

\$336,500,000
(Approximate Certificates)

Waikiki Beach Hotel Trust 2019-WBM
Issuing Entity

Wells Fargo Commercial Mortgage Securities, Inc.
Depositor

Wells Fargo Bank, National Association
JPMorgan Chase Bank, National Association
Goldman Sachs Mortgage Company
Mortgage Loan Sellers

Commercial Mortgage Pass-Through Certificates, Series 2019-WBM

The Waikiki Beach Hotel Trust 2019-WBM, Commercial Mortgage Pass-Through Certificates, Series 2019-WBM (the "Certificates") will represent interests in a trust (the "Trust") to be established by Wells Fargo Commercial Mortgage Securities, Inc. (the "Depositor") pursuant to a Trust and Servicing Agreement (the "Trust and Servicing Agreement") among the Depositor, Wells Fargo Bank, National Association, as servicer (in such capacity, the "Servicer"), CWC Capital Asset Management LLC, as special servicer (the "Special Servicer"), Wells Fargo Bank, National Association, as certificate administrator (in such capacity, the "Certificate Administrator") and Wilmington Trust, National Association, as trustee (the "Trustee") and Park Bridge Lender Services LLC, as operating advisor (the "Operating Advisor"). The assets of the Trust will consist primarily of three promissory notes (the "Notes") issued by W2005 WKI Realty, LLC (the "Borrower"), a Delaware limited liability company, evidencing a 2-year (subject to five (5), one-year extension options), floating rate, interest-only mortgage loan (the "Mortgage Loan"). The Mortgage Loan is secured by, among other things, a first priority mortgage lien on the Borrower's leasehold interests in a full-service hotel property located in Honolulu, Hawaii (the "Mortgaged Property"). The Borrower is a special purpose entity that is indirectly owned and controlled by Atrium WKI Holding LLC (the "Borrower Sponsor") (an affiliate of Atrium Holding Company). The non-recourse carveout guarantors are HLB Funding LLC and Atrium Leveraged Loan Fund, LLC, each a Delaware limited liability company (the "Guarantors"). The Mortgage Loan was co-originated by Wells Fargo Bank, National Association ("WFB"), JPMorgan Chase Bank, National Association ("JPMCB") and Goldman Sachs Mortgage Company ("GSMC" and together with WFB and JPMCB, the "Mortgage Loan Sellers"). Each Class of Sequential Pay Certificates will be entitled to receive monthly distributions of principal and/or interest on the 15th day of each month (or if the 15th day is not a Business Day, the immediately succeeding Business Day) commencing in March 2019.

See "Risk Factors" beginning on page 28 to read about factors you should consider before buying any Certificates.

Class of Certificates	Initial Certificate Balance ⁽¹⁾	Pass-Through Rate Description ⁽²⁾	Assumed Final Distribution Date ⁽³⁾	Fully Extended Assumed Final Distribution Date ⁽⁴⁾	Expected Ratings (S&P) ⁽⁵⁾	Rated Final Distribution Date ⁽⁶⁾
Class A	\$112,200,000	LIBOR + 1.05000% ⁽⁸⁾	December 2020	December 2025	AAA(sf)	December 2033
Class B	\$36,800,000	LIBOR + 1.23000% ⁽⁸⁾	December 2020	December 2025	AA-(sf)	December 2033
Class C	\$27,300,000	LIBOR + 1.48000% ⁽⁸⁾	December 2020	December 2025	A-(sf)	December 2033
Class D	\$36,100,000	LIBOR + 2.03000% ⁽⁸⁾	December 2020	December 2025	BBB-(sf)	December 2033
Class E	\$56,900,000	LIBOR + 2.68000% ⁽⁸⁾	December 2020	December 2025	BB-(sf)	December 2033
Class F	\$50,375,000	LIBOR + 3.08180% ⁽⁸⁾	December 2020	December 2025	B-(sf)	December 2033
Class HRR	\$16,825,000	LIBOR + 5.88000% ⁽⁸⁾	December 2020	December 2025	NR	December 2033
Class P ⁽⁹⁾	N/A	N/A	N/A	N/A	N/A	N/A
Class R ⁽¹⁰⁾	N/A	N/A	N/A	N/A	N/A	N/A

Footnotes to table on page (iii).

THE CERTIFICATES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR REGISTERED OR QUALIFIED UNDER ANY STATE OR FOREIGN SECURITIES LAW AND ARE BEING OFFERED (A) IN THE UNITED STATES ONLY (1) TO "QUALIFIED INSTITUTIONAL BUYERS" ("QIBs"), AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT ("RULE 144A"), AND (2) (EXCEPT WITH RESPECT TO THE CLASS R CERTIFICATES) TO INSTITUTIONS THAT ARE "ACCREDITED INVESTORS", WITHIN THE MEANING OF RULE 501(a)(1), (2), (3) OR (7) OF REGULATION D UNDER THE SECURITIES ACT ("REGULATION D"), OR ANY ENTITY ALL OF THE EQUITY OWNERS OF WHICH ARE SUCH INSTITUTIONS (COLLECTIVELY, "INSTITUTIONAL ACCREDITED INVESTORS"), OR (B) (EXCEPT WITH RESPECT TO THE CLASS R CERTIFICATES) TO CERTAIN INSTITUTIONS THAT ARE NOT "U.S. PERSONS" IN "OFFSHORE TRANSACTIONS," AS DEFINED IN, AND IN ACCORDANCE WITH, REGULATION S UNDER THE SECURITIES ACT ("REGULATION S"). THE CERTIFICATES WILL NOT BE TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED UNDER "DESCRIPTION OF THE CERTIFICATES" AND "NOTICE TO INVESTORS" IN THIS OFFERING CIRCULAR.

The issuing entity will be relying on an exclusion or exemption from the definition of "investment company" under the Investment Company Act of 1940, as amended, contained in Section 3(c)(5) of the Investment Company Act or Rule 3a-7 under the Investment Company Act, although there may be additional exclusions or exemptions available to the issuing entity. The issuing entity is being structured so as not to constitute a "covered fund" for purposes of the Volcker Rule under the Dodd-Frank Act (both as defined in this Offering Circular).

The Certificates (other than the Class HRR Certificates) will be privately offered by Wells Fargo Securities, LLC ("WFS"), J.P. Morgan Securities LLC ("JPMS") and Goldman Sachs & Co. LLC ("GS&Co." and, together with WFS and JPMS, the "Initial Purchasers"). The Initial Purchasers are acting as joint bookrunning managers in the following manner: WFS will act as sole bookrunning manager with respect to 60% of each Class of Certificates (other than the Class HRR Certificates), JPMS will act as sole bookrunning manager with respect to 20% of each Class of Certificates (other than the Class HRR Certificates), and GS&Co. will act as sole bookrunning manager with respect to 20% of each class of certificates (other than the Class HRR Certificates). The Certificates are expected to be issued on or about February 20, 2019 (the "Closing Date") and will be delivered either through the facilities of The Depository Trust Company ("DTC") in the United States and Clearstream Banking, société anonyme ("Clearstream") and The Euroclear System ("Euroclear") in Europe or in fully registered, certificated form on or about such date (except that the Class HRR, Class P and the Class R Certificates, and any Certificates initially issued to an Institutional Accredited Investor that is not a QIB, will be delivered in the form of a definitive Certificate), against payment for the Certificates in immediately available funds. The Depositor has not applied for and does not intend to apply for listing of the Certificates on any securities exchange or stock market. The Initial Purchasers will privately offer the Certificates (other than the Class HRR Certificates) to prospective institutional investors from time to time in negotiated transactions or otherwise at varying prices to be determined at the time of sale, plus accrued interest.

Wells Fargo Securities

Co-Lead Manager and Joint Bookrunner

J.P. Morgan

Co-Lead Manager and Joint Bookrunner

Goldman Sachs & Co. LLC

Co-Lead Manager and Joint Bookrunner

Offering Circular dated February 4, 2019

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SUMMARY OF CERTIFICATES

Class of Certificates	Initial Certificate Balance ⁽¹⁾	Pass-Through Rate Description ⁽²⁾	Assumed Final Distribution Date ⁽³⁾	Fully Extended Assumed Final Distribution Date ⁽⁴⁾	Assumed Weighted Average Life to Initial Maturity (Yrs) ⁽⁵⁾	Assumed Weighted Average Life to Maximum Extended Maturity (Yrs) ⁽⁴⁾	Expected Ratings (S&P) ⁽⁶⁾	Approximate Cumulative Certificate LTV (%) ⁽⁶⁾	Approximate Cumulative Underwritten Debt Yield ⁽⁶⁾
Class A.....	\$112,200,000	LIBOR + 1.05000% ⁽⁸⁾	December 2020	December 2025	1.82	6.82	AAA(sf)	16.0%	28.5%
Class B.....	\$26,800,000	LIBOR + 1.23000% ⁽⁸⁾	December 2020	December 2025	1.82	6.82	AA-(sf)	21.3%	21.4%
Class C.....	\$27,300,000	LIBOR + 1.48000% ⁽⁸⁾	December 2020	December 2025	1.82	6.82	A-(sf)	25.2%	18.1%
Class D.....	\$36,100,000	LIBOR + 2.03000% ⁽⁸⁾	December 2020	December 2025	1.82	6.82	BBB-(sf)	30.3%	15.0%
Class E.....	\$56,900,000	LIBOR + 2.68000% ⁽⁸⁾	December 2020	December 2025	1.82	6.82	BB-(sf)	38.4%	11.9%
Class F.....	\$50,375,000	LIBOR + 3.08180% ⁽⁸⁾	December 2020	December 2025	1.82	6.82	B-(sf)	45.6%	10.0%
Class HRR.....	\$16,825,000	LIBOR + 5.88000% ⁽⁸⁾	December 2020	December 2025	1.82	6.82	NR	48.0%	9.5%
Class P ⁽⁹⁾	N/A	N/A	N/A	N/A	N/A	N/A	NR	N/A	N/A
Class R ⁽¹⁰⁾	N/A	N/A	N/A	N/A	N/A	N/A	NR	N/A	N/A

(1) Approximate, subject to a variance of plus or minus 5%.

(2) For the initial Certificate Interest Accrual Period, which begins on the Closing Date and ends on March 14, 2019 (the “Initial Certificate Interest Accrual Period”), LIBOR will be determined on February 13, 2019, and for each applicable Certificate Interest Accrual Period after the Initial Certificate Interest Accrual Period, LIBOR will be determined as of the day that is two Business Days prior to the start of such Certificate Interest Accrual Period, in each case determined as described under “*Description of the Certificates—Determination of LIBOR for the Certificates*” in this Offering Circular. LIBOR for any Mortgage Loan Interest Accrual Period or Certificate Interest Accrual Period will not be less than 0.00%. If for any applicable Certificate Interest Accrual Period, LIBOR is unavailable, interest will accrue on the Certificates as described in “*Description of the Certificates—Determination of LIBOR for the Certificates*” in this Offering Circular.

(3) Assuming no prepayments, no delinquencies, no extensions, no repurchases, no modifications, no defaults and no acceleration of the maturity of the Mortgage Loan and according to the Modeling Assumptions (as defined in “*Yield, Prepayment and Maturity Considerations*” in this Offering Circular).

(4) Assuming that the Mortgage Loan is fully extended by the Borrower and assuming no prepayments, no amortization payments, no extensions beyond the fully-extended maturity date, no delinquencies, no defaults, no repurchases, no modifications and no acceleration of the maturity of the Mortgage Loan and according to the modeling assumptions described under “*Yield, Prepayment and Maturity Considerations*” in this Offering Circular.

(5) Ratings shown are those of S&P Global Ratings, a Standard & Poor’s Financial Services LLC business (“S&P”). S&P is also referred to in this Offering Circular as the “Rating Agency”. Subject to the discussion under “Ratings” in this Offering Circular, the ratings on the Certificates address the likelihood of the timely receipt by holders of all payments of interest to which they are entitled on each Distribution Date and the ultimate receipt by holders of all payments of principal to which they are entitled on or before the applicable Rated Final Distribution Date. Certain nationally recognized statistical rating organizations (“NRSROs”), as defined in Section 3(a)(62) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), that were not hired by the Depositor may use information they receive pursuant to Rule 17g-5 under the Exchange Act (“Rule 17g-5”) to rate the Certificates. We cannot assure you as to what ratings a non-hired NRSRO would assign. See “*Risk Factors—Credit Ratings of the Certificates Are Not Assurance of Performance and May Change Over Time*”. The Rating Agency has informed us that the “sf” designation in its ratings represents an identifier for structured finance product ratings. For additional information about this identifier, prospective investors can go to the website of the Rating Agency. We and the Initial Purchasers have not verified, do not adopt and accept no responsibility for any statements made by the Rating Agency on its Internet website. See “*Risk Factors—Credit Ratings of the Certificates Are Not Assurance of Performance and May Change Over Time*” and “*Ratings*” in this Offering Circular. The “Rated Final Distribution Date” is the Distribution Date in December 2033.

(6) “Approximate Cumulative Certificate LTV” means, with respect to any of the Class A, Class B, Class C, Class D, Class E, Class F and Class HRR Certificates, (x) the sum of the aggregate initial Certificate Balance of such Class of Certificates and all Classes of Sequential Pay Certificates senior to or *pari passu* with such Class of Certificates, divided by (y) \$700,700,000, which is the Appraised Value of the Mortgaged Property as determined by an appraisal performed by Cushman & Wakefield Western, Inc. as of October 3, 2018.

(7) “Approximate Cumulative Underwritten Debt Yield” means, with respect to any of the Class A, Class B, Class C, Class D, Class E, Class F and Class HRR Certificates, (x) Underwritten Net Cash Flow (as defined in “*Description of the Mortgaged Property—Certain Definitions and Column Headings*” in this Offering Circular) of \$31,942,292, divided by (y) the sum of the aggregate initial Certificate Balance of such Class of Certificates and all Classes of Sequential Pay Certificates senior to or *pari passu* with such Class of Certificates.

(8) The pass-through rate (the “Pass-Through Rate”) applicable to each of the Class A, Class B, Class C, Class D, Class E, Class F and Class HRR Certificates (the “Sequential Pay Certificates”) will be equal to a *per annum* rate equal to, (a) for any Distribution Date prior to and including the Distribution Date in December 2023, the floating rates set forth above, and (b) if the fourth Extension Option is exercised pursuant to the terms of the Mortgage Loan Agreement, for any Distribution Date after the Distribution Date in

December 2023, the floating rate set forth above plus 0.25%, subject to adjustment as described in this Offering Circular. See “*Description of the Certificates—Payment on the Certificates*” in this Offering Circular.

- (9) The Class P Certificates will not have a Certificate Balance, Pass-Through Rate, rating or Rated Final Distribution Date. Any Spread Maintenance Premiums on the Mortgage Loan will, to the extent collected, be allocated to the Class P Certificates. The Class P Certificates will not be entitled to distributions in respect of principal or interest other than any Spread Maintenance Premiums as described in “*Description of the Certificates—Allocation of Spread Maintenance Premiums*” and other than a \$100 payment on the first Distribution Date, which will be deemed a payment of principal on its REMIC regular interest principal balance for federal income tax purposes.
- (10) The Class R Certificates will not have a Certificate Balance, Pass-Through Rate, rating or Rated Final Distribution Date. The Class R Certificates will represent the residual interests in the Trust REMIC, as further described in this Offering Circular. The Class R Certificates will not be entitled to distributions of principal or interest.

NOTICE TO FLORIDA RESIDENTS

WHERE SALES ARE MADE TO FIVE OR MORE PERSONS IN FLORIDA (EXCLUDING “QUALIFIED INSTITUTIONAL BUYERS” WITHIN THE MEANING OF SEC RULE 144A AND CERTAIN OTHER INSTITUTIONAL PURCHASERS DESCRIBED IN SECTION 517.061(7) OF THE FLORIDA SECURITIES AND INVESTOR PROTECTION ACT (THE “FLORIDA ACT”)), ANY SUCH SALE MADE PURSUANT TO SECTION 517.061(11) OF THE FLORIDA ACT SHALL BE VOIDABLE BY THE PURCHASER WITHIN THREE DAYS AFTER (A) RECEIPT OF THIS OFFERING CIRCULAR OR (B) THE FIRST PAYMENT OF MONEY OR OTHER CONSIDERATION TO THE DEPOSITOR, AN AGENT OF THE DEPOSITOR, OR AN ESCROW AGENT, WHICHEVER OCCURS LATER.

