2013	2014	2015	TTM 6/1/2016	Underwritten ⁽²⁾	Underwritten \$ per SF
Base Rental Revenue ⁽³⁾	\$25,784,077	\$23,700,230	\$20,637,874	\$23,938,411	\$29,039,850	\$26.43
Credit Rent Steps ⁽⁴⁾	0	0	0	0	2,040,349	1.86
Other Rental Revenue	11,000	15,000	15,000	15,400	15,000	0.01
Total Reimbursement Revenue	18,305,891	15,373,755	14,444,139	17,686,271	18,394,361	16.74
Gross Up Vacancy	0	0	0	0	3,920,750	3.57
Parking Revenue	630,075	546,318	502,872	418,583	504,000	0.46
Other Revenue	42,376	3,521	(197,342)	(256,164)	29,461	0.03
Gross Revenue	\$44,773,419	\$39,638,825	\$35,402,543	\$41,802,502	\$53,943,771	\$49.10
Vacancy Loss	0	0	0	0	(4,440,459)	(4.04)
Effective Gross Revenue	\$44,773,419	\$39,638,825	\$35,402,543	\$41,802,502	\$49,503,312	\$45.06
Real Estate Taxes	7,240,003	6,541,069	7,509,250	8,677,890	7,476,890	6.81
Insurance	356,328	365,396	370,210	346,438	346,438	0.32
Utilities	1,124,663	1,365,143	1,534,245	1,497,927	1,468,324	1.34
Repairs & Maintenance	2,885,849	3,026,235	2,006,490	2,568,702	1,999,456	1.82
Janitorial	2,510,676	2,185,882	2,035,027	2,171,033	2,171,033	1.98
Management Fee	1,349,606	1,277,635	1,028,545	1,144,004	1,485,099	1.35
Payroll (Office, Security, Maintenance)	3,932,716	3,769,340	3,751,869	3,955,563	3,955,563	3.60
Other Expenses	552,313	683,254	744,892	846,925	848,251	0.77
Total Operating Expenses	\$19,952,155	\$19,213,954	\$18,980,526	\$21,208,482	\$19,751,054	\$17.98
Net Operating Income	\$24,821,264	\$20,424,871	\$16,422,017	\$20,594,020	\$29,752,258	\$27.08
Tenant Improvements	0	0	0	0	624,400	0.57
Leasing Commissions	0	0	0	0	624,400	0.57
Replacement Reserves	0	0	0	0	164,795	0.15
Net Cash Flow	\$24,821,264	\$20,424,871	\$16,422,017	\$20,594,020	\$28,338,662	\$25.79

(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 increased as a result of 2016 leasing activity, including DRW Investments (\$4.0 million underwritten base rent), Baxalta (Shire) (\$2.2 million underwritten base rent), Alvarez & Marsal (\$1.2 million underwritten base rent), Valence Health (\$1.1 million underwritten base rent) and iManage (Netright) (\$0.7 million underwritten base rent).

(3) Underwritten cash flow is based on contractual rents as of September 1, 2016 and contractual rent steps through September 1, 2017.

(4) The credit rent steps line item represents the net present value of rent steps for credit rated tenants, discounted at 7%.

- **Appraisal.** According to the appraisal, the 540 West Madison Property had a “hypothetical market as is value” of \$627,000,000 as of August 2, 2016, which assumes the remaining obligations of approximately \$41.2 million (consisting primarily of approximately \$23.3 million in unfunded TI/LCs and approximately \$18.9 million in free rent) are expended, for which approximately \$40.6 million was reserved at origination. In addition, the 540 West Madison Property had an “as-is” appraised value of \$591,000,000 as of August 2, 2016 and a “prospective market value upon stabilization” of \$672,000,000 as of August 1, 2020.
- **Environmental Matters.** According to a Phase I environmental report, dated August 9, 2016, there are no recognized environmental conditions or recommendations for further action at the 540 West Madison Property.
- **Market Overview and Competition.** The 540 West Madison Property is located in Chicago's West Loop submarket. As of the first quarter of 2016, the West Loop submarket contained 41.7 million SF Class A and B office space equating to 32.8% of the total Chicago CBD inventory. As of the first quarter of 2016, the West Loop was home to major corporations including Boeing Corporation (global headquarters), Deloitte & Touche, Hyatt Corporation (global headquarters), PriceWaterhouseCoopers, UBS, MillerCoors, Orbitz, United Continental, Chicago Mercantile Exchange, Citicorp, Ernst & Young, Hewlett Packard and PepsiCo/Quaker Oats.

