

## FedEx Distribution Facility

## Mortgage Loan Information

<b>Mortgage Loan Seller:</b>	LCF
<b>Original Principal Balance:</b>	\$26,780,000
<b>Cut-off Date Principal Balance:</b>	\$26,749,431
<b>% of Pool by IPB:</b>	2.0%
<b>Loan Purpose:</b>	Refinance
<b>Borrower:</b>	Scannell Properties #131, LLC
<b>Sponsors:</b>	The Revocable Trust of Robert J. Scannell Dated September 9, 2002 and Robert J. Scannell
<b>Interest Rate:</b>	5.27600%
<b>Note Date:</b>	3/15/2013
<b>Anticipated Repayment Date<sup>(2)</sup>:</b>	4/6/2023
<b>Interest-only Period:</b>	None
<b>Original Term<sup>(3)</sup>:</b>	120 months
<b>Original Amortization:</b>	360 months
<b>Amortization Type:</b>	ARD-Balloon
<b>Call Protection:</b>	L(25),Def(93),O(2)
<b>Lockbox:</b>	Hard
<b>Additional Debt:</b>	N/A
<b>Additional Debt Balance:</b>	N/A
<b>Additional Debt Type:</b>	N/A

## Property Information

<b>Single Asset / Portfolio:</b>	Single Asset
<b>Title:</b>	Fee
<b>Property Type - Subtype:</b>	Industrial - Warehouse
<b>Net Rentable Area (SF):</b>	238,643
<b>Location:</b>	Romeoville, IL
<b>Year Built / Renovated:</b>	2012 / N/A
<b>Occupancy:</b>	100.0%
<b>Occupancy Date:</b>	5/6/2013
<b>Number of Tenants:</b>	1
<b>2010 NOI<sup>(1)</sup>:</b>	N/A
<b>2011 NOI<sup>(1)</sup>:</b>	N/A
<b>2012 NOI<sup>(1)</sup>:</b>	N/A
<b>UW Economic Occupancy:</b>	97.0%
<b>UW Revenues:</b>	\$2,319,165
<b>UW Expenses:</b>	\$69,575
<b>UW NOI:</b>	\$2,249,590
<b>UW NCF:</b>	\$2,225,726
<b>Appraised Value / Per SF<sup>(4)</sup>:</b>	\$36,400,000 / \$153
<b>Appraisal Date:</b>	1/18/2013

## Escrows and Reserves

	Initial	Monthly	Initial Cap
<b>Taxes:</b>	\$0	\$0	N/A
<b>Insurance:</b>	\$0	\$0	N/A
<b>Replacement Reserves:</b>	\$0	\$1,989	N/A
<b>TI/LC:</b>	\$0	\$0	N/A
<b>Other<sup>(5)</sup></b>	\$150,000	\$0	N/A

## Financial Information

<b>Cut-off Date Loan / SF:</b>	\$112
<b>ARD Loan / SF:</b>	\$93
<b>Cut-off Date LTV:</b>	73.5%
<b>ARD LTV:</b>	61.0%
<b>UW NCF DSCR:</b>	1.25x
<b>UW NOI Debt Yield:</b>	8.4%

(1) The property was constructed in 2012 and as such historical financials are not available.

(2) The loan is structured with an anticipated repayment date ("ARD") of April 6, 2023. In the event that the loan is not paid off on or before the ARD, the borrower is required to make monthly payments to the lender of interest at the initial interest rate and additional interest will accrue based on a step up in the interest rate of 500 basis points plus the greater of (i) the initial interest rate (5.27600%) and (ii) the then current 10-year offered-side swap yield plus 3.19%. The final maturity date of the loan is April 6, 2043.

(3) Represents the Original Term to the ARD.

(4) The appraisal also concluded a "Hypothetical Market Value as Dark" of \$26.8 million (\$112 per square foot).

(5) Other Initial Escrows and Reserves represent an upfront reserve of \$150,000 for completion of punch list items required under the FedEx lease.