No person has been authorized to give any information or to make any representations other than those contained in this Offering Circular and, if given or made, such information or representations must not be relied upon as having been authorized by the Borrower Sponsor, the Depositor, any Mortgage Loan Seller, the Borrower or any Initial Purchaser. Neither the delivery of this Offering Circular nor the acceptance of any offer for any of the Certificates shall under any circumstances create any implication that the information contained in this Offering Circular is correct as of any time subsequent to the date as of which such information is given.

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IMPORTANT NOTICE REGARDING THE CERTIFICATES

THE INFORMATION CONTAINED IN THIS OFFERING CIRCULAR SUPERSEDES ANY PREVIOUS SUCH INFORMATION DELIVERED TO ANY PROSPECTIVE INVESTOR.

THE CERTIFICATES REFERRED TO IN THESE MATERIALS ARE OFFERED ON A "WHEN, AS AND IF ISSUED" BASIS.

THE INITIAL PURCHASERS MAY FROM TIME TO TIME PERFORM INVESTMENT BANKING SERVICES FOR, OR SOLICIT INVESTMENT BANKING BUSINESS FROM, ANY COMPANY NAMED IN THESE MATERIALS. THE INITIAL PURCHASERS AND/OR THEIR EMPLOYEES MAY FROM TIME TO TIME HAVE A LONG OR SHORT POSITION IN ANY SECURITY OR CONTRACT DISCUSSED IN THESE MATERIALS.

THE PAYMENTS ON THE MORTGAGE LOAN WILL BE THE SOLE SOURCE FOR PAYMENTS ON THE CERTIFICATES. THE CERTIFICATES DO NOT REPRESENT AN INTEREST IN OR OBLIGATION OF THE DEPOSITOR, THE BORROWER SPONSOR, THE BORROWER, THE GUARANTORS, THE SERVICER, THE SPECIAL SERVICER, THE TRUSTEE, THE CERTIFICATE ADMINISTRATOR, THE OPERATING ADVISOR, THE 17G-5 INFORMATION PROVIDER, THE INITIAL PURCHASERS, ANY MORTGAGE LOAN SELLER OR ANY OF THEIR RESPECTIVE AFFILIATES. NEITHER THE CERTIFICATES NOR THE MORTGAGE LOAN ARE INSURED OR GUARANTEED BY ANY GOVERNMENTAL AGENCY OR INSTRUMENTALITY OR PRIVATE INSURER.

THE CERTIFICATES HAVE NOT BEEN REGISTERED OR QUALIFIED WITH, RECOMMENDED BY OR APPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION (THE "SEC") OR ANY STATE OR OTHER SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THOSE AUTHORITIES HAVE NOT REVIEWED THIS OFFERING CIRCULAR OR CONFIRMED OR DETERMINED THE ACCURACY OR ADEQUACY OF THIS OFFERING CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. IN MAKING AN INVESTMENT DECISION TO PURCHASE THE CERTIFICATES, PURCHASERS MUST RELY ON THEIR OWN EXAMINATIONS OF THE MORTGAGE LOAN, THE BORROWER, THE GUARANTORS, THE MORTGAGED PROPERTY, THE DEPOSITOR, THE MORTGAGE LOAN SELLERS, THE TRUST, THE TRUSTEE, THE CERTIFICATE ADMINISTRATOR, THE OPERATING ADVISOR, THE 17g-5 INFORMATION PROVIDER, THE SERVICER AND THE SPECIAL SERVICER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED.

This Offering Circular is confidential and is being furnished in connection with an offering exempt from registration or qualification under the Securities Act and applicable state and foreign securities laws, solely for the purpose of enabling a prospective purchaser to consider the purchase of the Certificates described in this Offering Circular. The information contained in this Offering Circular has been provided by the Depositor, the Mortgage Loan Sellers, the Borrower, the Guarantors, the Borrower Sponsor and other sources identified in this Offering Circular. No representation or warranty, express or implied, is made by the Initial Purchasers or any of their affiliates as to the accuracy or completeness of such information. This Offering Circular does not constitute an offer to sell or the solicitation of an offer to buy any securities other than the securities to which it relates or any offer to sell or the solicitation of an offer to buy such securities under any circumstances or in any jurisdiction in which such offer or solicitation is unlawful.

This Offering Circular is personal to the offeree and has been prepared solely for use in connection with the proposed offering of the Certificates. Distribution of this Offering Circular to any person other than the offeree and those persons, if any, retained to advise such offeree with respect to the offer and sale of the Certificates is unauthorized, and any disclosure of any of its contents is prohibited. Each offeree, by accepting delivery of this Offering Circular, agrees to the foregoing and also agrees to make no copies of this Offering Circular.

The distribution of this Offering Circular and the offer and sale of the Certificates in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Depositor and the Initial Purchasers to inform themselves about and to observe any such restrictions. For a further description of certain restrictions on the offer and sale of the Certificates, see "*Notice to Investors*" and "*Description of the Certificates—Delivery, Form, Transfer and Denomination*" in this Offering Circular.

PURCHASERS SHOULD FULLY CONSIDER THE RISKS ASSOCIATED WITH AN INVESTMENT IN THE CERTIFICATES, INCLUDING THE POSSIBILITY THAT SUCH PURCHASERS MAY NOT FULLY RECOUP THEIR INITIAL INVESTMENT AS A RESULT OF ADDITIONAL TRUST FUND EXPENSES INCURRED BY THE TRUST FUND. SEE "*DESCRIPTION OF THE CERTIFICATES*" IN THIS OFFERING CIRCULAR.

There is currently no secondary market for the Certificates. We cannot assure you that a secondary market will develop or, if a secondary market does develop, that it will provide Certificateholders with liquidity of investment or that it will continue for the term of the Certificates. Because of the transfer restrictions described under "Notice to Investors" in this Offering Circular, it is unlikely that a secondary market for the Certificates will develop. Each Initial Purchaser currently intends to make a market in the Certificates (other than the Class HRR Certificates) but is under no obligation to do so and may discontinue its market making activities at any time without notice. Accordingly, purchasers must be prepared to bear the risks of their investments for an indefinite period. See "*Risk Factors—The Certificates Have Limited Liquidity and the Market Value of the Certificates May Decline*" in this Offering Circular.

Each offeree of the Certificates and its representatives are invited to direct questions to the Initial Purchasers concerning the terms, conditions and other aspects of this Offering Circular and to obtain any additional information with respect to the Certificates, the Mortgage Loan, the Borrower, the Borrower Sponsor, the Guarantors, the Mortgaged Property, the Depositor, the Mortgage Loan Sellers, the Servicer, the Special Servicer, the Trustee, the Operating Advisor, the 17G-5 Information Provider, the custodian and the Certificate Administrator necessary to verify the accuracy of the information contained in this Offering Circular to the extent such information is within the possession of the Initial Purchasers or obtainable by it without unreasonable expense.

BY ACCEPTING THIS OFFERING CIRCULAR, EACH PROSPECTIVE PURCHASER ACKNOWLEDGES THAT (A) IT HAS BEEN AFFORDED AN OPPORTUNITY TO REQUEST FROM THE DEPOSITOR AND TO REVIEW, AND HAS RECEIVED, ALL ADDITIONAL INFORMATION CONSIDERED BY IT TO BE NECESSARY TO VERIFY THE ACCURACY OF THE INFORMATION IN THIS OFFERING CIRCULAR AND (B) IT HAS NOT RELIED ON THE BORROWER, THE BORROWER SPONSOR, THE GUARANTORS, THE SERVICER, THE SPECIAL SERVICER, THE TRUSTEE, THE CERTIFICATE ADMINISTRATOR, THE OPERATING ADVISOR, THE 17G-5 INFORMATION PROVIDER, THE INITIAL PURCHASERS OR ANY PERSON AFFILIATED WITH ANY OF THE FOREGOING PERSONS IN CONNECTION WITH ITS INVESTIGATION OF THE ACCURACY OF THE INFORMATION CONTAINED IN THIS OFFERING CIRCULAR OR ITS INVESTMENT DECISION. NEITHER THE DELIVERY OF THIS OFFERING CIRCULAR, NOR ANY SALE MADE UNDER THIS OFFERING CIRCULAR SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THE INFORMATION CONTAINED IN THIS OFFERING CIRCULAR IS CORRECT AS OF ANY TIME SUBSEQUENT TO THE DATE OF SUCH INFORMATION.

Each purchaser of the Certificates must comply with all applicable laws and regulations in force in any jurisdiction in which it purchases, offers or sells the Certificates or possesses or distributes this Offering Circular and must obtain any consent, approval or permission required for the purchase, offer or sale by it of the Certificates under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers or sales, and none of the Depositor, the Mortgage Loan Sellers, the Borrower, the Borrower Sponsor, the Guarantors or the Initial Purchasers shall have any responsibility for any such consents, approvals or permissions.

THE CERTIFICATES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN ACCORDANCE WITH THE TERMS OF THE TRUST AND SERVICING AGREEMENT AND AS PERMITTED UNDER THE SECURITIES ACT AND APPLICABLE STATE AND FOREIGN SECURITIES LAWS. THE DEPOSITOR HAS NOT AGREED TO REGISTER OR QUALIFY THE CERTIFICATES UNDER THE SECURITIES ACT OR ANY STATE OR FOREIGN SECURITIES LAWS OR TO PROVIDE REGISTRATION OR QUALIFICATION RIGHTS TO ANY PURCHASER. PURCHASERS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF AN INVESTMENT IN THE CERTIFICATES FOR AN INDEFINITE PERIOD OF TIME.

THE CONTENTS OF THIS OFFERING CIRCULAR ARE NOT TO BE CONSTRUED AS INVESTMENT, LEGAL OR TAX ADVICE. EACH PROSPECTIVE PURCHASER SHOULD CONSULT ITS OWN BUSINESS, LEGAL AND TAX ADVISORS AS TO INVESTMENT, LEGAL OR TAX ADVICE AND AS TO THE DESIRABILITY AND CONSEQUENCES OF AN INVESTMENT IN THE CERTIFICATES.

NOTHING CONTAINED IN THIS OFFERING CIRCULAR IS, OR SHALL BE RELIED UPON AS, A PROMISE OR REPRESENTATION BY ANY PERSON AS TO THE FUTURE PERFORMANCE OF THE BORROWER, THE BORROWER SPONSOR, ANY GUARANTOR, ANY MORTGAGE LOAN SELLER, THE DEPOSITOR, THE SERVICER, THE SPECIAL SERVICER, THE OPERATING ADVISOR, THE TRUST, THE TRUSTEE, THE CERTIFICATE ADMINISTRATOR, THE 17G-5 INFORMATION PROVIDER, THE MORTGAGE LOAN, THE CERTIFICATES OR THE MORTGAGED PROPERTY.

FORWARD-LOOKING STATEMENTS

IF AND WHEN INCLUDED IN THIS OFFERING CIRCULAR, THE WORDS “EXPECTS,” “INTENDS,” “ANTICIPATES,” “ESTIMATES” AND ANALOGOUS EXPRESSIONS ARE INTENDED TO IDENTIFY FORWARD-LOOKING STATEMENTS. ANY SUCH STATEMENTS, WHICH MAY INCLUDE STATEMENTS CONTAINED IN “RISK FACTORS,” IN “DESCRIPTION OF THE MORTGAGED PROPERTY” AND IN “DESCRIPTION OF THE BORROWER AND RELATED PARTIES” INHERENTLY ARE SUBJECT TO A VARIETY OF RISKS AND UNCERTAINTIES THAT COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE PROJECTED. SUCH RISKS AND UNCERTAINTIES INCLUDE, AMONG OTHERS, GENERAL ECONOMIC AND BUSINESS CONDITIONS, COMPETITION, CHANGES IN POLITICAL, SOCIAL AND ECONOMIC CONDITIONS, REGULATORY INITIATIVES AND COMPLIANCE WITH GOVERNMENTAL REGULATIONS AND VARIOUS OTHER MATTERS, ALL OF WHICH ARE BEYOND THE CONTROL OF THE DEPOSITOR, THE BORROWER, THE BORROWER SPONSOR, THE GUARANTORS, THE MORTGAGE LOAN SELLERS, THE INITIAL PURCHASERS, THE CERTIFICATE ADMINISTRATOR, THE TRUSTEE, THE OPERATING ADVISOR, THE 17G-5 INFORMATION PROVIDER, THE SERVICER AND THE SPECIAL SERVICER. THESE FORWARD-LOOKING STATEMENTS SPEAK ONLY AS OF THE DATE OF THIS OFFERING CIRCULAR. THE DEPOSITOR EXPRESSLY DISCLAIMS ANY OBLIGATION OR UNDERTAKING TO RELEASE ANY UPDATES OR REVISIONS TO ANY FORWARD-LOOKING STATEMENT CONTAINED IN THIS OFFERING CIRCULAR TO REFLECT ANY CHANGE IN THE DEPOSITOR’S EXPECTATIONS WITH REGARD TO ANY SUCH STATEMENTS OR ANY CHANGE IN EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH ANY SUCH STATEMENT IS BASED.

NOTICE TO UNITED KINGDOM INVESTORS

THE TRUST MAY CONSTITUTE A “COLLECTIVE INVESTMENT SCHEME” AS DEFINED BY SECTION 235 OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (AS AMENDED, “FSMA”) THAT IS NOT A “RECOGNIZED COLLECTIVE INVESTMENT SCHEME” FOR THE PURPOSES OF THE FSMA AND THAT HAS NOT BEEN AUTHORIZED OR OTHERWISE APPROVED. AS AN UNREGULATED SCHEME, THE CERTIFICATES CANNOT BE MARKETED IN THE UNITED KINGDOM TO THE GENERAL PUBLIC, EXCEPT IN ACCORDANCE WITH THE FSMA.

THE DISTRIBUTION OF THIS OFFERING CIRCULAR (A) IF MADE BY A PERSON WHO IS NOT AN AUTHORIZED PERSON UNDER THE FSMA, IS BEING MADE ONLY TO, OR DIRECTED ONLY AT, PERSONS WHO (I) ARE OUTSIDE THE UNITED KINGDOM, OR (II) HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS AND QUALIFY AS INVESTMENT PROFESSIONALS IN ACCORDANCE WITH ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 (THE “FINANCIAL PROMOTION ORDER”), OR (III) ARE PERSONS FALLING WITHIN ARTICLE 49(2)(A) THROUGH (D) (“HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC.”) OF THE FINANCIAL PROMOTION ORDER, OR (IV) ARE PERSONS TO WHICH THIS PROSPECTUS MAY OTHERWISE LAWFULLY BE COMMUNICATED OR DIRECTED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS “FPO PERSONS”); AND (B) IF MADE BY A PERSON WHO IS AN AUTHORIZED PERSON UNDER THE FSMA, IS BEING MADE ONLY TO, OR DIRECTED ONLY AT, PERSONS WHO (I) ARE OUTSIDE THE UNITED KINGDOM, OR (II) HAVE PROFESSIONAL EXPERIENCE OF PARTICIPATING IN UNREGULATED SCHEMES (AS DEFINED FOR PURPOSES OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (PROMOTION OF COLLECTIVE INVESTMENT SCHEMES) (EXEMPTIONS) ORDER 2001 (AS AMENDED, THE “PROMOTION OF COLLECTIVE INVESTMENT SCHEMES EXEMPTIONS ORDER”), OR (III) ARE PERSONS FALLING WITHIN ARTICLE 22(2)(A) THROUGH (D) (“HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC.”) OF THE PROMOTION OF COLLECTIVE INVESTMENT SCHEMES EXEMPTIONS ORDER, OR (IV) ARE PERSONS TO WHOM THE TRUST MAY LAWFULLY BE PROMOTED IN ACCORDANCE WITH SECTION 4.12 OF THE U.K. FINANCIAL CONDUCT AUTHORITY’S CONDUCT OF BUSINESS SOURCEBOOK (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS “PCIS PERSONS”, AND TOGETHER WITH THE FPO PERSONS, THE “RELEVANT PERSONS”).

THIS OFFERING CIRCULAR MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS OFFERING CIRCULAR RELATES, INCLUDING THE CERTIFICATES, IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS. ANY PERSONS OTHER THAN RELEVANT PERSONS SHOULD NOT ACT OR RELY ON THIS OFFERING CIRCULAR.

POTENTIAL INVESTORS IN THE UNITED KINGDOM ARE ADVISED THAT ALL, OR MOST, OF THE PROTECTIONS AFFORDED BY THE UNITED KINGDOM REGULATORY SYSTEM WILL NOT APPLY TO AN INVESTMENT IN THE CERTIFICATES AND THAT COMPENSATION WILL NOT BE AVAILABLE UNDER THE UNITED KINGDOM FINANCIAL SERVICES COMPENSATION SCHEME.