540 WEST MADISON

According to the appraisal, the overall Class A West Loop office market direct rental rate of \$42.24 per SF. The following table presents certain information regarding the Chicago West Loop office Market as of the first quarter of 2016.

Chicago CBD Office Market⁽¹⁾

Submarket	Central Loop	West Loop	East Loop	North Michigan Avenue	River North	Fulton Market District	Far West Loop	Total
Inventory (SF)	36,247,671	44,629,803	21,101,886	7,916,630	13,929,070	1,205,978	2,039,781	127,070,819
Overall Vacancy Rate	12.0%	13.1%	14.6%	13.4%	12.0%	9.2%	11.6%	12.9%
Direct Vacancy Rate	11.1%	11.7%	14.3%	12.6%	11.0%	5.0%	11.6%	11.9%
YTD Leasing Activity (SF)	400,794	605,228	180,030	87,887	184,851	0	2,450	1,461,240
YTD Direct Net Absorption (SF)	65,117	8,506	168,840	78,890	(8,156)	(3,022)	(17,766)	292,409
YTD Overall Net Absorption (SF)	44,895	36,079	161,474	49,378	18,044	(3,022)	(17,766)	289,082
Overall Wtd. Avg. All Classes Gross Rent	\$33.66	\$38.07	\$33.56	\$34.58	\$38.74	\$32.73	\$25.35	\$35.61
Direct Wtd. Avg. Class A Gross Rent	\$40.27	\$42.24	\$38.92	\$38.18	\$43.81	\$39.50	N/A	\$41.12

(1) Source: Appraisal.

The appraiser identified 6 comparable properties that exhibited a rental range of \$20.00 per SF to \$36.00 per SF and a weighted average occupancy rate of approximately 95.1% for direct space. The following table presents certain information relating to the primary competition for the 540 West Madison Property:

Competitive Set⁽¹⁾

	540 West Madison Street (Subject Property)	500 West Madison Street (Citigroup Center)	500 West Monroe Street	155 North Wacker Drive	10, 20, and 30 South Wacker Drive	71 South Wacker Drive (Hyatt Center)	111 South Wacker Drive
Class	A	A	A	A	A	A	A
Stories	31	40	44	46	10 and 40	48	51
Year Built	2003	1987	1992	2009	1983 and 1987	2005	2004
Size (SF)	1,098,633	1,448,095	973,000	1,152,953	2,519,595	1,490,825	1,027,683
Occupancy	92.4%	96.9%	91.1%	98.8%	92.2%	96.3%	97.2%
Net Rental Rate per SF	\$28.62	\$23.00 - \$27.00	\$20.00 - \$27.00	\$29.00	\$22.00 - \$30.00	\$29.00 - \$36.00	\$32.75 - \$36.00
Gross Rent per SF	\$46.27	\$40.01 - \$44.01	\$33.71 - \$40.71	\$50.54	\$37.49 - \$45.49	\$51.91 - \$58.91	\$54.10 - \$57.35

(1) Source: Appraisal.

- **The Borrower.** The borrower is 540 West Madison Owner LLC, a single-purpose, single-asset entity. Legal counsel to the borrower delivered a non-consolidation opinion in connection with the origination of the 540 West Madison Whole Loan. The non-recourse carveout guarantors under the 540 West Madison Whole Loan are Joseph Mizrahi and David Alcalay, indirect owners of the borrower (collectively, jointly and severally, the “**540 West Madison Borrower Sponsor**”). The 540 West Madison Borrower Sponsor is required to maintain minimum net worth of \$100 million and minimum liquidity of \$10 million (in the aggregate in each case).

