

Mortgage Loan No. 13 – Rio West Business Park

Mortgage Loan Information			
Mortgage Loan Seller:	WFB		
Original Balance ⁽¹⁾ :	\$21,500,000		
Cut-off Date Balance ⁽¹⁾ :	\$21,500,000		
% of Initial Pool Balance:	2.2%		
Loan Purpose:	Refinance		
Sponsor:	Fritz H. Wolff		
Mortgage Rate:	4.6100%		
Note Date:	11/3/2016		
First Payment Date:	12/11/2016		
Maturity Date:	11/11/2026		
Original Term to Maturity:	120 months		
Original Amortization Term:	360 months		
IO Period:	60 months		
Seasoning:	3 months		
Prepayment Provisions ⁽²⁾ :	LO (27); YM1 (89); O (4)		
Lockbox/Cash Mgmt Status:	Hard/Springing		
Additional Debt Type ⁽³⁾ :	Pari Passu		
Additional Debt Balance ⁽³⁾ :	\$20,000,000		
Future Debt Permitted (Type):	No (N/A)		
Reserves			
Type	Initial	Monthly	Cap
RE Tax:	\$182,180	\$91,090	N/A
Insurance:	\$0	Springing	N/A
Recurring Replacements:	\$200,000	\$4,944	\$200,000 ⁽⁴⁾
TI/LC ⁽⁵⁾ :	\$1,600,000	Springing	\$3,300,000
Other ⁽⁶⁾ :	\$2,258,310	\$0	N/A

Property Information	
Single Asset/Portfolio:	Single Asset
Location:	Tempe, AZ 85281
General Property Type:	Office
Detailed Property Type:	Suburban
Title Vesting:	Fee
Year Built/Renovated:	2005,2007/N/A
Size:	296,663 SF
Cut-off Date Balance per SF ⁽¹⁾ :	\$140
Maturity Date Balance per SF ⁽¹⁾ :	\$128
Property Manager:	Dynamic Asset Management LLC
Underwriting and Financial Information	
UW NOI:	\$4,013,638
UW NOI Debt Yield ⁽¹⁾ :	9.7%
UW NOI Debt Yield at Maturity ⁽¹⁾ :	10.5%
UW NCF DSCR ⁽¹⁾ :	2.03x (IO) 1.54x (P&I)
Most Recent NOI:	\$3,977,910 (TTM 9/30/2016)
2nd Most Recent NOI:	\$4,529,866 (12/31/2015)
3rd Most Recent NOI:	\$3,565,030 (12/31/2014)
Most Recent Occupancy:	100.0% (9/19/2016)
2nd Most Recent Occupancy:	100.0% (12/31/2015)
3rd Most Recent Occupancy:	100.0% (12/31/2014)
Appraised Value (as of):	\$64,000,000 (9/21/2016)
Cut-off Date LTV Ratio ⁽¹⁾ :	64.8%
Maturity Date LTV Ratio ⁽¹⁾ :	59.5%

Sources and Uses					
Sources	Proceeds	% of Total	Uses	Proceeds	% of Total
Loan Amount ⁽¹⁾ :	\$41,500,000	93.8%	Loan Payoff ⁽⁷⁾ :	\$39,416,138	89.1%
Borrower Equity:	\$2,747,432	6.2%	Reserves:	\$4,240,490	9.6%
			Closing Costs:	\$590,804	1.3%
Total Sources:	\$44,247,432	100.0%	Total Uses:	\$44,247,432	100.0%