NOTICE TO RESIDENTS OF CANADA

THE CERTIFICATES MAY BE SOLD IN CANADA ONLY TO PURCHASERS PURCHASING, OR DEEMED TO BE PURCHASING, AS PRINCIPAL THAT ARE ACCREDITED INVESTORS, AS DEFINED IN NATIONAL INSTRUMENT 45-106 PROSPECTUS EXEMPTIONS OR SUBSECTION 73.3(1) OF THE SECURITIES ACT (ONTARIO), AND ARE PERMITTED CLIENTS, AS DEFINED IN NATIONAL INSTRUMENT 31-103 REGISTRATION REQUIREMENTS, EXEMPTIONS AND ONGOING REGISTRANT OBLIGATIONS. ANY RESALE OF THE CERTIFICATES MUST BE MADE IN ACCORDANCE WITH AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE PROSPECTUS REQUIREMENTS OF APPLICABLE SECURITIES LAWS.

SECURITIES LEGISLATION IN CERTAIN PROVINCES OR TERRITORIES OF CANADA MAY PROVIDE A PURCHASER WITH REMEDIES FOR RESCISSION OR DAMAGES IF THIS OFFERING CIRCULAR (INCLUDING ANY AMENDMENT THERETO) CONTAINS A MISREPRESENTATION, PROVIDED THAT THE REMEDIES FOR RESCISSION OR DAMAGES ARE EXERCISED BY THE PURCHASER WITHIN THE TIME LIMIT PRESCRIBED BY THE SECURITIES LEGISLATION OF THE PURCHASER'S PROVINCE OR TERRITORY. THE PURCHASER SHOULD REFER TO ANY APPLICABLE PROVISIONS OF THE SECURITIES LEGISLATION OF THE PURCHASER'S PROVINCE OR TERRITORY FOR PARTICULARS OF THESE RIGHTS OR CONSULT WITH A LEGAL ADVISOR.

PURSUANT TO SECTION 3A.3 OF NATIONAL INSTRUMENT 33-105 UNDERWRITING CONFLICTS ("NI 33-105"), THE INITIAL PURCHASERS ARE NOT REQUIRED TO COMPLY WITH THE DISCLOSURE REQUIREMENTS OF NI 33-105 REGARDING INITIAL PURCHASER CONFLICTS OF INTEREST IN CONNECTION WITH THIS OFFERING.

EUROPEAN ECONOMIC AREA

THIS OFFERING CIRCULAR IS NOT A PROSPECTUS FOR THE PURPOSES OF THE PROSPECTUS DIRECTIVE (AS DEFINED BELOW).

THE CERTIFICATES ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA (THE "EEA"). FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF THE FOLLOWING:

- (I) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU (AS AMENDED, "MIFID II"); OR
- (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE (EU) 2016/97 (AS AMENDED, THE "INSURANCE DISTRIBUTION DIRECTIVE"), WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II; OR
- (III) NOT A QUALIFIED INVESTOR AS DEFINED IN DIRECTIVE 2003/71/EC (AS AMENDED OR SUPERSEDED, THE "PROSPECTUS DIRECTIVE").

CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 (AS AMENDED, THE "PRIIPS REGULATION") FOR OFFERING OR SELLING THE CERTIFICATES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EEA HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE CERTIFICATES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION.

FURTHERMORE, THIS OFFERING CIRCULAR HAS BEEN PREPARED ON THE BASIS THAT ANY OFFER OF CERTIFICATES IN THE EEA WILL ONLY BE MADE TO A LEGAL ENTITY WHICH IS A QUALIFIED INVESTOR UNDER THE PROSPECTUS DIRECTIVE. ACCORDINGLY, ANY PERSON MAKING OR INTENDING TO MAKE AN OFFER IN THE EEA OF THE CERTIFICATES MAY ONLY DO SO WITH RESPECT TO QUALIFIED INVESTORS. NONE OF THE ISSUING ENTITY, THE DEPOSITOR OR ANY INITIAL PURCHASER HAS AUTHORIZED, NOR DOES ANY OF THEM AUTHORIZE, THE MAKING OF ANY OFFER OF CERTIFICATES OTHER THAN TO QUALIFIED INVESTORS.

JAPAN

THE CERTIFICATES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE FINANCIAL INSTRUMENTS AND EXCHANGE LAW OF JAPAN, AS AMENDED (THE “FIEL”), AND DISCLOSURE UNDER THE FIEL HAS NOT BEEN AND WILL NOT BE MADE WITH RESPECT TO THE CERTIFICATES. ACCORDINGLY, THE INITIAL PURCHASERS HAVE REPRESENTED AND AGREED THAT IT HAS NOT, DIRECTLY OR INDIRECTLY, OFFERED OR SOLD AND WILL NOT, DIRECTLY OR INDIRECTLY, OFFER OR SELL ANY CERTIFICATES IN JAPAN OR TO, OR FOR THE BENEFIT OF, ANY RESIDENT OF JAPAN (WHICH TERM AS USED IN THIS OFFERING CIRCULAR MEANS ANY PERSON RESIDENT IN JAPAN, INCLUDING ANY CORPORATION OR OTHER ENTITY ORGANIZED UNDER THE LAWS OF JAPAN) OR TO OTHERS FOR RE-OFFERING OR RE-SALE, DIRECTLY OR INDIRECTLY, IN JAPAN OR TO, OR FOR THE BENEFIT OF, ANY RESIDENT OF JAPAN EXCEPT PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF, AND OTHERWISE IN COMPLIANCE WITH, THE FIEL AND OTHER RELEVANT LAWS AND REGULATIONS OF JAPAN.

HONG KONG

THE INITIAL PURCHASERS HAVE REPRESENTED, WARRANTED AND AGREED THAT: (1) IT HAS NOT OFFERED OR SOLD AND WILL NOT OFFER OR SELL IN HONG KONG, BY MEANS OF ANY DOCUMENT, ANY CERTIFICATES (EXCEPT FOR CERTIFICATES WHICH ARE A “STRUCTURED PRODUCT” AS DEFINED IN THE SECURITIES AND FUTURES ORDINANCE (CAP. 571) (THE “SFO”) OF HONG KONG) OTHER THAN (A) TO “PROFESSIONAL INVESTORS” AS DEFINED IN THE SFO AND ANY RULES MADE UNDER THE SFO; OR (B) IN OTHER CIRCUMSTANCES WHICH DO NOT RESULT IN THE DOCUMENT BEING A “PROSPECTUS” AS DEFINED IN THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE (CAP. 32) (THE “C(WUMP)O”) OF HONG KONG OR WHICH DO NOT CONSTITUTE AN OFFER TO THE PUBLIC WITHIN THE MEANING OF THE C(WUMP)O; AND (2) IT HAS NOT ISSUED OR HAD IN ITS POSSESSION FOR THE PURPOSES OF ISSUE, AND WILL NOT ISSUE OR HAVE IN ITS POSSESSION FOR THE PURPOSES OF ISSUE, WHETHER IN HONG KONG OR ELSEWHERE, ANY ADVERTISEMENT, INVITATION OR DOCUMENT RELATING TO THE CERTIFICATES, WHICH IS DIRECTED AT, OR THE CONTENTS OF WHICH ARE LIKELY TO BE ACCESSED OR READ BY, THE PUBLIC OF HONG KONG (EXCEPT IF PERMITTED TO DO SO UNDER THE SECURITIES LAWS OF HONG KONG) OTHER THAN WITH RESPECT TO CERTIFICATES WHICH ARE OR ARE INTENDED TO BE DISPOSED OF ONLY TO PERSONS OUTSIDE HONG KONG OR ONLY TO “PROFESSIONAL INVESTORS” AS DEFINED IN THE SFO AND ANY RULES MADE UNDER THE SFO.

WARNING

THE CONTENTS OF THIS OFFERING CIRCULAR HAVE NOT BEEN REVIEWED OR APPROVED BY ANY REGULATORY AUTHORITY IN HONG KONG. YOU ARE ADVISED TO EXERCISE CAUTION IN RELATION TO THE OFFER. IF YOU ARE IN ANY DOUBT ABOUT ANY OF THE CONTENTS OF THIS OFFERING CIRCULAR, YOU SHOULD OBTAIN INDEPENDENT PROFESSIONAL ADVICE.

SINGAPORE

NEITHER THIS OFFERING CIRCULAR NOR ANY OTHER DOCUMENT OR MATERIAL IN CONNECTION WITH ANY OFFER OF THE CERTIFICATES HAS BEEN REGISTERED AS A PROSPECTUS WITH THE MONETARY AUTHORITY OF SINGAPORE (“MAS”) UNDER THE SECURITIES AND FUTURES ACT (CAP. 289) OF SINGAPORE (THE “SFA”). ACCORDINGLY, MAS ASSUMES NO RESPONSIBILITY FOR THE CONTENTS OF THIS OFFERING CIRCULAR. THIS OFFERING CIRCULAR IS NOT A PROSPECTUS AS DEFINED IN THE SFA AND STATUTORY LIABILITY UNDER THE SFA IN RELATION TO THE CONTENTS OF PROSPECTUSES WOULD NOT APPLY. ANY PROSPECTIVE INVESTORS SHOULD CONSIDER CAREFULLY WHETHER THE INVESTMENT IS SUITABLE FOR IT. THIS OFFERING CIRCULAR AND ANY OTHER DOCUMENT OR MATERIAL IN CONNECTION WITH THE OFFER OR SALE, OR INVITATION FOR SUBSCRIPTION OR PURCHASE, OF THE CERTIFICATES MAY NOT BE CIRCULATED OR DISTRIBUTED, NOR MAY THE CERTIFICATES BE OFFERED OR SOLD, OR BE MADE THE SUBJECT OF AN INVITATION FOR SUBSCRIPTION OR PURCHASE, WHETHER DIRECTLY OR INDIRECTLY, TO PERSONS IN SINGAPORE OTHER THAN (I) TO AN INSTITUTIONAL INVESTOR (AS DEFINED IN SECTION 4A(1)(c) OF THE SFA) PURSUANT TO SECTION 274 OF THE SFA (EACH AN “INSTITUTIONAL INVESTOR”), (II) TO A RELEVANT PERSON (AS DEFINED IN SECTION 275(2) OF THE SFA) PURSUANT TO SECTION 275(1), OR ANY PERSON PURSUANT TO SECTION 275(1A) OF THE SFA, AND IN ACCORDANCE WITH THE CONDITIONS SPECIFIED IN SECTION 275 OF THE SFA, PROVIDED ALWAYS THAT NONE OF SUCH PERSON SHALL BE AN INDIVIDUAL OTHER THAN AN INDIVIDUAL WHO IS AN ACCREDITED INVESTOR (AS DEFINED IN SECTION 4A(1)(a) OF THE SFA) (EACH, A “RELEVANT INVESTOR”).

NO CERTIFICATES ACQUIRED BY (I) AN INSTITUTIONAL INVESTOR; OR (II) A RELEVANT INVESTOR IN ACCORDANCE WITH THE CONDITIONS SPECIFIED IN SECTION 275 OF THE SFA MAY BE OFFERED OR SOLD, MADE THE SUBJECT OF AN INVITATION FOR SUBSCRIPTION OR PURCHASE, OR OTHERWISE TRANSFERRED, WHETHER DIRECTLY OR INDIRECTLY, TO PERSONS IN SINGAPORE, OTHER THAN TO (I) AN INSTITUTIONAL INVESTOR; OR (II) A RELEVANT INVESTOR IN ACCORDANCE WITH THE CONDITIONS SPECIFIED IN SECTION 275 OF THE SFA.

WHERE THE CERTIFICATES ARE SUBSCRIBED OR PURCHASED UNDER SECTION 275 OF THE SFA BY A RELEVANT PERSON WHICH IS: (A) A CORPORATION (WHICH IS NOT AN ACCREDITED INVESTOR (AS DEFINED IN SECTION 4A OF THE SFA)) THE SOLE BUSINESS OF WHICH IS TO HOLD INVESTMENTS AND THE ENTIRE SHARE CAPITAL OF WHICH IS OWNED BY ONE OR MORE INDIVIDUALS, EACH OF WHOM IS AN ACCREDITED INVESTOR; OR (B) A TRUST (WHERE THE TRUSTEE IS NOT AN ACCREDITED INVESTOR) WHOSE SOLE PURPOSE IS TO HOLD INVESTMENTS AND EACH BENEFICIARY IS AN ACCREDITED INVESTOR, SECURITIES (AS DEFINED IN SECTION 239(1) OF THE SFA) OF THAT CORPORATION OR THE BENEFICIARIES' RIGHTS AND INTEREST (HOWSOEVER DESCRIBED) IN THAT TRUST SHALL NOT BE TRANSFERABLE FOR 6 MONTHS AFTER THAT CORPORATION OR THAT TRUST HAS ACQUIRED THE CERTIFICATES UNDER SECTION 275 OF THE SFA EXCEPT: (1) TO AN INSTITUTIONAL INVESTOR UNDER SECTION 274 OF THE SFA OR TO A RELEVANT PERSON (AS DEFINED IN SECTION 275(2) OF THE SFA), OR TO ANY PERSON PURSUANT TO AN OFFER THAT IS MADE ON TERMS THAT SUCH SHARES, DEBENTURES AND UNITS OF SHARES AND DEBENTURES OF THAT CORPORATION OR SUCH RIGHTS OR INTEREST IN THAT TRUST ARE ACQUIRED AT A CONSIDERATION OF NOT LESS THAN 200,000 SINGAPORE DOLLARS (OR ITS EQUIVALENT IN A FOREIGN CURRENCY) FOR EACH TRANSACTION, WHETHER SUCH AMOUNT IS TO BE PAID FOR IN CASH OR BY EXCHANGE OF SECURITIES OR OTHER ASSETS, AND FURTHER FOR CORPORATIONS, IN ACCORDANCE WITH THE CONDITIONS SPECIFIED IN SECTION 275(1A) OF THE SFA; (2) WHERE NO CONSIDERATION IS GIVEN FOR THE TRANSFER; (3) WHERE THE TRANSFER IS BY OPERATION OF LAW; OR (4) AS SPECIFIED IN SECTION 276(7) OF THE SFA.

SOUTH KOREA

THESE CERTIFICATES HAVE NOT BEEN REGISTERED WITH THE FINANCIAL SERVICES COMMISSION OF SOUTH KOREA FOR A PUBLIC OFFERING IN SOUTH KOREA. THE INITIAL PURCHASERS HAVE THEREFORE REPRESENTED AND AGREED THAT THE CERTIFICATES HAVE NOT BEEN AND WILL NOT BE OFFERED, SOLD OR DELIVERED DIRECTLY OR INDIRECTLY, OR OFFERED, SOLD OR DELIVERED TO ANY PERSON FOR RE-OFFERING OR RESALE, DIRECTLY OR INDIRECTLY, IN SOUTH KOREA OR TO ANY RESIDENT OF SOUTH KOREA, EXCEPT AS OTHERWISE PERMITTED UNDER APPLICABLE SOUTH KOREAN LAWS AND REGULATIONS, INCLUDING THE FINANCIAL INVESTMENT SERVICES AND CAPITAL MARKETS ACT AND THE FOREIGN EXCHANGE TRANSACTIONS LAW AND THE DECREES AND REGULATIONS THEREUNDER.

NOTICE TO INVESTORS

Due to the following restrictions, purchasers are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of the Certificates.

Each purchaser of the Certificates offered by this Offering Circular will be deemed to have represented and agreed as follows (terms used in this Section that are not otherwise defined in this Offering Circular are defined in Rule 144A, Regulation D or Regulation S, and are used in this Offering Circular as defined in the Securities Act and the rules under the Securities Act):

(i) The purchaser (A)(i) is a QIB, (ii) is acquiring such Certificates for its own account or for the account of another QIB, as the case may be, and (iii) is aware that the sale of the Certificates to it is being made in reliance on Rule 144A, (B)(i) (except with respect to the Class R Certificates) is an Institutional Accredited Investor that is not a QIB that is purchasing the Certificates for its own account or for the account of an Institutional Accredited Investor, and (ii) is not acquiring the Certificates with a view to any resale or distribution of Certificates other than in accordance with the restrictions set forth below, or (C) (except with respect to the Class R Certificates) is an institution that is a non-“U.S. person,” as defined in Rule 902(k) of Regulation S (a “U.S. Securities Person”) who is purchasing the Certificates in an “offshore transaction,” as defined in Rule 902(h) of Regulation S (an “Offshore Transaction”) in accordance with Rule 903 or 904 of Regulation S.