The investor group includes David Werner, David Alcalay, Joseph Mizrahi and others. David Werner, David Alcalay, and Joseph Mizrahi each have over 30 years of experience in the commercial real estate business. David Werner has been a part of numerous real estate transactions (approximately 61 office buildings) across the United States. As president of the Alcalay-Mizrahi Group, David Alcalay has over \$2 billion in commercial real estate under management. In addition Mr. Alcalay serves as President of US Flour Corp and New England Flour Corp whose annual sales are over \$200 million. Joseph Mizrahi is the President of The Mizrahi Group, which was founded in 1985 and has managed or invested in over \$6 billion in real estate. Through an affiliate company, Third Millennium Group, LLC, the firm takes an active role the management of its real estate projects.

- **Escrows.** On the origination date, the borrower funded (i) a tax reserve in an amount equal to \$1,243,392, (ii) an insurance reserve in an amount equal to \$356,002, (iii) an unfunded obligations reserve of \$23,258,542 for unfunded TI/LCs and (iv) a free rent reserve of \$17,308,290.

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, (ii) commencing with the due date in September 2019, a tenant improvement and leasing commission reserve equal to \$137,329, (iii) during the continuance of a 540 West Madison Trigger Period, a capital expenditure reserve equal to \$22,888, (iv) during the continuance of a Bank of America Lease Reserve Period, all excess cash into a Bank of America reserve until the amount therein is equal to \$24,916,010, or if there is a Bank of America Single Floor Vacancy Period, all excess cash into a Bank of America Reserve until the amount therein is equal to \$70 times the number of leasable SF for the floor that is the subject of a Bank of America Single Floor Vacancy Period, (v) during the continuance of a DRW Lease Reserve Period, all excess cash into a DRW lease reserve until the amount therein equals the amount that the borrower is required to incur or reimburse pursuant to the DRW lease and (vi) during the continuance of a Marsh Lease Reserve Period, all excess cash into a Marsh lease reserve until the amount therein equals the amount that the borrower is required to incur or reimburse pursuant to the Marsh lease.

A “**540 West Madison Trigger Period**” means (A) any period (i) commencing upon the net operating income (as calculated under the related loan documents) for the trailing 6-month period (as of the last day of any fiscal quarter) falling below \$23,028,953 until the net operating income is greater than or equal to \$23,028,953 for two consecutive fiscal quarters based on the trailing 6-month period (as of the last day of any fiscal quarter) or (ii) 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 540 West Madison Trigger Period is ongoing and (B) any period during the continuance of an event of default under the mezzanine loan documents.

A “**Bank of America Lease Reserve Period**” means a period that will commence on June 1, 2021 and terminate when each of the following has occurred: (x) either the Bank of America lease has been extended through no earlier than December 31, 2027 in accordance with the terms thereof, or the Bank of America space has been relet to one or more replacement tenants pursuant to qualifying leases that have been reasonably approved by the lender and that extend through no earlier than December 31, 2027, (y) all associated leasing commissions and tenant improvement costs have been paid, and (z) in the case of a replacement tenant, such tenant is in occupancy, has commenced paying rent under its lease and has delivered to the lender a reasonably acceptable estoppel letter with respect thereto.

A “**Bank of America Single Floor Vacancy Period**” means the conditions to termination of the Bank of America Lease Reserve Period have occurred, other than with respect to a single floor in the Bank of America Space.

A “**DRW Lease Reserve Period**” means a period that will commence upon DRW Investments, LLC (“**DRW**”) delivering a notice that it intends to exercise its second expansion option and terminate when DRW is in occupancy of such space, the related tenant improvements have been completed and all associated tenant improvement costs have been paid.

A “**Marsh Lease Reserve Period**” means a period that will commence upon Marsh USA Inc. (“**Marsh**”) delivering a notice that it intends to exercise its second expansion option and terminate when Marsh is in occupancy of such space, the related tenant improvements have been completed and all associated tenant improvement costs have been paid.