- (1) The Rio West Business Park Mortgage Loan (as defined below) is part of the Rio West Business Park Whole Loan (as defined below), which is comprised of two *pari passu* notes with an aggregate original principal balance of \$41,500,000. The Cut-off Date Balance per SF, Maturity Date Balance per SF, UW NCF DSCR, UW NOI Debt Yield, UW NOI Debt Yield at Maturity, Cut-off Date LTV Ratio and Maturity Date LTV Ratio numbers presented above are based on the Rio West Business Park Whole Loan.
- (2) Yield maintenance is permitted at any time on and after the earlier to occur of (a) the end of the two-year period commencing on the closing date of the securitization of the last Rio West Business Park Whole Loan promissory note to be securitized and (b) December 11, 2020.
- (3) See "The Mortgage Loan" below for further discussion of additional debt.
- (4) The replacement reserve is capped at \$200,000 as long as (i) no event of default has occurred and is continuing and (ii) the lender determines that the Rio West Business Park Property is being adequately maintained.
- (5) Upon the occurrence of the earlier of (i) American Airlines renewing its lease for 56,389 SF of space under terms and conditions acceptable to lender; or (ii) October 1, 2017, ongoing monthly TI/LC reserves of \$24,722 will be required.
- (6) Other reserves represent \$58,310 for outstanding tenant improvements and leasing commissions for HotChalk Inc. and \$2,200,000 related to an American Airlines lease renewal. Upon the receipt of an acceptable lease renewal of American Airlines' 56,389 square foot (19.0% of net rentable area) space, this reserve shall be disbursed into the TI/LC reserve, with any remaining amount above \$3.3 million to be disbursed to the Rio West Business Park Borrower. American Airlines has delivered this renewal and the remainder above \$3.3 million was disbursed to the borrower.
- (7) The Rio West Business Park Whole Loan was used to pay off two separate loans on Phase I (as defined below), which was previously securitized in the JPMCC 2006-CB17 transaction, and Phase II (as defined below), which was previously held on a bank balance sheet.

The Mortgage Loan. The thirteenth largest mortgage loan (the "Rio West Business Park Mortgage Loan") is part of a whole loan (the "Rio West Business Park Whole Loan") evidenced by two *pari passu* notes in the aggregate original principal amount of \$41,500,000 secured by a first priority fee mortgage encumbering a five-building, 296,663 square foot office complex in Tempe, Arizona (the "Rio West Business Park Property"). The Rio West Business Park Mortgage Loan is evidenced by one *pari passu* note (Note A-1) with an outstanding principal balance as of the Cut-off Date of \$21,500,000. Note A-2 in the original principal amount of \$20,000,000 represents the serviced *pari passu* companion loan (the "Rio West Business Park Pari Passu Companion Loan"), and is currently held by the WFCM 2016-LC25 securitization trust. The Rio West Business Park Whole Loan will be serviced pursuant to the pooling and servicing agreement for this securitization transaction. See "Description of the Mortgage Pool—The Whole Loans—The Serviced Whole Loans" and "Pooling and Servicing Agreement—Servicing of the Non-Serviced Mortgage Loans" in the Prospectus.

The proceeds of the Rio West Business Park Whole Loan, along with borrower equity, were used to refinance a previous mortgage loans totaling approximately \$39,416,138 secured by the Rio West Business Park Property, fund reserves and pay closing costs. The previous mortgage loans secured by the Rio West Business Park Property were previously securitized in the JPMCC 2006-CB17 transaction and previously held on a bank balance sheet.

The Borrower and the Sponsor. The borrower is Tempe Rio West Business Park, LLC (the “Rio West Business Park Borrower”), a newly formed single-purpose Delaware limited liability company. The Rio West Business Park Borrower is owned by Fritz H. Wolff (the “Rio West Business Park Sponsor”), Chief Executive Officer and Managing General Partner of The Wolff Company, a fully-integrated real estate private equity firm, founded over 65 years ago, which has more than \$3.0 billion in discretionary capital. Headquartered in Arizona, with five regional offices throughout the United States, The Wolff Company has over 100 employees.

The Property. The Rio West Business Park Property represents five, one-story suburban office buildings located in Tempe, Arizona approximately 2.8 miles east of the Phoenix Sky Harbor International Airport and 9.3 miles east of the Phoenix central business district. The Rio West Business Park Property was constructed in two phases, 147,673 SF (“Phase I”) was built in 2005 and the remaining 148,990 SF (“Phase II”) was completed in 2007. The Rio West Business Park Property has averaged 95.0% occupancy since 2008. The Rio West Business Park Property is situated on a 23.9-acre site and features 1,514 surface parking spaces, resulting in a parking ratio of 5.1 spaces per 1,000 SF of rentable area. As of September 19, 2016, the Rio West Business Park Property was 100.0% occupied by American Airlines (86.2% of NRA) and HotChalk Inc. (13.8% of NRA). American Airlines has been in occupancy since construction in 2005. In December 2013, American Airlines merged with US Airways and subsequently relocated employees from the former US Airways Headquarters in downtown Tempe to the Rio West Business Park Property. Additionally, American Airlines has invested capital into their space, including the renovation of 48,066 SF (which was recently completed in September 2016). Renovations of an additional 56,389 SF were completed in December 2016 along with the addition of covered parking for the entire Rio West Business Park Property for a cost of approximately \$1.5 million. American Airlines renewed 147,673 SF (49.8% of NRA) in May 2014, expanded into 51,789 SF (17.5% of NRA) in September 2016 and renewed an additional 56,389 SF (19.0% of NRA) in November 2016 through September 2022. The Rio West Business Park Property houses American Airlines’ information technology, accounting and customer service groups.