(ii) The purchaser of a Class E, Class F, Class HRR, Class P or Class R Certificate or any interest in a Class E, Class F, Class HRR, Class P or Class R Certificate is not and will not be an employee benefit plan or other plan subject to the fiduciary responsibility provisions of ERISA or to Section 4975 of the Code or a governmental plan (as defined in Section 3(32) of ERISA) or other plan that is subject to any federal, state or local law that is, to a material extent, similar to the foregoing provisions of ERISA or the Code (“Similar Law”) or any person acting on behalf of any such plan or using the assets of any such plan to purchase the Certificates, other than, in the case of the Class E, Class F or Class HRR Certificates, an insurance company using assets of its general account under circumstances whereby such purchase and the subsequent holding of such Class E, Class F or Class HRR Certificates by such insurance company would be exempt from the prohibited transaction provisions of Sections 406 and 407 of ERISA and Code Section 4975 under Sections I and III of PTCE 95-60, or, in the case of a plan subject to Similar Law, where the acquisition, holding and disposition of the Certificates will not result in a non-exempt violation of Similar Law. See “*Certain ERISA Considerations*” in this Offering Circular.

(iii) The purchaser understands that the Certificates have not been and will not be registered or qualified under the Securities Act or any state or foreign securities laws and may not be reoffered, resold, pledged or otherwise transferred except (A) to a person whom the purchaser reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, (B) (except with respect to the Class R Certificates) to an institution that is a non-U.S. Securities Person in an Offshore Transaction in accordance with Rule 903 or Rule 904 of Regulation S, or (C) (except with respect to the Class R Certificates) to an Institutional Accredited Investor, in each case, in accordance with any applicable federal securities laws and any applicable securities laws of any state of the United States or any other jurisdiction.

(iv) The purchaser understands that, if the purchaser of a Certificate is not a QIB or a non-U.S. Securities Person, the Certificates purchased by such purchaser will be delivered in physical form only in compliance with the restriction in clause (iii)(C) above and upon delivery by the purchaser of certification in the form required under the Trust and Servicing Agreement and no transfer of the Certificates owned by such purchaser will be permitted unless the purchaser provides certification that the transfer complies with such restrictions, as described in “*Description of the Certificates—Delivery, Form, Transfer and Denomination*” in this Offering Circular.

(v) The purchaser understands that the Certificates will bear a legend to the following effect unless the certificate registrar determines otherwise consistent with applicable law:

THIS CERTIFICATE HAS NOT BEEN AND WILL NOT BE REGISTERED OR QUALIFIED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY STATE OR FOREIGN SECURITIES LAW. THE HOLDER HEREOF, BY PURCHASING THIS CERTIFICATE, AGREES THAT THIS CERTIFICATE MAY BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A)(1) PURSUANT TO RULE 144A UNDER THE SECURITIES ACT (“RULE 144A”) TO A PERSON THAT THE HOLDER REASONABLY BELIEVES IS A “QUALIFIED INSTITUTIONAL BUYER” (A “QIB”), WITHIN THE MEANING OF RULE 144A, OR IS PURCHASING FOR THE ACCOUNT OF A QIB, AND

WHOM THE HOLDER HAS INFORMED THAT THE REOFFER, RESALE, PLEDGE, OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (2) (EXCEPT WITH RESPECT TO THE CLASS R CERTIFICATES) TO AN INSTITUTION THAT IS NOT A "U.S. PERSON" IN AN "OFFSHORE TRANSACTION," AS DEFINED IN, AND IN ACCORDANCE WITH RULE 903 OR RULE 904 OF, REGULATION S UNDER THE SECURITIES ACT, OR (3) (EXCEPT WITH RESPECT TO THE CLASS R CERTIFICATES) TO AN INSTITUTION THAT IS AN "ACCREDITED INVESTOR" WITHIN THE MEANING OF RULE 501(a)(1), (2), (3) OR (7) OF REGULATION D UNDER THE SECURITIES ACT OR ANY ENTITY IN WHICH ALL OF THE EQUITY OWNERS ARE INSTITUTIONS THAT ARE "ACCREDITED INVESTORS" WITHIN THE MEANING OF RULE 501(a)(1), (2), (3) OR (7) OF REGULATION D UNDER THE SECURITIES ACT, AND (B) IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTION.

(vi) The purchaser understands that the Certificates will bear the following legends to the following effect unless the certificate registrar determines otherwise consistent with applicable law:

[FOR THE CLASS A, CLASS B, CLASS C AND CLASS D CERTIFICATES] THIS CERTIFICATE MAY NOT BE PURCHASED BY OR PLEDGED, SOLD OR OTHERWISE TRANSFERRED TO ANY PERSON THAT IS OR BECOMES AN EMPLOYEE BENEFIT PLAN OR OTHER PLAN THAT IS SUBJECT TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), OR TO SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), OR A GOVERNMENTAL PLAN (AS DEFINED IN SECTION 3(32) OF ERISA) OR OTHER PLAN THAT IS SUBJECT TO ANY FEDERAL, STATE OR LOCAL LAW THAT IS, TO A MATERIAL EXTENT, SIMILAR TO THE FOREGOING PROVISIONS OF ERISA OR THE CODE ("SIMILAR LAW"), OR ANY PERSON ACTING ON BEHALF OF ANY SUCH PLAN OR USING THE ASSETS OF SUCH PLAN TO ACQUIRE THIS CERTIFICATE, UNLESS (A) SUCH PERSON IS AN "ACCREDITED INVESTOR" AS DEFINED IN RULE 501(a)(1) OF REGULATION D OF THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AND (B) THE ACQUISITION, HOLDING AND DISPOSITION OF THE CERTIFICATES BY SUCH PERSON WILL NOT CONSTITUTE OR OTHERWISE RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER ERISA OR SECTION 4975 OF THE CODE (OR A SIMILAR NON-EXEMPT VIOLATION OF SIMILAR LAW).

[FOR THE CLASS E, CLASS F AND CLASS HRR CERTIFICATES] THIS CERTIFICATE MAY NOT BE PURCHASED BY OR PLEDGED, SOLD OR OTHERWISE TRANSFERRED TO ANY PERSON THAT IS OR BECOMES AN EMPLOYEE BENEFIT PLAN OR OTHER PLAN THAT IS SUBJECT TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), OR TO SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), OR A GOVERNMENTAL PLAN (AS DEFINED IN SECTION 3(32) OF ERISA) OR OTHER PLAN THAT IS SUBJECT TO ANY FEDERAL, STATE OR LOCAL LAW THAT IS, TO A MATERIAL EXTENT, SIMILAR TO THE FOREGOING PROVISIONS OF ERISA OR THE CODE ("SIMILAR LAW"), OR ANY PERSON ACTING ON BEHALF OF ANY SUCH PLAN OR USING THE ASSETS OF SUCH PLAN TO ACQUIRE THIS CERTIFICATE, OTHER THAN AN INSURANCE COMPANY USING ASSETS OF AN INSURANCE COMPANY GENERAL ACCOUNT UNDER CIRCUMSTANCES WHEREBY SUCH PURCHASE AND SUBSEQUENT HOLDING OF THE CERTIFICATES BY SUCH INSURANCE COMPANY WOULD BE EXEMPT FROM THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND SECTION 4975 OF THE CODE UNDER SECTIONS I AND III OF PROHIBITED TRANSACTION CLASS EXEMPTION 95-60, OR, IN THE CASE OF A PLAN SUBJECT TO SIMILAR LAW, WHERE THE ACQUISITION, HOLDING AND DISPOSITION OF THE CERTIFICATES WILL NOT RESULT IN A NON-EXEMPT VIOLATION OF SIMILAR LAW.

[FOR THE CLASS P AND CLASS R CERTIFICATES] THIS CERTIFICATE MAY NOT BE PURCHASED BY OR PLEDGED, SOLD OR OTHERWISE TRANSFERRED TO ANY PERSON THAT IS OR BECOMES AN EMPLOYEE BENEFIT PLAN OR OTHER PLAN THAT IS SUBJECT TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), OR TO SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), OR A GOVERNMENTAL PLAN (AS DEFINED IN SECTION 3(32) OF ERISA) OR OTHER PLAN THAT IS SUBJECT TO ANY FEDERAL, STATE OR LOCAL LAW THAT IS, TO A MATERIAL EXTENT, SIMILAR TO THE FOREGOING PROVISIONS OF ERISA OR THE CODE, OR ANY

PERSON ACTING ON BEHALF OF ANY SUCH PLAN OR USING THE ASSETS OF SUCH PLAN TO ACQUIRE THIS CERTIFICATE.

[FOR THE CLASS R CERTIFICATES] THIS CERTIFICATE REPRESENTS A “RESIDUAL INTEREST” IN A “REAL ESTATE MORTGAGE INVESTMENT CONDUIT” AS THOSE TERMS ARE DEFINED, RESPECTIVELY, IN SECTIONS 860G(a)(2) AND 860D OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED. EACH TRANSFEREE OF THIS CERTIFICATE, BY ACCEPTANCE HEREOF, IS DEEMED TO HAVE ACCEPTED THIS CERTIFICATE SUBJECT TO CERTAIN RESTRICTIONS ON TRANSFERABILITY TO DISQUALIFIED ORGANIZATIONS, DISQUALIFIED NON-U.S. PERSONS OR AGENTS OF EITHER, AS SET FORTH IN SECTION 5.3 OF THE TRUST AND SERVICING AGREEMENT, AND SHALL BE REQUIRED TO FURNISH AN AFFIDAVIT TO THE TRANSFEROR AND THE CERTIFICATE ADMINISTRATOR TO THE EFFECT THAT, AMONG OTHER THINGS, (A) IT IS NOT A DISQUALIFIED ORGANIZATION, AS SUCH TERM IS DEFINED IN CODE SECTION 860E(e)(5), OR AN AGENT (INCLUDING A BROKER, NOMINEE OR OTHER MIDDLEMAN) FOR SUCH DISQUALIFIED ORGANIZATION AND IS OTHERWISE A PERMITTED TRANSFEREE, (B) IT HAS HISTORICALLY PAID ITS DEBTS AS THEY HAVE COME DUE AND INTENDS TO PAY ITS DEBTS AS THEY COME DUE IN THE FUTURE, (C) IT UNDERSTANDS THAT IT MAY INCUR TAX LIABILITIES WITH RESPECT TO THIS CERTIFICATE IN EXCESS OF CASH FLOWS GENERATED HEREBY, (D) IT INTENDS TO PAY ANY TAXES ASSOCIATED WITH HOLDING THIS CERTIFICATE AS THEY BECOME DUE, (E) IT WILL NOT CAUSE INCOME WITH RESPECT TO THIS CERTIFICATE TO BE ATTRIBUTABLE TO A FOREIGN PERMANENT ESTABLISHMENT OR FIXED BASE, WITHIN THE MEANING OF AN APPLICABLE INCOME TAX TREATY, OF SUCH PERSON OR ANY OTHER U.S. PERSON AND (F) IT WILL NOT TRANSFER THIS CERTIFICATE TO ANY PERSON OR ENTITY THAT DOES NOT PROVIDE A SIMILAR AFFIDAVIT. ANY PURPORTED TRANSFER TO A DISQUALIFIED ORGANIZATION OR OTHER PERSON THAT IS NOT A PERMITTED TRANSFEREE OR OTHERWISE IN VIOLATION OF THESE RESTRICTIONS SHALL BE ABSOLUTELY NULL AND VOID AND SHALL VEST NO RIGHTS IN ANY PURPORTED TRANSFEREE. BECAUSE THIS CERTIFICATE REPRESENTS A “NON-ECONOMIC RESIDUAL INTEREST”, AS DEFINED IN TREASURY REGULATIONS SECTION 1.860E-1(c), TRANSFERS OF THIS CERTIFICATE MAY BE DISREGARDED FOR FEDERAL INCOME TAX PURPOSES. IN ORDER TO SATISFY A REGULATORY SAFE HARBOR UNDER WHICH SUCH TRANSFERS WILL NOT BE DISREGARDED, THE TRANSFEROR MAY BE REQUIRED, AMONG OTHER THINGS, TO SATISFY ITSELF AS TO THE FINANCIAL CONDITION OF THE PROPOSED TRANSFEREE AND EITHER TO TRANSFER AT A MINIMUM PRICE OR TO AN ELIGIBLE TRANSFEREE AS SPECIFIED IN TREASURY REGULATIONS.

(vii) The purchaser is duly authorized to purchase the Certificates and its purchase of investments having the characteristics of the Certificates is authorized under, and not directly or indirectly in contravention of, any law, rule, regulation, charter, trust instrument or other operative document, investment guidelines or list of permissible or impermissible investments that is applicable to the purchaser.

(viii) The purchaser acknowledges the agreement with respect to the Directing Certificateholder and the Controlling Class described in the last paragraph of *“Description of the Trust and Servicing Agreement—The Directing Certificateholder—Limitation on Liability of the Directing Certificateholder”* in this Offering Circular.

Each purchaser will be required to furnish to the Certificate Administrator such information regarding payment and notification instructions and such tax forms (including, to the extent appropriate, Internal Revenue Service (“IRS”) Form W-8BEN, W-8BEN-E, W-8IMY (with all appropriate attachments), W-8ECI or W-9 or successor forms) as the Certificate Administrator may require.

ADDITIONAL INFORMATION

Upon the request of a Certificateholder or any beneficial owner of a Certificate (a “Beneficial Owner”) or a prospective purchaser of a Certificate that is a QIB and is designated as a prospective purchaser by a Certificateholder or Beneficial Owner and, in any case, has delivered an Investor Certification (as described in clause (a) of such definition) to the Depositor and the Certificate Administrator, the Certificate Administrator will make available to such Certificateholder or Beneficial Owner, or to such prospective purchaser of such Certificate, Rule 144A Information, to the extent such information has been received by the Certificate Administrator or is otherwise available to it under the Trust and Servicing Agreement, including in response to a request to the Depositor for such information, in order to permit compliance by such Certificateholder or Beneficial Owner with Rule 144A in connection with the resale of such Certificate by such Certificateholder or Beneficial Owner. For purposes of this Offering Circular, “Rule 144A Information” will constitute such information as is specified pursuant to Rule 144A(d)(4) under the Securities Act.

“Investor Certification” means a certificate representing that such person executing the certificate is a Certificateholder, a Beneficial Owner of a Certificate, a prospective purchaser of a Certificate, a Third Party Purchaser, a Mortgage Loan Seller if it has repurchased a portion of the Mortgage Loan in accordance with the Trust and Servicing Agreement and the Mortgage Loan Purchase Agreement or the Directing Certificateholder and that either (a) such person is not a Borrower Affiliate, a Property Manager, or an agent or affiliate of any of the foregoing, in which case such person will have access to all the reports and information made available to Privileged Persons pursuant to the Trust and Servicing Agreement, or (b) such person is a Borrower Affiliate or a Property Manager, or an agent or affiliate of the foregoing, in which case such person will only be permitted to receive access to the Distribution Date Statements prepared by the Certificate Administrator.

“Borrower Affiliate” means any of the Borrower, the Borrower Sponsor, the Guarantors, the general partner or managing member of any of the foregoing or any of their respective Control Affiliates. The Investor Certification is required to be substantially in the form of one or more exhibits to the Trust and Servicing Agreement or may be in the form of an electronic certification contained on the Certificate Administrator’s Internet website. Investor Certifications may be submitted electronically via the Certificate Administrator’s Internet website. The Certificate Administrator may require that Investor Certifications be resubmitted from time to time in accordance with its policies and procedures.

“Control Affiliate” means, as to any particular person, any person, directly or indirectly through one or more intermediaries, Controlling, Controlled by or under common Control with, the person in question. As used solely in this definition of “Control Affiliate”, **“Control”** means (a) the ownership, directly or indirectly, in the aggregate of 10% or more of the beneficial ownership interests of an entity, or (b) the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of an entity, whether through the ability to exercise voting power, by contract or otherwise. “Controlled by,” “Controlling” and “under common Control with” have the respective correlative meanings to such terms.

“Privileged Person” includes the Depositor and its designees, the Initial Purchasers, the Servicer, the Special Servicer, the Trustee, the Certificate Administrator, the Operating Advisor, Mortgage Loan Sellers or Directing Certificateholder that delivers an Investor Certification, any person who provides the Certificate Administrator with an Investor Certification and any NRSRO that delivers an NRSRO Certification to the Certificate Administrator, which Investor Certification and NRSRO Certification may be submitted electronically via the Certificate Administrator’s Internet website. For purposes of obtaining access to information in the possession of the Certificate Administrator and/or receiving any information or report from the Certificate Administrator’s Internet website (including accessing the Investor Q&A Forum), other than Distribution Date Statements only, the Borrower Affiliate, each Property Manager and any of their respective agents or affiliates of the foregoing (in each case, as evidenced by an Investor Certification) will be deemed to not be a “Privileged Person”.