**The Loan.** The FedEx Distribution Facility loan has an outstanding principal balance of approximately \$26.7 million and is secured by a first mortgage lien on a single story build-to-suit FedEx Ground terminal located in Romeoville, Illinois. The loan is structured with an anticipated repayment date of April 6, 2023, and a final maturity date of April 6, 2043. The loan amortizes on a 30-year schedule through the ARD and will hyperamortize after the ARD. Proceeds from the loan were used to refinance approximately \$23.6 million of existing construction and mezzanine financing, fund upfront reserves of \$150,000, pay closing costs of \$0.3 million and provide cash to the borrower of \$2.7 million.

**The Property.** Fedex Ground Distribution Facility is a single-story build-to-suit Fedex Ground terminal building with a total of 238,643 square feet of net rentable area, 32' clear ceiling heights and 221 transit doors/truck bays. The building was built in 2012 with improvements that include an administration/security building, maintenance building and vehicle fueling station. The property is 100% leased to FedEx Ground Packaging System, Inc. ("FedEx Ground") and they have a 15-year double net lease with an initial lease maturity in January 2028 with two, 5-year renewal options. FedEx Ground has taken possession of the property and is expected to be fully operational at the property by September 2013.

## FedEx Distribution Facility

**The Market.** The property is located in Romeoville, Illinois and is part of the I-55 Corridor, an area home to several of the largest and most modern distribution centers in the Chicago Metropolitan area. The I-55 Corridor industrial concentration has evolved as distribution uses have necessitated access to both Chicago and Midwestern destinations. Access into the Chicago interstate network is available via I-55 and I-80, located about five and fifteen minutes, respectively, from the corridor. These highway linkages distinguish the I-55 Corridor as one of the better distribution locations in both the Chicago area and the Midwestern United States. According to the appraisal, industrial properties in the Far Southwest Submarket have average annual rental rates of \$4.13 per square foot and an average vacancy of 9.5% as of fourth quarter 2012.

Tenant	Ratings <sup>(2)</sup> Moody's/S&P/Fitch	Tenant Summary <sup>(1)</sup>		Base Rent PSF	Lease Expiration Date
		Net Rentable Area (SF)	% of Total NRA		
FedEx Ground Package System, Inc.	Baa1 / BBB / NA	238,643	100.0%	\$10.02	1/31/2028

(1) Based on the underwritten rent roll.

(2) Ratings provided are for the parent company of the entity listed in the "Tenant" field which does not guarantee the lease.

Operating History and Underwritten Net Cash Flow <sup>(1)</sup>			
	Underwritten	Per Square Foot	% <sup>(2)</sup>
Rents in Place	\$2,390,892	\$10.02	100%
Vacant Income	0	0.00	0.0
<b>Gross Potential Rent</b>	<b>\$2,390,892</b>	<b>\$10.02</b>	<b>100%</b>
Total Reimbursements <sup>(3)</sup>	0	0.00	0.0
<b>Net Rental Income</b>	<b>\$2,390,892</b>	<b>\$10.02</b>	<b>100.0%</b>
(Vacancy/Credit Loss)	(71,727)	(0.30)	(3.0)
Other Income	0	0.00	0.0
<b>Effective Gross Income</b>	<b>\$2,319,165</b>	<b>\$9.72</b>	<b>97.0%</b>
<b>Total Expenses<sup>(3)</sup></b>	<b>\$69,575</b>	<b>\$0.29</b>	<b>3.00%</b>
<b>Net Operating Income</b>	<b>\$2,249,590</b>	<b>\$9.43</b>	<b>97.0%</b>
Total TI/LC, Capex/RR	23,864	0.10	1.0
<b>Net Cash Flow</b>	<b>\$2,225,726</b>	<b>\$9.33</b>	<b>96.0%</b>
<b>Occupancy</b>	<b>97.0%</b>		

(1) The property was constructed in 2012 and as such historical financials are not available.

(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) FedEx's lease is NN.

**Future Additional Debt.** The FedEx Ground lease contains an expansion option that would result in an increase in square footage at the property by up to approximately 68,322 square feet that would increase in rent if the borrower completes the expansion. The borrower may undertake the expansion option and finance the expansion option through either preferred equity or mezzanine financing, in each case subject to the terms of the loan documents.