The following table presents certain information relating to the leases at the Rio West Business Park Property:

Tenant Summary ⁽¹⁾							
Tenant Name	Credit Rating (Fitch/Moody's/S&P) ⁽²⁾	Tenant SF	Approx. % of SF	Annual UW Rent	% of Total Annual UW Rent	Annual UW Rent PSF	Lease Expiration
American Airlines ⁽²⁾	BB-/Ba3/BB-	255,851	86.2%	\$4,030,850	86.4 %	\$15.75	Various ⁽³⁾
HotChalk Inc.	NR/NR/NR	40,812	13.8%	\$632,586	13.6%	\$15.50	8/31/2023
Vacant		0	0.0%	\$0	0%	\$0.00	
Total/Wtd. Avg.		296,663	100.0%	\$4,663,436	100%	\$15.72	

(1) Information is based on the underwritten rent roll.

(2) The entity on the lease is American Airlines, Inc, the rated entity.

(3) American Airlines leases multiple suites under multiple leases with 147,673 SF (49.8% of NRA) expiring in April 2019; 51,789 SF (17.5% of NRA) expiring in August 2021; and 56,389 SF (19.0% of NRA) expiring in September 2022.

The following table presents certain information relating to the lease rollover at the Rio West Business Park Property:

Lease Rollover Schedule ⁽¹⁾								
Year	# of Leases Rolling	SF Rolling ⁽³⁾	UW Rent PSF Rolling	Approx. % of Total SF Rolling	Approx. Cumulative % of SF Rolling	Total UW Rent Rolling	Approx. % of Total Rent Rolling	Approx. Cumulative % of Total Rent Rolling
MTM	0	0	\$0.00	0.0%	0.0%	\$0	0.0%	0.0%
2017	0	0	\$0.00	0.0%	0.0%	\$0	0.0%	0.0%
2018	0	0	\$0.00	0.0%	0.0%	\$0	0.0%	0.0%
2019	2	147,673	\$15.50	49.8%	49.8%	\$2,288,932	49.1%	49.1%
2020	0	0	\$0.00	0.0%	49.8%	\$0	0.0%	49.1%
2021	1	51,789	\$16.00	17.5%	67.2%	\$828,417	17.8%	66.8%
2022	1	56,389	\$16.20	19.0%	86.2%	\$913,502	19.6%	86.4%
2023	1	40,812	\$15.50	13.8%	100.0%	\$632,586	13.6%	100.0%
2024	0	0	\$0.00	0.0%	100.0%	\$0	0.0%	100.0%
2025	0	0	\$0.00	0.0%	100.0%	\$0	0.0%	100.0%
2026	0	0	\$0.00	0.0%	100.0%	\$0	0.0%	100.0%
2027	0	0	\$0.00	0.0%	100.0%	\$0	0.0%	100.0%
2028 and Beyond	0	0	\$0.00	0.0%	100.0%	\$0	0.0%	100.0%
Vacant	0	0	\$0.00	0.0%	100.0%	\$0	0.0%	100.0%
Total/Wtd. Avg.	5	296,663	\$15.72	100.0%		\$4,663,436	100.0%	

(1) Information is based on the underwritten rent roll.

The Market. The Rio West Business Park Property is located at the intersection of Priest Drive and Rio Salado Parkway, approximately one-half mile from Loop 202 (Red Mountain Freeway), which provides primary access to the neighborhood. The Rio West Business Park Property is centrally located approximately three miles east of Sky Harbor International Airport, the nation's 10th busiest airport, and Arizona State University. The 2016 estimated population within a one-, three- and five-mile radius of the Rio West Business Park Property was 6,929, 85,440 and 308,805, respectively, while the 2016 estimated average household income within the same radii was \$43,922, \$49,501 and \$56,290, respectively. According to the appraisal, the Rio West Business Park Property is located in the Tempe submarket of the Phoenix market.

According to a third-party market research report, as of third quarter 2016, the Tempe submarket contained a total inventory of 24 buildings totaling approximately 5.2 million square feet exhibiting a vacancy rate of approximately 6.2% and an average asking rental rate of \$31.67 per square foot gross.