Prospective purchasers are advised to carefully read the detailed information appearing elsewhere in this Offering Circular relating to the Certificates prior to making their investment decisions. The following *“Summary of Offering Circular”* does not include all relevant information relating to the securities described in this Offering Circular, particularly with respect to the risks and special considerations involved with an investment in the Certificates and is qualified in its entirety by reference to the detailed information appearing elsewhere in this Offering Circular.

In this Offering Circular:

- the terms “we,” “us” and “our” refer to the Depositor; and
- references to the “Mortgage Lender” with respect to the Mortgage Loan or any portion thereof from and after the Closing Date generally should be construed to mean the Trustee as the mortgagee of record with respect to the Mortgage Loan (on behalf of the Certificateholders), or the Servicer, Special Servicer or Certificate Administrator, as applicable, with respect to the obligations and rights of the lenders under the Mortgage Loan as described under *“Description of the Trust and Servicing Agreement”* in this Offering Circular.

OFFEREES ACKNOWLEDGMENTS

Each person receiving this Offering Circular, by accepting this Offering Circular, hereby acknowledges that:

This Offering Circular has been prepared by the Depositor solely for the purpose of offering the Certificates described in this Offering Circular. Notwithstanding any investigation that the Initial Purchasers may have made with respect to the information set forth in this Offering Circular, this Offering Circular does not constitute, and will not be construed as, any representation or warranty by the Initial Purchasers as to the adequacy or accuracy of the information set forth in this

Offering Circular. Delivery of this Offering Circular to any person other than the prospective investor and those persons, if any, retained to advise such prospective investor with respect to the possible offer and sale of the Certificates is unauthorized, and any disclosure of any of its contents for any purpose other than considering an investment in the Certificates is strictly prohibited. A prospective investor will not be entitled to, and must not rely on, this Offering Circular unless it was furnished to such prospective investor directly by the Initial Purchasers.

Notwithstanding anything to the contrary contained in this Offering Circular, any person may disclose to any and all other persons, without limitation of any kind, the federal, state and local income tax treatment and tax structure of the Certificates and the Trust, any fact that may be relevant to understanding the federal, state and local tax treatment or tax structure of the Certificates and the Trust, and all materials of any kind (including opinions or other tax analyses) relating to such federal, state and local tax treatment or tax structure, other than the names of the parties or other persons named in this Offering Circular and information that would permit the identification of the parties or such other persons.

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SUMMARY OF OFFERING CIRCULAR

The following summary is qualified in its entirety by reference to the more detailed information appearing elsewhere in this Offering Circular. Capitalized terms used in this summary and not defined in this summary have the meanings given to them elsewhere in this Offering Circular. See “*Index of Significant Terms*” in this Offering Circular. Purchasers should carefully read this Offering Circular in its entirety, including the information set forth under “*Risk Factors*” in this Offering Circular, prior to making an investment in the Certificates.

Title of Certificates Waikiki Beach Hotel Trust 2019-WBM, Commercial Mortgage Pass-Through Certificates, Series 2019-WBM, which will be issued pursuant to the Trust and Servicing Agreement, to be dated as of the Closing Date, among the Depositor, the Trustee, the Certificate Administrator, the Servicer, the Special Servicer and the Operating Advisor (the “Trust and Servicing Agreement”).

Depositor Wells Fargo Commercial Mortgage Securities, Inc. (the “Depositor”), a North Carolina corporation, and an affiliate of Wells Fargo Bank, National Association (a Mortgage Loan Seller, the Servicer and the Certificate Administrator) and Wells Fargo Securities, LLC (an Initial Purchaser). See “*Transaction Parties—The Depositor*” in this Offering Circular.

Mortgage Loan Sellers Each of the following entities (collectively, the “Mortgage Loan Sellers”) was a co-originator of the Mortgage Loan. On the Closing Date, each Mortgage Loan Seller will sell its respective portion of the Mortgage Loan set forth in the table below (each a “Loan Percentage Interest”) to the Depositor.

<u>Mortgage Loan Seller</u>	Original Principal Balance of the Mortgage Loan Seller portion	% of Initial Original Principal Balance of the Mortgage Loan
Wells Fargo Bank, National Association.....	\$ 201,900,000	60.0%
JPMorgan Chase Bank, National Association.....	67,300,000	20.0
Goldman Sachs Mortgage Company.....	67,300,000	20.0
Total	\$ 336,500,000	100.0%

See “*Transaction Parties—The Mortgage Loan Sellers*” in this Offering Circular.

Issuing Entity Waikiki Beach Hotel Trust 2019-WBM (the “Trust”), a New York common law trust to be formed on the Closing Date pursuant to the Trust and Servicing Agreement. See “*Transaction Parties—The Issuing Entity*” in this Offering Circular.

Servicer Wells Fargo Bank, National Association, a national banking association (in its capacity as servicer, the “Servicer”). The principal west coast commercial mortgage master servicing office of Wells Fargo Bank, National Association is located at MAC A0227-020, 1901 Harrison Street, Oakland, California 94612. The principal east coast commercial mortgage master servicing office of Wells Fargo Bank, National Association is located at MAC D1050-084, 401 South Tryon Street, 8th Floor, Charlotte, North Carolina 28202. See “*Transaction Parties—The Servicer*” in this Offering Circular.

Special Servicer	CWCapital Asset Management LLC, a Delaware limited liability company, acting as special servicer (the “ <u>Special Servicer</u> ”). The principal servicing offices of the Special Servicer are located at 7501 Wisconsin Avenue, Suite 500 West, Bethesda, Maryland 20814. See “ <i>Transaction Parties—The Special Servicer</i> ” in this Offering Circular.
	The Special Servicer may be removed, with or without cause, and a successor Special Servicer appointed at any time as described under “ <i>Description of the Trust and Servicing Agreement—Replacement of the Special Servicer After Operating Advisor Recommendation and Investor Vote</i> ” and “ <i>—Replacement of the Special Servicer</i> ” in this Offering Circular.
Trustee	Wilmington Trust, National Association, a national banking association (the “ <u>Trustee</u> ”). The principal place of business of Wilmington Trust, National Association, is 1100 North Market Street, Wilmington, Delaware 19890. See “ <i>Transaction Parties—The Trustee</i> ” in this Offering Circular.
Certificate Administrator.....	Wells Fargo Bank, National Association, a national banking association (in such capacity, the “ <u>Certificate Administrator</u> ”). The principal corporate trust offices of the Certificate Administrator are located at 9062 Old Annapolis Road, Columbia, Maryland 21045, and its office for certificate transfer services is located at 600 South 4 th Street, 7 th Floor, MAC N9300-070, Minneapolis, Minnesota 55479. See “ <i>Transaction Parties—The Certificate Administrator</i> ” in this Offering Circular.
Operating Advisor.....	Park Bridge Lender Services LLC, a New York limited liability company and an indirect wholly-owned subsidiary of Park Bridge Financial LLC, acting as operating advisor (the “ <u>Operating Advisor</u> ”). The principal place of business of the Operating Advisor is 600 Third Avenue, 40th Floor, New York, New York 10016. See “ <i>Transaction Parties—The Operating Advisor</i> ” in this Offering Circular.
Initial Purchasers	Wells Fargo Securities, LLC (“ <u>WFS</u> ”), J.P. Morgan Securities LLC (“ <u>JPMS</u> ”) and Goldman Sachs & Co. LLC (“ <u>GS&Co.</u> ”) are the initial purchasers (collectively, the “ <u>Initial Purchasers</u> ”) of the Certificates.
Credit Risk Retention.....	This transaction will be subject to the credit risk retention rules of Section 15G of the Securities Exchange Act of 1934. This transaction is being structured with a “third party purchaser” that will acquire an “eligible horizontal residual interest”, which will be comprised of the Class HRR Certificates. Waikiki Hotel Grand Avenue Partners, LLC, in satisfaction of the retention obligations of WFB in its capacity as the “retaining sponsor” under the Credit Risk Retention Rules, will be contractually obligated to retain the Class HRR Certificates for a minimum of five years after the Closing Date, unless a shorter holding period is required or permitted under the Credit Risk Retention Rules as then in effect. During this holding period, Waikiki Hotel Grand Avenue Partners, LLC will agree to comply with hedging, transfer and financing restrictions that are applicable to third party purchasers under the Credit Risk Retention Rules. See “ <i>Credit Risk Retention</i> ” in this Offering Circular.
Certain Affiliations	Wells Fargo Bank, National Association (“ <u>WFB</u> ”) and its affiliates have several roles in this transaction. WFB co-originated the Mortgage Loan and will sell its Loan Percentage Interest in the Mortgage Loan to the Depositor. In addition, WFB is the Servicer and the Certificate Administrator. WFB is also an affiliate of Wells Fargo Commercial Mortgage Securities, Inc., the Depositor, and WFS, one of the Initial Purchasers for the offering of the Certificates.

JPMorgan Chase Bank, National Association (“JPMCB”) and its affiliates have several roles in this transaction. JPMCB co-originated the Mortgage Loan and will sell its Loan Percentage Interest in the Mortgage Loan to the Depositor. In addition, JPMCB is also an affiliate of JPMS, one of the Initial Purchasers for the offering of the Certificates.

Goldman Sachs Mortgage Company (“GSMC”) and its affiliates have several roles in this transaction. GSMC co-originated the Mortgage Loan and will sell its Loan Percentage Interest in the Mortgage Loan to the Depositor. In addition, GSMC is also an affiliate of GS&Co., one of the Initial Purchasers for the offering of the Certificates.

These roles and other potential relationships may give rise to conflicts of interest as further described under “*Risk Factors—Risks Related to Conflicts of Interest—Potential Conflicts of Interest of the Mortgage Loan Sellers*”, “*—Potential Conflicts of Interest of the Servicer and the Special Servicer*”, “*—Potential Conflicts of Interest of the Operating Advisor*” and “*—Potential Conflicts of Interest of the Initial Purchasers and Their Affiliates*”.

Borrower; Borrower Sponsor W2005 WKI Realty, LLC, a Delaware limited liability company (the “Borrower”), is a special purpose entity whose primary business is the ownership of the Mortgaged Property and the performance of the obligations under the Mortgage Loan Documents. See “*Risk Factors—Recourse on the Mortgage Loan Is Limited to the Mortgaged Property and Other Collateral Securing the Mortgage Loan*” in this Offering Circular.

The Borrower is indirectly owned by Atrium WKI Holding LLC (the “Borrower Sponsor”) (an affiliate of Atrium Holding Company).

HLB Funding LLC and Atrium Leveraged Loan Fund, LLC guaranty the recourse obligations of the Borrower under the Mortgage Loan Documents (jointly and severally, the “Guarantors”) pursuant to a guaranty (the “Guaranty”) dated as of the Origination Date. The term “Guarantor” as used in this Offering Circular, means (i) the Guarantors, or (ii) a replacement guarantor that assumes the liabilities and obligations of the Guarantors in accordance with the Mortgage Loan Documents. See “*Description of the Borrower and Related Parties*” and “*Description of the Mortgage Loan—Non-Recourse Provisions and Exceptions*” in this Offering Circular.

Property Manager The Mortgaged Property is currently managed by Marriott Hotel Services, Inc., under that certain management agreement dated as of July 25, 2001, as amended, between the Borrower and the Property Manager, as more particularly described under “*Description of the Management Agreement and Assignment of Management Agreement*” in this Offering Circular.

As used in this Offering Circular, the “Property Manager” means Marriott Hotel Services, Inc. or, if the context requires, any replacement property manager that may be appointed pursuant to the Mortgage Loan Documents, and the “Management Agreement” means the management agreements described above or, if the context requires, any replacement management agreements entered into pursuant to the terms of the Mortgage Loan Agreement.

Cut-off Date..... February 9, 2019 (the “Cut-off Date”).

Closing Date..... On or about February 20, 2019 (the “Closing Date”).

The Mortgage Loan and the Notes The primary assets of the Trust will be a 2-year (subject to five (5), one-year extension options), floating rate, interest-only mortgage loan evidenced by

three promissory notes (the “Notes” and such loan evidenced by the Notes, the “Mortgage Loan”) with an outstanding principal balance as of the Cut-off Date of \$336,500,000. The Mortgage Loan is secured by a first priority mortgage lien on the Borrower’s leasehold interests in a full-service hospitality property located in Honolulu, Hawaii (the “Mortgaged Property”).

The Mortgage Loan was made to the Borrower by the Mortgage Loan Sellers (in their respective capacity as lenders under the Mortgage Loan Agreement, together with their successors and assignees, collectively, the “Mortgage Lender”) on December 5, 2018 (the “Origination Date”) pursuant to a mortgage loan agreement, dated as of December 5, 2018, between the Borrower and the Mortgage Lender (the “Mortgage Loan Agreement”).

The Mortgage Loan will be sold by the Mortgage Loan Sellers to the Depositor in the amounts shown in the chart below (which amounts are subject to further redetermination):

Note	Sponsor	Original Principal Balance	Loan Percentage Interest
Note A-1.....	WFB	\$ 201,900,000	60.0%
Note A-2.....	JPMCB	67,300,000	20.0
Note A-3.....	GSMC	67,300,000	20.0
Total.....		\$336,500,000	100.0%

On the Closing Date, each Mortgage Loan Seller will assign its Loan Percentage Interest in the Mortgage Loan to the Depositor and the Depositor will subsequently assign the Mortgage Loan to the Trust. On the Closing Date, the outstanding principal balance of the Mortgage Loan is expected to be \$336,500,000.

The Certificates will represent beneficial interests in the assets of the Trust, which primarily consist of the Mortgage Loan.

For purposes of calculating interest and other amounts payable on the Mortgage Loan, the Mortgage Loan is currently divided into seven components (each, a “Component”, and together, the “Components”).

Component	Initial Principal Balance	Initial Component Spread to LIBOR ⁽¹⁾
Component A	\$ 112,200,000	1.0690%
Component B.....	36,800,000	1.2490%
Component C	27,300,000	1.4990%
Component D	36,100,000	2.0490%
Component E.....	56,900,000	2.6990%
Component F	50,375,000	3.1008%
Component HRR.....	16,825,000	5.8990%
Total/Wtd. Avg.....	\$336,500,000	2.0500%

(1) The Component Spread for each Component will be increased by 0.250% upon the commencement of the fourth Extension Option and continue at such increased Component Spread for each Mortgage Loan Interest Accrual Period thereafter.

Except when LIBOR cannot be determined as described below, interest (other than Default Interest) will be payable on each Component at a variable rate *per annum* (each, a “Component Rate”) equal to LIBOR plus (i) for each Mortgage Loan Interest Accrual Period from the initial Mortgage Loan Interest Accrual Period through (and including) the Mortgage Loan

Interest Accrual Period ending in December 2023, the applicable spread set forth in the table above for such Component and (ii) for each Mortgage Loan Interest Accrual Period following the commencement of the fourth Extension Term through and including the Mortgage Loan Interest Accrual Period for the Maturity Date, the applicable spread set forth in the table above for such Component plus 0.250% (each such spread in clauses (i) and (ii), the “Component Spread”), in each case assuming the relevant extension options have been exercised.

The initial *per annum* weighted average Component Spread will be equal to 2.0500%. The total interest accrued under the Mortgage Loan with respect to any Mortgage Loan Interest Accrual Period will be the sum of the interest accrued on each of the Components with respect to such Mortgage Loan Interest Accrual Period. As a result of the Components having different Component Rates, allocation of prepayments will result in the *per annum* weighted average interest rate of the Components increasing over time. See “*Risk Factors— Special Prepayment and Yield Considerations*” and “*Description of the Mortgage Loan—Principal and Interest*”

Monthly payments of interest on each Component are required to be made on the 9th day of each calendar month in which the related Mortgage Loan Interest Accrual Period ends (or if such 9th day is not a Business Day, the immediately preceding Business Day) (each, a “Mortgage Loan Payment Date”).

On each Mortgage Loan Payment Date, the Borrower is required to pay to the Mortgage Lender interest on each Component for the entire applicable Mortgage Loan Interest Accrual Period at the applicable Component Rate. For so long as an event of default under the Mortgage Loan (a “Mortgage Loan Event of Default”) has occurred and is continuing, the monthly payment on each Component will be increased by the amount of Default Interest accrued on such Component during the applicable Mortgage Loan Interest Accrual Period.

The Mortgage Loan does not require regularly scheduled payments of principal prior to the Maturity Date.