- **Lockbox and Cash Management.** The 540 West Madison 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 require that all credit card receivables be remitted directly into the lockbox account and all cash revenues relating to the 540 West Madison Property and all other money received by the borrower or the property manager with respect to the 540 West Madison 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. For so long as no 540 West Madison Trigger Period or event of default under the 540 West Madison Loan is continuing, all funds in the lockbox account in excess of those required to pay amounts due to the lender and the mezzanine 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. During the continuance of a 540 West Madison Trigger Period or event of default (if the lender so elects, only with respect to the continuance of an event of default) under the 540 West Madison Loan, all funds in the lockbox account are required to be swept into a lender-controlled cash management account on a daily basis. On each due date during the continuance of a 540 West Madison Trigger Period or, at the lender's discretion, during an event of default under the 540 West Madison 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 540 West Madison Property is currently managed by 540 General Manager LLC. Under the 540 West Madison Loan documents, the 540 West Madison Property is required to remain managed by 540 General Manager LLC, the borrower, an affiliate of the borrower that is not the subject of a bankruptcy proceeding, or any of Lincoln Property, CBRE, DTZ, Cushman & Wakefield, JLL, Colliers, Newmark, Hines, or their respective affiliate or satisfies certain requirements as set forth in the 540 West Madison Loan documents. The lender has the right to replace, or require the borrower to replace, the property manager with a property manager selected by the borrower, subject to lender's reasonable approval (i) during the continuance of an event of default under the 540 West Madison 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.

- **Permitted Preferred Equity.** The 540 West Madison Loan documents permit a future preferred equity investment in an entity that owns the mezzanine borrower (but not the mezzanine borrower itself), subject to satisfaction of certain conditions set forth in the 540 West Madison Loan documents, including among others: (a) the amount of such preferred equity may not exceed \$122.5 million, (b) the holder(s) of such preferred equity interest or the persons that own (directly or indirectly) more than 50% of the beneficial interests in such preferred equity holder(s) and control such preferred equity holder(s) are required to have an aggregate net worth, excluding their interest in the 540 West Madison Property, of at least \$250 million, (c) any and all preferred equity contributions are required to be subject and subordinate to all amounts payable to the lender with respect to the 540 West Madison Whole Loan and all amounts payable to the mezzanine lender under the mezzanine loan, all reserves required under the 540 West Madison loan documents and all amounts required for the borrower to operate the 540 West Madison Property, (d) any such preferred equity interest are not permitted to be transferable or subject to a pledge or other encumbrance, except that the preferred equity interest may be transferred or pledged to one or more holders with an aggregate net worth, excluding the 540 West Madison Property, of at least \$250 million, (e) the holder of any such preferred equity interest is not permitted to have actual or effective control over the normal operation of the borrower or the 540 West Madison Property and the right to approve or to veto major decisions will not, in and of itself, constitute actual or effective control), (f) the remedies of the holder of such preferred equity are required to be subordinate to the lien of the 540 West Madison Loan documents in all respects, cannot include any foreclosure-like remedies and may not be exercisable until the 540 West Madison Whole Loan is repaid in full, (g) such preferred equity interest may not have a mandatory redemption date earlier than the maturity date of the 540 West Madison Whole Loan, (h) the preferred equity interest may not be secured by any real or personal property of the borrower, including the 540 West Madison Property, and (i) the holder of such preferred equity interest may have the right to force a sale of the 540 West Madison Property, but only following the fifth anniversary of the issuance thereof and then only if the sale occurs simultaneously with the defeasance of the 540 West Madison Whole Loan in full or the sale price exceeds \$615 million and satisfies all requirements related to assumptions and equity transfers set forth in the 540 West Madison Loan documents.
- **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 a similar or subsequent statute) in an amount equal to the full replacement cost of the 540 West Madison 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 540 West Madison 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 \$100,000. The required terrorism insurance may be included in a blanket policy, provided that the borrower provides evidence satisfactory to the lender that the insurance premiums for the 540 West Madison Property are separately allocated to the 540 West Madison 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.