The following table presents recent leasing data at competitive office buildings to the Rio West Business Park Property:

Competitive Building Summary							
Property Name/Location	Year Built/ Renovated	Stories	Net Rentable Area (SF)	Percent Leased	Primary Tenant	Tenant Annual Base Rent	Tenant Leased Area
Rio West Business Park Property Tempe, AZ	2005,2007/NAP	1	296,663	100.0%	American Airlines	\$15.75	255,851
Liberty Center at Rio Salado, Bldg I Tempe, AZ	2015/NAP	1	155,000	100.0%	Centene	\$17.50	77,867
Liberty Center at Rio Salado, Bldg III Tempe, AZ	2016/NAP	2	135,663	50.0%	Prosper Marketplace	\$18.25	69,774
Liberty Center at Rio Salado, Bldg II Tempe, AZ	2015/NAP	2	156,027	75.0%	DHL	\$17.50	117,593
Liberty Center at Rio Salado, Bldg VI Tempe, AZ	2015/NAP	2	96,000	100.0%	DriveTime Automotive	\$18.35	96,000
Centrica Mesa, AZ	1978/2015	1	117,000	100.0%	Santander	\$19.00	117,000
One Papago Hills Tempe, AZ	1999/NAP	2	91,000	100.0%	Willis Towers Watson, PLC	\$17.41	91,000
The Circuit Tempe, AZ	1982/2015	1	185,000	51.0%	Oscar Health	\$16.75	93,481

Source: Appraisal and underwritten rent roll.

Operating History and Underwritten Net Cash Flow. The following table presents certain information relating to the operating history and Underwritten Net Cash Flow at the Rio West Business Park Property:

Cash Flow Analysis						
	2013	2014	2015	TTM 9/30/2016	UW	UW PSF
Base Rent	\$4,692,370	\$3,669,591	\$4,455,325	\$3,743,051	\$4,663,436	\$15.72
Total Recoveries	\$627,064	\$790,815	\$1,094,034	\$1,267,624	\$1,650,986	\$5.57
Other Income	\$0	\$0	\$0	\$0	\$0	\$0.00
Less Vacancy & Credit Loss	\$0	\$0	\$0	\$0	(\$466,344)	(10.0%)
Effective Gross Income	\$5,319,434	\$4,460,405	\$5,549,359	\$5,010,675	\$5,848,078	\$19.71
Total Operating Expenses	\$696,153	\$895,375	\$1,019,492	\$1,032,765	\$1,834,440	\$6.18
Net Operating Income	\$4,623,281⁽¹⁾	\$3,565,030⁽¹⁾⁽²⁾	\$4,529,866⁽²⁾⁽³⁾	\$3,977,910⁽³⁾	\$4,013,638	\$13.53
Capital Expenditures	\$0	\$0	\$0	\$0	\$59,333	\$0.20
TI/LC	\$0	\$0	\$0	\$0	\$358,663	\$1.21
Upfront TI/LC Credit	\$0	\$0	\$0	\$0	(\$350,000)	(\$1.18)
Net Cash Flow	\$4,623,281	\$3,565,030	\$4,529,866	\$3,977,910	\$3,945,643	\$13.30
Occupancy %	86.9%	100.0%	100.0%	100.0%	90.0%	
NOI DSCR (P&I)⁽⁴⁾	1.81x	1.39x	1.77x	1.56x	1.57x	
NOI DSCR (IO)⁽⁴⁾	2.38x	1.84x	2.34x	2.05x	2.07x	
NCF DSCR (P&I)⁽⁴⁾	1.81x	1.39x	1.77x	1.56x	1.54x	
NCF DSCR (IO)⁽⁴⁾	2.38x	1.84x	2.34x	2.05x	2.03	
NOI Debt Yield⁽⁴⁾	11.1%	8.6%	10.9%	9.6%	9.7%	
NCF Debt Yield⁽⁴⁾	11.1%	8.6%	10.9%	9.6%	9.5%	

(1) The decrease in net operating income from 2013 to 2014 was due to rent reductions, three months of free rent totaling \$516,856 for American Airlines' renewal of 147,673 square feet, and free rent for a former tenant.

(2) The increase in net operating income from 2014 to 2015 was due to free rent for American Airlines and a prior tenant burning off.

(3) The decrease in net operating income from 2015 to TTM 9/30/2016 was due to five months of free rent totaling \$255,075 for HotChalk Inc. and a rent reduction for a prior tenant.

(4) Debt service coverage ratios and debt yields are based on the Rio West Business Park Whole Loan.