The principal balance of the Mortgage Loan, to the extent not prepaid, will be payable on the Maturity Date together with all accrued and unpaid interest on the outstanding principal balance of the Notes through the end of the related Mortgage Loan Interest Accrual Period and all other amounts then due under the Mortgage Loan Documents.

During the continuance of a Mortgage Loan Event of Default, payments of principal and, to the extent permitted by applicable law, interest and any other amounts required to be paid by the Borrower in respect of each Component will accrue interest at a default rate of interest *per annum* (the “Default Rate”) equal to the lesser of (a) the maximum amount permitted by law and (b) 3.0% in excess of the Component Rate applicable to such Component, in each case, from the date such payment is due. If any payments of principal, interest or other payments due under the Mortgage Loan Documents (other than the amounts due on the Maturity Date) are not paid by the Borrower on or prior to the date on which they are due, the Mortgage Lender is entitled to demand from the Borrower a late fee equal to the lesser of (i) 3.0% of such unpaid sum or (ii) the maximum legal rate. The Borrower will not be liable for payment of the late payment charge in the event there are sufficient funds on deposit in the Cash Management Account for purposes of paying the interest to which such late payment charge relates and the Borrower is then entitled to a disbursement from the Cash Management Account for the purpose of paying such interest.

In the event that the Mortgage Lender has in good faith determined that LIBOR either (A) cannot be determined as provided in the definition of LIBOR or (B) has been replaced in the market for commercial mortgage-backed securities financing transactions by an alternative floating interest rate index, the Mortgage Loan will be converted from a loan that accrues interest at a rate of interest based on LIBOR to a loan that accrues interest at a rate of interest based on an alternative floating rate index (or, if such index cannot be determined in accordance with the Mortgage Loan Documents, at the “prime rate” as published in the Wall Street Journal). If the Mortgage Loan has been converted to a loan that accrues interest at a rate of interest based on an alternative floating rate index and the Mortgage Lender thereafter determines that the events or circumstances that resulted in such conversion are no longer applicable, the Mortgage Loan will be converted, from and after the first day of the next succeeding Mortgage Loan Interest Accrual Period, to a loan that accrues interest at a rate of interest based on LIBOR in effect on the related Interest Determination Date. See “*Description of the Mortgage Loan—Principal and Interest*”.

Calculations of interest on the Notes and Components will be made on the basis of a 360-day year and the actual number of days elapsed in the related Mortgage Loan Interest Accrual Period.

“Business Day” means (i) with respect to any references to “Business Day”, any day other than a Saturday, Sunday or any other day on which any of the following institutions are not open for business: (a) national banks in New York, New York, (b) in the place of business or any principal servicing office of the Trustee, the Certificate Administrator, the Servicer, the Special Servicer or the financial institution that maintains the Collection Account, the REO Account or any Reserve Funds or (c) the New York Stock Exchange or the Federal Reserve Bank of New York and (ii) with respect to any references to “Business Day” regarding an Interest Determination Date, “Business Day” means a day on which banks are open for dealing in foreign currency and exchange in London.

“Default Interest” means the amount by which interest accrued on any Component at its Default Rate exceeds the amount of interest that would have accrued on such Component at the Component Rate.

“Interest Determination Date” means, with respect to any Mortgage Loan Interest Accrual Period and any related Certificate Interest Accrual Period, the second Business Day prior to the 15th day of the calendar month which occurs immediately prior to the related Mortgage Loan Payment Date.

With respect to the initial Certificate Interest Accrual Period, the Interest Determination Date will be February 13, 2019.

“Mortgage Loan Interest Accrual Period” means with respect to each Component (and therefore, the Mortgage Loan) for any Mortgage Loan Payment Date, the period commencing on (and including) the 9th day of the prior calendar month and ending on (and including) the 8th day of the calendar month in which such Mortgage Loan Payment Date occurs.

See “*Description of the Mortgage Loan—Principal and Interest*” for a further description of the payment of principal and interest on the Mortgage Loan.

Mortgage Loan Maturity Date..... The initial maturity date with respect to the Mortgage Loan is December 9, 2020 (the “Initial Maturity Date”), subject to five successive one-year extension options (as extended, each extended maturity date, the “Extended Maturity Date”), or such earlier date as may result from prepayment or acceleration of the Mortgage Loan in accordance with the terms of the

	Mortgage Loan Agreement (such Initial Maturity Date, Extended Maturity Date or earlier date, as applicable, the <u>Maturity Date</u>).
Prepayment of the Mortgage Loan	<p>The Mortgage Loan may be prepaid in whole or in part at any time, subject to payment of a Spread Maintenance Premium on the principal amount of such prepayment, if made prior to the Spread Maintenance End Date.</p> <p>In addition, the Mortgage Loan may also be prepaid in part (a) in connection with a release of a portion of the Mortgaged Property (as described under <i>Description of the Mortgage Loan–Release of the Mortgaged Property</i> below) and (b) to achieve the Debt Yield necessary to permit a Debt Yield Cure (as described under <i>Description of the Mortgage Loan–Debt Yield Cure Payments</i> below).</p> <p>Any voluntary prepayments are subject to satisfaction of all the conditions in the Mortgage Loan Documents including, without limitation, (i) no Mortgage Loan Event of Default exists and is continuing (except the Borrower may prepay the Mortgage Loan in whole during the continuance of a Mortgage Loan Event of Default in accordance with the Mortgage Loan Documents); and (ii) the Borrower pays, in addition to the outstanding principal amount of the Mortgage Loan to be prepaid, (A) all interest that would have accrued on the amount of the Mortgage Loan to be paid through and including the last day of the Mortgage Loan Interest Accrual Period in which such prepayment occurs; (B) all other sums then due and payable under the Mortgage Loan Documents; and (C) if such prepayment is made prior to the Spread Maintenance End Date, the Spread Maintenance Premium.</p> <p>Involuntary prepayments can also occur in part at any time as a result of casualty or condemnation if the related proceeds are not required to be applied to the restoration of the Mortgaged Property or otherwise remitted to the Borrower. No Spread Maintenance Premium or other prepayment premium will be required in connection with such involuntary principal prepayment. See <i>Description of the Mortgage Loan–Prepayment</i> and <i>–Casualty and Condemnation</i>.</p> <p>All payments of principal will be applied to the Components sequentially, to Component A, Component B, Component C, Component D, Component E, Component F and Component HRR, in such order, in each case until paid to zero.</p> <p><u>“Spread Maintenance End Date”</u> means June 9, 2020.</p> <p><u>“Spread Maintenance Premium”</u> means, in connection with any prepayment or repayment of the outstanding principal amount of any Component being prepaid prior to the Spread Maintenance End Date, an amount equal to the product of (a) the related Component Spread, (b) the principal balance prepaid on such Component, (c) a fraction, (i) the numerator of which is the number of days following (but not including) the date through which interest on the prepaid amount has been paid to (but excluding) the Spread Maintenance End Date and (ii) the denominator of which is 360.</p> <p>Permitted Transfers.....</p> <p>Other than Permitted Transfers (as defined under <i>Description of the Mortgage Loan–Transfer Restrictions</i>), the Borrower generally may not permit, without the Mortgage Lender's consent, (i) a sale or pledge of the Mortgaged Property or (ii) a sale or pledge of an interest in any Restricted Party.</p>

Extension Options	<p>The Borrower has the option to extend the term of the Mortgage Loan beyond the Initial Maturity Date for five consecutive terms of one-year (each such option, an “<u>Extension Option</u>” and each such successive term, an “<u>Extension Term</u>”) each upon satisfaction of certain conditions, including, without limitation:</p> <ul style="list-style-type: none"> (i) the Borrower has delivered to the Mortgage Lender written notice of its election of such Extension Term at least ten (10) Business Days prior to the then applicable Maturity Date; (ii) no Mortgage Loan Event of Default has occurred and is continuing on either the date of such notice or the then applicable Maturity Date; (iii) the Borrower has entered into an Interest Rate Cap Agreement for the applicable Extension Term in form and substance acceptable to the Mortgage Lender (including, without limitation, at a strike rate equal to or less than the Strike Price) and otherwise in accordance with the terms of the Mortgage Loan Agreement and has collaterally assigned such Interest Rate Cap Agreement to the Mortgage Lender pursuant to the terms of a collateral assignment in form and substance satisfactory to the Mortgage Lender; (iv) (a) with respect to the fourth Extension Option (if any), the Debt Yield calculated as of the most recent ended fiscal quarter will be required to equal or exceed 8.0% and (b) with respect to the fifth Extension Option (if any), the Debt Yield calculated as of the most recent ended fiscal quarter will be required to equal or exceed 8.5%, <i>provided that the Borrower has the right to deliver a letter of credit to the Mortgage Lender in accordance with the terms of the Mortgage Loan Documents in an amount such that, if such letter of credit were applied to pay down the principal balance of the Mortgage Loan it would result in the required Debt Yield; and</i> (v) the Borrower reimburses the Mortgage Lender for all reasonable out-of-pocket expenses incurred by the lender in connection with such Extension Option. <p>“Strike Price” means (a) with respect to the initial term of the Mortgage Loan, 4.50% and (b) with respect to each Extension Term, the rate that, when added to the weighted average Component Spread or Alternate Rate Spread, as applicable, would result in a debt service coverage ratio of not less than 1.10x.</p> <p>See “<i>Description of the Mortgage Loan–Extension Options</i>”.</p>
Interest Rate Cap Agreement	<p>The Mortgage Loan Agreement requires that the Borrower enters into an Interest Rate Cap agreement with respect to the Mortgage Loan (an “<u>Interest Rate Cap Agreement</u>”), with one or more Interest Rate Cap providers (each, an “<u>Interest Rate Cap Counterparty</u>”) with a strike price equal to or less than the Strike Price (or, subject to certain conditions described under “<i>Description of the Mortgage Loan–Interest Rate Cap Agreement</i>”, the Alternate Strike Price). In connection with the origination of the Mortgage Loan, the Borrower entered into an Interest Rate Cap Agreement with SMBC Capital Markets, Inc. which expires on December 9, 2020 with a strike price of 4.50%. The effect of the Interest Rate Cap Agreement will be to limit the maximum interest rate exposure of the Borrower on the Components with respect to increases in LIBOR through the Initial Maturity Date.</p>

In connection with any extension of the term of the Mortgage Loan, the Borrower is required to enter into an Interest Rate Cap Agreement having a strike price equal to a rate that, when added to the weighted average Component Spread or Alternate Rate Spread, as applicable, would achieve a debt service coverage ratio as calculated under the loan documents of at least 1.10x. If either (x) the Mortgage Loan has been converted to and remains a loan bearing interest based on an alternative floating rate index (as described under “*Description of the Mortgage Loan—Principal and Interest*”) or (y) the Borrower is unable to obtain a replacement Interest Rate Cap Agreement due to the unavailability or uncertainty in the continuing availability of LIBOR as a reference rate, then the Borrower may deliver to the Mortgage Lender one or more replacement Interest Rate Cap Agreements from an Acceptable Counterparty that, in the reasonable judgment of the Mortgage Lender, either provides the reasonably equivalent protection to the Mortgage Lender as is otherwise required by the Mortgage Loan Agreement, or is otherwise in form and substance reasonably acceptable to the Mortgage Lender and is approved in writing by the Rating Agency. See “*Description of the Mortgage Loan—Interest Rate Cap Agreement*”.

The Interest Rate Cap Counterparty is required to have and maintain at all times the credit ratings described under “*Description of the Mortgage Loan—Interest Rate Cap Agreement*”.

The Borrower has pledged its interest in the benefits of the Interest Rate Cap Agreement as security for the Mortgage Loan. Such security interest will be assigned to the Trustee on behalf of the Trust for the benefit of the Certificateholders. Pursuant to the collateral assignment of the Interest Rate Cap Agreement, SMBC Capital Markets, Inc. has agreed to remit all payments due under the Interest Rate Cap Agreement to the Lockbox Account during the continuance of a Cash Sweep Event. See “*Description of the Interest Rate Cap Agreement*”.

Release of Hotel Rooms.....	The Borrower is permitted to either (a) obtain the release from the lien of the Mortgage Loan Documents or (b) subordinate the lien of the Mortgage Loan Documents to a lease to a third-party Marriott brand timeshare operator of up to 308 hotel rooms at the Mortgaged Property, subject to the satisfaction of certain conditions, including but not limited to (a) the Borrower provides the Mortgage Lender with at least 30 days prior written notice of its request to obtain a release of the hotel rooms, (b) the released rooms consist of all hotel rooms on one or more floors, (c) the Borrower pays to the Mortgage Lender an amount no less than the Release Price for each related hotel room, (d) no Mortgage Loan Event of Default has occurred and is continuing as of the date of the release, (e) the Borrower provides the Mortgage Lender with evidence reasonably acceptable to the Mortgage Lender that (i) the released hotel rooms are legally subdivided from the rest of the Mortgaged Property and (ii) the released hotel rooms are not necessary for the Mortgaged Property to comply with any zoning, building, land use or parking or other similar legal requirements, (f) the Borrower has delivered to the Mortgage Lender an endorsement to the applicable title insurance policy, (g) the Mortgage Lender has received payment of all the Mortgage Lender's reasonable, out-of-pocket costs and expenses actually incurred in connection with the release of the hotel rooms, (h) the debt yield of the Mortgage Loan following the release of the hotel rooms will meet certain requirements specified in the Mortgage Loan Documents, (i) the release complies with all applicable REMIC requirements and (j) the Mortgage Lender has received a Rating Agency Confirmation with respect to the release of the hotel rooms. See “ <i>Description of the Mortgage Loan—Release of the Mortgaged Property</i> ” in this Offering Circular.
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Release of the Parking Parcel..... The Borrower is permitted to obtain the release of a certain portion of the Mortgaged Property (the “Parking Parcel”) from the lien of the Mortgage Loan Documents, subject to the satisfaction of certain conditions, including but not limited to (a) the Borrower provides the Mortgage Lender with at least 10 Business Days prior written notice of its request to obtain a release of the Parking Parcel, (b) the Borrower provides the Mortgage Lender with evidence reasonably acceptable to the Mortgage Lender that the release of the Parking Parcel will not materially and adversely affect the underwritten cash flow of the Mortgaged Property, (c) no Mortgage Loan Event of Default has occurred and is continuing as of the date of the release, (d) the Borrower provides the Mortgage Lender with evidence reasonably acceptable to the Mortgage Lender that (i) upon the release of the Parking Parcel the Mortgaged Property will have sufficient parking to comply with the Ground Lease, Management Agreement and other permitted encumbrances and be operated as a hotel and retail property and (ii) the Parking Parcel is not necessary for the Mortgaged Property to comply with any zoning, building, land use or parking or other similar legal requirements, (e) any parking agreement entered into by the Borrower to provide replacement parking for the Mortgaged Property is on arms’ length terms and contains commercially reasonable parking rates and such agreement is not reasonably likely to cause a Material Adverse Effect, (f) the Borrower has delivered to the Mortgage Lender an endorsement to the applicable title insurance policy, (g) the release complies with all applicable REMIC requirements and (h) the Mortgage Lender has received payment of all the Mortgage Lender’s reasonable, out-of-pocket costs and expenses actually incurred in connection with the release of the Parking Parcel.

With respect to the release of the Parking Parcel, the Borrower will not be required to pay to the Mortgage Lender any release amount with respect to such release or any proceeds received by the Borrower in connection with the release of the Parking Parcel unless required by the REMIC requirements.

See “*Description of the Mortgage Loan—Release of the Mortgaged Property*” in this Offering Circular.

Security for the Mortgage Loan The Mortgage Loan will be secured by (i) the mortgage (the “Mortgage”), which creates a first priority lien on the Borrower’s leasehold interests in the Mortgaged Property (including, among other things, the Borrower’s interests in improvements, easements, fixtures, personal property, leases, rents, insurance proceeds, condemnation awards, Reserve Accounts, escrow accounts and the Lockbox Account, in each case, with respect to the Mortgaged Property) and (ii) the other Mortgage Loan Documents, which include (a) a first priority assignment of leases and rents (subject to Permitted Encumbrances) from the Borrower’s interests in the leases and rents from the Mortgaged Property, (b) an assignment of the Borrower’s rights under the Management Agreement together with subordination and attornment by the Property Manager under the Management Agreement, (c) an assignment of the Borrower’s rights under the Interest Rate Cap Agreement and (d) an assignment of certain collateral accounts (as more particularly described under “*Description of the Management Agreement and Assignment of Management Agreement—Assignment of the Management Agreement*” in this offering circular) (collectively, the “Collateral”).

Cash Management..... The Borrower established a lockbox account (the “Lockbox Account”) and the Borrower has entered into the cash management agreement for the establishment of a cash management account (the “Cash Management Account”). During the continuance of a Cash Sweep Period, all amounts in the Lockbox Account are required to be disbursed from the Lockbox

Account to the Cash Management Account on each Business Day and will be applied as described under “*Description of the Mortgage Loan–Lockbox Account*” and “–*Cash Management Account*”.

If no Cash Sweep Period is continuing, on each Business Day, all funds in the Cash Management Account will be remitted to the Borrower.

If a Cash Sweep Period is continuing, (a) if no Mortgage Loan Event of Default or bankruptcy action of the Borrower has occurred and is continuing, all funds after payment of debt service on the Mortgage Loan, required reserves, operating expenses and approved extraordinary expenses (or extraordinary expenses which do not require the approval of the Mortgage Lender) and distributions for tax payments, gratuities and similar matters as set forth in the Mortgage Loan Documents are required to be held as additional collateral for the Mortgage Loan and (b) if a Mortgage Loan Event of Default or bankruptcy action of the Borrower has occurred and is continuing, all funds held in the Cash Management Account will be disbursed as described under “*Description of the Mortgage Loan–Cash Management Account*”.

“*Cash Sweep Event*” means the occurrence of: (a) a Mortgage Loan Event of Default; (b) any bankruptcy action of the Borrower, the Principal or affiliated Property Manager; (c) a Debt Yield Trigger Event; or (d) the occurrence of a Required Renovation Trigger.

“*Cash Sweep Period*” means each period commencing on the occurrence of a Cash Sweep Event and continuing until the earlier of (a) the date of the related Cash Sweep Event Cure (as described in “*Description of the Mortgage Loan–Lockbox Account*”), or (b) payment in full of the Mortgage Loan.

“*Debt Yield Trigger Event*” a debt yield on any date of determination, based upon the trailing 12-month period immediately preceding the end of the calendar quarter immediately preceding such date of determination, as determined by the Mortgage Lender using the quarterly statements required to be delivered pursuant to the Mortgage Loan Agreement, of less than the Debt Yield Trigger Level.

“*Debt Yield Trigger Level*” means (i) prior to the date which is twelve (12) months after the completion of the Required Renovation Work in accordance with the Completion Guaranty (but in no event longer than thirty (30) months from the commencement of the Required Renovation Work), 6.50%, and (ii) thereafter, 7.00%.

“*Required Renovation Trigger*” means the funds deposited in the Required Renovation Reserve Account and Replacements Reserve Account (each as defined under “*Description of the Mortgage Loan–Reserve Accounts*”), to the extent such funds the Property Manager has confirmed are available and permitted to be used for the payment of costs related to the Required Renovation Work, in the aggregate, are less than 90% of the estimated cost to substantially complete the Required Renovation Work, as reasonably determined based on an officer’s certificate of the Borrower stating (A) that the representations and warranties of the Borrower set forth in the Mortgage Loan Agreement are true and correct as of the date of such certificate and (B) the remaining cost (including costs incurred but not paid as of such date) to substantially complete the Required Renovation Work. For purposes of the foregoing, any determination made during the first 12 months of the Mortgage Loan will assume that any amounts scheduled to be deposited into the Required Renovation Reserve Account and the Replacement Reserve Account during such 12-month period have been

made, provided that the foregoing amounts cannot be inconsistent with the then in-place Approved Annual Budget.

“Required Renovation Work” means renovations required to be completed under the Management Agreement, subject to any changes agreed to by the Borrower and the Property Manager done in accordance with the Mortgage Loan Agreement.

The Borrower is permitted to cure or prevent a Cash Sweep Event upon satisfaction of certain conditions as described under “*Description of the Mortgage Loan–Lockbox Account*”.

See “*Description of the Mortgage Loan–Lockbox Account*” and “–*Cash Management Account*” in this Offering Circular.

Reserves..... The Borrower has established certain reserve accounts and will receive disbursements from the Mortgage Lender from the reserve accounts as described in “*Description of the Mortgage Loan–Reserve Accounts*.” Each of the reserve accounts and the reserve funds deposited therein will be additional security for payment of the Mortgage Loan. Interest accrued, if any, on the reserve funds will be added to and become a part of such Reserve Account and will be disbursed in the same manner as other monies deposited in such Reserve Account. In the event of a Cash Sweep Period, all excess cash flow from the Cash Management Account after the application of payments described under “*Description of the Mortgage Loan–Lockbox Account*” and “–*Cash Management Account*” in this Offering Circular will be reserved into an excess cash flow account.

See “*Description of the Mortgage Loan–Reserve Accounts*” in this Offering Circular.

Trust Fund The Certificates represent all of the ownership interests in the Trust. The assets of the Trust (the “Trust Fund”) will consist primarily of the Notes evidencing the Mortgage Loan and the other documents executed by the Borrower on or before the Origination Date (collectively, the “Mortgage Loan Documents”) and all payments due under, and proceeds of, the Mortgage Loan Documents from and after the Closing Date.

Collection Account..... Within two Business Days after receipt by the Servicer of any received and properly identified amounts collected in respect of the Mortgage Loan (other than amounts required to be deposited into the reserve accounts as described under “*Description of the Mortgage Loan–Reserve Accounts*” in this Offering Circular), the Servicer will be required to remit such amounts into an account, accounts or subaccounts (collectively, the “Collection Account”). The Collection Account will be established and maintained by the Servicer.

The Certificates The “Certificates” will be issued in the following classes, designated as the Class A Certificates (the “Class A Certificates”), the Class B Certificates (the “Class B Certificates”), the Class C Certificates (the “Class C Certificates”), the Class D Certificates (the “Class D Certificates”), the Class E Certificates (the “Class E Certificates”), the Class F Certificates (the “Class F Certificates”), the Class HRR Certificates (the “Class HRR Certificates”), the Class P Certificates (the “Class P Certificates”) and the Class R Certificates (the “Class R Certificates”).

Each of the Class A, Class B, Class C, Class D, Class E, Class F and Class HRR Certificates (collectively, the “Sequential Pay Certificates”) will have the initial Certificate Balance shown on the cover page of this Offering Circular. The Class A, Class B, Class C, Class D, Class E, Class F, Class

HRR and Class P Certificates are referred to in this Offering Circular as the “Regular Certificates”.

The “Certificate Balance” with respect to any outstanding Class of Sequential Pay Certificates at any date, represents an amount equal to the aggregate initial certificate balance of such Class shown on the cover page of this Offering Circular less the sum of (a) all amounts distributed to Certificateholders of such Class on all previous Distribution Dates as principal and (b) the aggregate amount of Realized Losses allocated to such Class of Certificates.

The Class P Certificates will not have a Certificate Balance, Pass-Through Rate, rating or Rated Final Distribution Date. The Class P Certificates will not be entitled to distributions of principal or interest other than (i) Spread Maintenance Premiums and (ii) a \$100 payment on the first Distribution Date, which will be deemed a payment of principal on its REMIC regular interest principal balance for federal income tax purposes.

The Class R Certificates will not have a Certificate Balance, Pass-Through Rate, rating or Rated Final Distribution Date. No interest will accrue on the Class R Certificates. The holders of the Class R Certificates will not be entitled to any distributions of principal or interest but will be entitled to receive the proceeds of the remaining assets of the Trust REMIC, if any, on the final Distribution Date for the Certificates, after all required distributions in respect of the Regular Certificates (as defined in “*—Certain Federal Income Tax Considerations*” below) have been made and all expenses of the Trust have been paid in full. It is not anticipated that there will be any material assets remaining after such distributions.

Each Class of Sequential Pay Certificates will have the “Assumed Final Distribution Date”, “Fully Extended Assumed Final Distribution Date” and Rated Final Distribution Date set forth on the cover page of this Offering Circular.

For each Class of Sequential Pay Certificates and any Distribution Date, the Certificate Interest Accrual Period will be the period from and including the 15th day of the preceding calendar month (or the Closing Date, in the case of the first Certificate Interest Accrual Period) to and including the 14th day of the calendar month in which such Distribution Date occurs (the “Certificate Interest Accrual Period”).

Calculations of interest on the Certificates will be made based on a 360 day year and the actual number of days elapsed during the related Certificate Interest Accrual Period.

Directing Certificateholder

The “Directing Certificateholder” will be the Controlling Class Certificateholder (or its representative) selected by holders of more than 50% of the Controlling Class by Certificate Balance, as determined by the Certificate Registrar from time to time as described under “*Description of the Trust and Servicing Agreement—The Directing Certificateholder*” in this Offering Circular. No Borrower Affiliate may be appointed as or act as the Directing Certificateholder. It is anticipated that Waikiki Hotel Grand Avenue Partners, LLC will purchase the Class HRR Certificates and will be the initial Directing Certificateholder.

The “Controlling Class” will be the most subordinate Class of Control Eligible Certificates that has an outstanding Certificate Balance, as notionally reduced by any appraisal reductions allocable to such Class, at least equal to 25% of the initial Certificate Balance of such Class or, if no Class of Control Eligible Certificates meets the preceding requirement, the

Class F Certificates until the occurrence of a Consultation Termination Event. No other Class of Certificates will be eligible to act as a Controlling Class or appoint a Directing Certificateholder. If a Consultation Termination Event has occurred, there will be no Controlling Class and no Directing Certificateholder.

The “Control Eligible Certificates” will be any of the Class F and Class HRR Certificates. No other Class of Certificates will be eligible to act as a Controlling Class or appoint a Directing Certificateholder.

The Directing Certificateholder will have certain consent, consultation or other rights under the Trust and Servicing Agreement in certain circumstances and the right to replace the Special Servicer at any time with or without cause as described in “*Description of the Trust and Servicing Agreement—Replacement of the Special Servicer*”. However, if a Control Event has occurred and is continuing, any consent and direction rights of the Directing Certificateholder will terminate but the Directing Certificateholder will continue to have certain non-binding consultation rights until such time as each Class of Control Eligible Certificates has a Certificate Balance that is less than 25% of the initial Certificate Balance of such Class without regard to the application of any Appraisal Reduction Amounts (a “Consultation Termination Event”), at which time such consultation rights of the Directing Certificateholder will terminate.

A “Control Event” means, with respect to any date of determination, if the Certificate Balance of each Class of Control Eligible Certificates on such date (taking into account the application of any Appraisal Reduction Amounts to notionally reduce the Certificate Balance of such Class) is less than 25% of the initial Certificate Balance of such Class. If a Control Event no longer exists, then the Directing Certificateholder will regain all the consent and direction rights of the Directing Certificateholder described in this Offering Circular, and the Controlling Class will regain the right to appoint a Directing Certificateholder as described in this Offering Circular. The Certificate Administrator will be required to post a “special notice” of the occurrence or cessation of a Control Event or a Consultation Termination Event on the Certificate Administrator’s Internet website within five (5) Business Days after its determination that such Control Event or Consultation Termination Event has occurred or ceased to exist and will notify the Servicer and the Special Servicer.

“Appraisal Reduction Amount” means, as of any date of determination, an amount equal to the excess of (i) the outstanding principal balance of the Mortgage Loan on such date *plus* the sum of (A) all accrued and unpaid interest on each Component of the Mortgage Loan at the related Component Rate, (B) all unreimbursed Administrative Advances, Property Protection Advances and interest on all Advances at the Advance Rate in respect of the Mortgage Loan or Mortgaged Property, (C) the amount of any Advances and interest on the Advances previously reimbursed from principal collections on the Mortgage Loan that have not otherwise been recovered from the Borrower, (D) all currently due and unpaid real estate taxes and assessments and insurance premiums and all other amounts, including, if applicable, ground rents, due and unpaid in respect of the Mortgaged Property (which taxes, premiums and other amounts have not been the subject of an Advance) and (E) to the extent not duplicative of the amounts in clauses (B), (C) or (D), all unpaid Trust Fund Expenses then due under the Trust and Servicing Agreement over (ii) the sum of (x) 90% of the appraised value (as determined by an Appraisal) of the Mortgaged Property securing the Mortgage Loan less the amount of any liens (exclusive of certain encumbrances permitted under the Mortgage Loan) on the Mortgaged Property senior to the lien of the related Mortgage Loan

Documents plus (y) any escrows with respect to the Mortgage Loan, including for taxes, insurance premiums and ground rent, if any.

“Appraisal Reduction Event” means, the earliest of (i) 60 days after an uncured payment delinquency (other than a delinquency in respect of the Balloon Payment) occurs in respect of the Mortgage Loan, (ii) 90 days after an uncured delinquency occurs in respect of the Balloon Payment for the Mortgage Loan unless a refinancing or sale is anticipated within 120 days after the Maturity Date of the Mortgage Loan (as evidenced by a written refinancing commitment from an acceptable lender or sale agreement that, in either case, is reasonably satisfactory in form and substance to the Servicer that provides that such refinancing or sale will occur within 120 days after the Maturity Date), in which case 120 days after such uncured delinquency, (iii) 60 days after a reduction in Monthly Payments or a material adverse economic change with respect to the terms of the Mortgage Loan has become effective, (iv) 60 days after an extension of the Maturity Date of the Mortgage Loan (except for an extension within the time periods described in clause (ii) above), (v) immediately after a receiver has been appointed in respect of the Mortgaged Property on behalf of the Trust or any other creditor, (vi) immediately after the Borrower declares, or becomes the subject of, bankruptcy, insolvency or similar proceedings, admits in writing the inability to pay its debts as they came due or makes an assignment for the benefit of creditors, or (vii) immediately after the Mortgaged Property securing the Mortgage Loan becomes a Foreclosed Property.

If (i) an Appraisal Reduction Event has occurred, (ii) either (A) no appraisals or updates of any appraisals have been obtained or conducted or (B) the Special Servicer has knowledge of any adverse material change in the market or condition or value of the Mortgaged Property since the date of such appraisal, and (iii) no new appraisal has been obtained or conducted on the Mortgaged Property within 60 days after the Appraisal Reduction Event, then until each new appraisal is conducted, the Appraisal Reduction Amount for the Mortgaged Property will be deemed to be equal to 25% of the outstanding principal balance of the Mortgage Loan; *provided* that such deemed Appraisal Reduction Amounts will not be allocated to any Class of Certificates for purposes of (x) determining whether a Control Event or Consultation Termination Event has occurred and is continuing or (y) allocating Voting Rights.

After the occurrence and during the continuance of a Control Event but prior to the occurrence of a Consultation Termination Event, the Special Servicer will be required to consult with the Directing Certificateholder on a non-binding basis with regard to certain matters with respect to the servicing of the Mortgage Loan in the event it becomes a Specially Serviced Mortgage Loan to the extent set forth in the Trust and Servicing Agreement and described in this Offering Circular.

Prior to the occurrence and continuance of a Control Event, the Directing Certificateholder may replace the Special Servicer at any time with or without cause as described in the *“Description of the Trust and Servicing Agreement—Replacement of the Special Servicer”* in this Offering Circular.

Approximate Cumulative
Underwritten Debt Yield

The “**Approximate Cumulative Underwritten Debt Yield**” shown in the table below with respect to any Class A, Class B, Class C, Class D, Class E, Class F and Class HRR Certificates is calculated by dividing (x) Underwritten Net Cash Flow (as defined in *“Description of the Mortgaged Property—Certain Definitions and Column Headings”* in this Offering Circular) of \$31,942,292, by (y) the sum of the aggregate initial Certificate

Balance of such Class of Certificates and all Classes of Sequential Pay Certificates senior to or *pari passu* with such Class of Certificates.

Class	Approximate Cumulative Underwritten Debt Yield
Class A	28.5%
Class B	21.4%
Class C	18.1%
Class D	15.0%
Class E	11.9%
Class F	10.0%
Class HRR	9.5%

“Underwritten NCF Debt Yield” for the Mortgage Loan is 9.5%, which was calculated by dividing (x) Underwritten Net Cash Flow by (y) the sum of the aggregate initial Certificate Balance of all Classes of Sequential Pay Certificates. See “*Risk Factors—Risks Relating to Underwritten Net Cash Flow and Underwritten Net Operating Income*” in this Offering Circular. See also “*Description of the Mortgaged Property—Certain Definitions and Column Headings*” in this Offering Circular.

Debt Service Coverage Ratio Based on the Annual Mortgage Loan Debt Service, the debt service coverage ratio as of the Cut-off Date calculated using Underwritten Net Operating Income is approximately 2.36x. Based on the Annual Mortgage Loan Debt Service, the debt service coverage ratio calculated using Underwritten Net Cash Flow is approximately 2.04x. See “*Risk Factors—Risks Relating to Underwritten Net Cash Flow and Underwritten Net Operating Income*” in this Offering Circular. See also “*Description of the Mortgaged Property—General*”, “*Certain Definitions and Column Headings*” in this Offering Circular.

“Annual Mortgage Loan Debt Service” for the Mortgage Loan means the annual debt service amount calculated based on a floating interest rate of LIBOR plus 2.0500% *per annum*.

For purposes of the above calculations, LIBOR has been assumed to be equal to 2.55% at all times, and it is assumed that no prepayments are made on the Mortgage Loan.

Approximate Cumulative Certificate LTV As of the Cut-off Date, the loan-to-value ratio for the Mortgage Loan is approximately 48.0%. This loan-to-value ratio represents a fraction, expressed as a percentage, the numerator of which is \$336,500,000 representing the principal amount of the Mortgage Loan, and the denominator of which is \$700,700,000, the Appraised Value of the Mortgaged Property determined as of October 3, 2018. The loan-to-value ratio calculated net of the value of the Parking Parcel that is subject to release without the payment of a release amount is 48.3%. See “*Risk Factors—Appraisals and Inspections Are Not Guarantees of the Value or Condition of the Mortgaged Property*” in this Offering Circular.

The “**Approximate Cumulative Certificate LTV**” shown in the table with respect to any Class A, Class B, Class C, Class D, Class E, Class F and Class HRR Certificates is calculated by dividing (x) the sum of the aggregate initial Certificate Balance of such Class of Certificates and all Classes of Sequential Pay Certificates senior to or *pari passu* with such Class of Certificates, by (y) \$700,700,000, which is the Appraised Value of the Mortgaged Property determined by an appraisal performed by Cushman & Wakefield Western, Inc. as of October 3, 2018.

Class	Approximate Cumulative Certificate LTV
Class A	16.0%
Class B	21.3%
Class C	25.2%
Class D	30.3%
Class E	38.4%
Class F	45.6%
Class HRR	48.0%

See “*Description of the Mortgaged Property—General*” and “*—Certain Definitions and Column Headings*” in this Offering Circular.

Distributions on the Certificates.....	For each Distribution Date, interest will accrue on the outstanding Certificate Balance of each Class of Sequential Pay Certificates at its pass-through rate (each, a “ <u>Pass-Through Rate</u> ”) set forth below:
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Class A.....	LIBOR + 1.05000% ⁽ⁱ⁾
Class B	LIBOR + 1.23000% ⁽ⁱ⁾
Class C.....	LIBOR + 1.48000% ⁽ⁱ⁾
Class D	LIBOR + 2.03000% ⁽ⁱ⁾
Class E	LIBOR + 2.68000% ⁽ⁱ⁾
Class F	LIBOR + 3.08180% ⁽ⁱ⁾
Class HRR	LIBOR + 5.88000% ⁽ⁱ⁾

- (1) For any Distribution Date, except when LIBOR is unavailable and has converted to the Alternate Rate as described under “*Description of the Mortgage Loan—Principal and Interest*”, the Pass-Through Rates of the Class A, Class B, Class C, Class D, Class E, Class F and Class HRR Certificates will be equal to (i) for any Distribution Date from the initial Distribution Date through (and including) the Distribution Date in December 2023, a *per annum* rate equal to LIBOR plus the applicable initial certificate spread set forth in the table above and (ii) for any Distribution Date after the Distribution Date in December 2023, a *per annum* rate equal to LIBOR plus the applicable initial certificate spread set forth in the table above plus 0.25%, in each case assuming the fourth Extension Option has been exercised.

For purposes of determining the Pass-Through Rates for the initial Certificate Interest Accrual Period, LIBOR will be determined on February 13, 2019 and for each Certificate Interest Accrual Period after the initial Certificate Interest Accrual Period, LIBOR will be determined as of the date that is two Business Days prior to the start of the Certificate Interest Accrual Period, in each case determined as described under “*Description of the Certificates—Determination of LIBOR for the Certificates*”.

Solely for purposes of calculating distributions of interest to the Certificates, each Component of the Mortgage Loan will be deemed to be related to a Class of Certificates. The Components and the related corresponding Classes of Certificates and their respective initial Certificate Balances will be as follows:

Component	Initial Principal Balance	Corresponding Class of Certificates	Corresponding Initial Certificate Balance	Corresponding Initial Certificate Spread
Component A.....	\$ 112,200,000	Class A	\$ 112,200,000	1.05000%
Component B.....	\$ 36,800,000	Class B	\$ 36,800,000	1.23000%
Component C.....	\$ 27,300,000	Class C	\$ 27,300,000	1.48000%
Component D.....	\$ 36,100,000	Class D	\$ 36,100,000	2.03000%
Component E.....	\$ 56,900,000	Class E	\$ 56,900,000	2.68000%
Component F.....	\$ 50,375,000	Class F	\$ 50,375,000	3.08180%
Component HRR.....	\$ 16,825,000	Class HRR	\$ 16,825,000	5.88000%

If, for any Certificate Interest Accrual Period, the Mortgage Lender has in good faith determined that LIBOR cannot be determined as provided in the definition of LIBOR or has been replaced by an alternative floating interest rate index and the Components accrue interest based on the Alternate Rate, then the Pass-Through Rates on the Certificates will be determined as described in “*Description of the Certificates—Payment on the Certificates*”.

In the event that the Mortgage Lender has in good faith determined that LIBOR cannot be determined as provided in the definition of LIBOR or has been replaced by an alternative floating interest rate index, the Mortgage Loan will be converted from a loan that accrues interest at a rate of interest based on LIBOR to a loan that accrues interest at a rate of interest based on an alternative floating rate index (or, if such index cannot be determined in accordance with the Mortgage Loan Documents, at the “prime rate” as published in the Wall Street Journal).

The “Net Component Rate” means, with respect to any Distribution Date and each Component, the Component Rate in respect of such Component (net of interest at the Servicing Fee Rate, the Operating Advisor Fee Rate, the CREFC® Intellectual Property Royalty License Fee Rate and the Certificate Administrator Fee Rate and exclusive of default interest) that interest actually accrues for such Component during the related Mortgage Loan Interest Accrual Period; *provided* that any modification of the Mortgage Loan that changes the Component Rate will be disregarded for purposes of calculating the Pass-Through Rates for the Certificates.

Distributions in respect of principal and interest on each Class of Sequential Pay Certificates will be made on each Distribution Date from Available Funds, will be made to each such Class of Certificates in Sequential Order as described in “*Description of the Certificates—Payment on the Certificates*” and “*Credit Risk Retention*” in this Offering Circular. See also “*Risk Factors—Subordination of the Class HRR, Class F, Class E, Class D, Class C and Class B Certificates*” in this Offering Circular.

“Sequential Order” means sequentially to the Class A Certificates, the Class B Certificates, the Class C Certificates, the Class D Certificates, the Class E Certificates, the Class F Certificates and the Class HRR Certificates, in that order. Such payments will be made until the principal and interest payable to each such Class is paid in full.

No distributions on the Class R Certificates will be made until all required distributions in respect of the Class A, Class B, Class C, Class D, Class E, Class F and Class HRR Certificates have been made and all expenses of the

Trust have been paid in full. See “*Description of the Certificates—Payment on the Certificates*” in this Offering Circular.

The “Available Funds” on each Distribution Date will be equal to (i) all amounts (other than Spread Maintenance Premiums) received in respect of the Mortgage Loan during the related Collection Period or advanced in respect of interest with respect to such Distribution Date (including, without limitation, any Repurchase Price for the Mortgage Loan or purchase price of the Mortgage Loan received by the Trust, condemnation proceeds, liquidation proceeds and/or insurance proceeds received by the Trust) minus (ii) the Available Funds Reduction Amount for such Distribution Date, all as described in “*Description of the Certificates—Payment on the Certificates*” and “*—Distributions in Respect of the Mortgage Loan*” in this Offering Circular.

The “Collection Period” means, (i) with respect to the first Distribution Date following the Closing Date, the period commencing on and including the Closing Date and ending on and including the Determination Date relating to such Distribution Date, and (ii) with respect to any other Distribution Date, the period commencing on and including the day immediately following the Determination Date relating to the preceding Distribution Date and ending on and including the Determination Date relating to such Distribution Date.

Spread Maintenance Premiums Spread Maintenance Premiums collected with respect to the Mortgage Loan will be allocated to the Certificates as described in “*Description of the Certificates—Allocation of Spread Maintenance Premiums*” in this Offering Circular.

For an explanation of the calculation of Spread Maintenance Premiums, see “*Description of the Mortgage Loan—Prepayment*” in this Offering Circular.

Realized Losses Realized Losses with respect to the Mortgage Loan will be allocated *first*, to the Class HRR Certificates, *second*, to the Class F Certificates, *third*, to the Class E Certificates, *fourth*, to the Class D Certificates, *fifth*, to the Class C Certificates, *sixth*, to the Class B Certificates and *seventh* to the Class A Certificates, in each case until the Certificate Balance of that Class has been reduced to zero.

As a result of such reductions, less interest will accrue on each affected Class of Sequential Pay Certificates than would otherwise be the case. Once a Realized Loss is allocated to a Sequential Pay Certificate, no principal or interest will be distributable with respect to such written down amount except as described in “*Description of the Certificates—Payment on the Certificates*” in this Offering Circular.

A “Realized Loss” with respect to any Distribution Date is the amount, if any, by which (i) the aggregate Certificate Balance of the Sequential Pay Certificates after giving effect to distributions made on such Distribution Date exceeds (ii) the outstanding principal balance of the Mortgage Loan after giving effect to (a) any payments of principal received with respect to the Mortgage Loan Payment Date occurring immediately prior to such Distribution Date and (b) the aggregate reductions of the principal balance of the Mortgage Loan that have been permanently made as a result of a bankruptcy proceeding, modification or otherwise.

Distribution Account..... On each Business Day immediately preceding a Distribution Date (each a “Remittance Date”), the Servicer will be required to remit the Available Funds for such Remittance Date from the Collection Account received

	<p>during the related Collection Period into an account (the “<u>Distribution Account</u>”) established and maintained by the Certificate Administrator.</p>
Distribution Date	The 15 th day of each month or, if such 15 th day is not a Business Day, the immediately succeeding Business Day, commencing in March 2019 (each, a “ <u>Distribution Date</u> ”).
Determination Date.....	With respect to each Distribution Date, the 9 th day of the calendar month in which such Distribution Date occurs or, if such 9 th day is not a Business Day, the immediately preceding Business Day (each, a “ <u>Determination Date</u> ”).
Distributions.....	On each Distribution Date, the Certificate Administrator (after withdrawing any amounts deposited in the Distribution Account in error to the extent funds are available for such purpose and making certain other permitted withdrawals under the Trust and Servicing Agreement (including withdrawing amounts due to it and to the Trustee under the Trust and Servicing Agreement that the Servicer fails to pay or reimburse to the Certificate Administrator or the Trustee from the Collection Account prior to remitting funds to the Distribution Account)) will be obligated to remit funds from the Distribution Account, to the extent of the Available Funds, to the holders of record of each Class of Certificates at the close of business on the related Record Date. With respect to each Distribution Date, the record date (the “ <u>Record Date</u> ”) for the Certificates will be the last day of the related Certificate Interest Accrual Period, or if such day is not a Business Day, the immediately preceding Business Day.
Advances	<p>The Servicer will be obligated to make an advance on any Remittance Date in respect of any (or any portion of a) scheduled monthly payment (other than the Balloon Payment and Default Interest) on the Mortgage Loan (or if applicable, the Assumed Monthly Payment), net of the Servicing Fee in respect of the Mortgage Loan, to the extent not received by the Servicer by the close of the Business Day immediately prior to that Remittance Date (each such advance, a “<u>Monthly Payment Advance</u>”), subject to reduction as a result of Appraisal Reduction Events and the other limitations described in this Offering Circular. The Servicer also will be obligated to make advances (“<u>Property Protection Advances</u>”), subject to the limitations described in this Offering Circular, to pay delinquent real estate taxes, assessments and hazard insurance premiums and to cover other similar costs and expenses necessary to preserve the lien priority of the Mortgage or otherwise protect the Mortgaged Property and its operations. In addition, the Servicer will be obligated to make advances, subject to the limitations described in this Offering Circular, to pay any unanticipated expenses of the Trust reimbursable or payable by the Borrower under the Mortgage Loan Agreement to the extent not already covered by a Property Protection Advance (such advances, “<u>Administrative Advances</u>” and, together with Monthly Payment Advances and Property Protection Advances, “<u>Advances</u>”).</p> <p>The Special Servicer will not make any Advances. Advances, together with accrued interest thereon at the Advance Rate compounded annually, will be reimbursed to the Servicer or the Trustee as described under “<i>Description of the Trust and Servicing Agreement—Advances</i>” in this Offering Circular. The Servicer will have no obligation to advance a Balloon Payment with respect to the Mortgage Loan or Default Interest; however, the Servicer is obligated to advance on each Remittance Date following a delinquency in respect of any Balloon Payment, by remittance to the Certificate Administrator for deposit into the Distribution Account not later than the related Remittance Date, the amount of any Assumed Monthly Payment deemed due with respect to the Mortgage Loan on the related Mortgage</p>

Loan Payment Date subject to the limitations described in this Offering Circular. In the event the Servicer fails to make any required Advance, the Trustee will be required to make that Advance in accordance with the terms of the Trust and Servicing Agreement. See “*Description of the Trust and Servicing Agreement—Advances*” in this Offering Circular.

The Servicer or the Trustee, as applicable, will be obligated to make an Advance only if the Servicer or the Trustee, as applicable, determines that the amount to be advanced, together with any previous unreimbursed Advances and interest on all those Advances, will be recoverable from subsequent payments or collections (including net proceeds received in connection with a casualty or condemnation of the Mortgaged Property and liquidation proceeds) in respect of the Mortgage Loan. See “*Description of the Trust and Servicing Agreement—Advances*” in this Offering Circular. Advances are intended to maintain a regular flow of scheduled interest and principal payments to holders of the Class or Classes of Certificates entitled thereto, and are not credit support for the Certificates and will not act to guarantee or insure against losses on the Mortgage Loan or otherwise.

The “Assumed Monthly Payment” for any Distribution Date (including any Distribution Date following a delinquency in the payment of the Balloon Payment or foreclosure of the Mortgage Loan or acceptance by the Trustee on behalf of the Trust of a deed in lieu of foreclosure or comparable conversion of the Mortgage Loan) will be equal to the scheduled monthly payment of interest that would have been due in respect of the Mortgage Loan on its Maturity Date (excluding the principal portion of the Balloon Payment and Default Interest) and each subsequent Mortgage Loan Payment Date (or assumed Mortgage Loan Payment Date) if the Mortgage Loan had been required to continue to accrue interest in accordance with its terms (other than Default Interest) in effect immediately prior to, and without regard to the occurrence of the Maturity Date or after the occurrence of a foreclosure of the Mortgage Loan or acceptance by the Trustee on behalf of the Trust of a deed-in-lieu of foreclosure or comparable conversion of the Mortgage Loan, in respect of the Mortgage Loan on the last Mortgage Loan Payment Date (or assumed Mortgage Loan Payment Date) prior to its foreclosure or acceptance of a deed-in-lieu, in each case as such terms may have been modified, and such Maturity Date may have been extended, in connection with a bankruptcy or similar proceeding involving the Borrower or otherwise or a modification, waiver or amendment granted or agreed to by the Servicer or the Special Servicer.

The “Balloon Payment” means the payment of the outstanding principal balance of the Mortgage Loan, together with all accrued and unpaid interest, due and payable on the Maturity Date.

Forms of Certificates;

Denominations.....

All of the Certificates will be issued in registered form without coupons. Certificates of each Class of Certificates (other than the Class HRR Certificates) that are sold to institutions that are Non-U.S. Persons in Offshore Transactions in reliance on Regulation S will initially be represented by a temporary global Certificate (each, a “Temporary Regulation S Global Certificate”) to be deposited on the Closing Date with a custodian for, and registered in the name of a nominee of, The Depository Trust Company (“DTC”) for the accounts of the Euroclear Bank SA/NV, as operator of the Euroclear System (“Euroclear”) and Clearstream Banking société anonyme (“Clearstream”). Beneficial interests in a Temporary Regulation S Global Certificate may be held only through Euroclear or Clearstream. Beginning on the 40th day after the later of the commencement of the offering and the Closing Date, beneficial interests in

a Temporary Regulation S Global Certificate may be exchanged for beneficial interests in a single permanent global Certificate of the related Class of Certificates (each, a “Regulation S Global Certificate”), upon certification of non-U.S. beneficial ownership by the holder of such interest. No payment will be made to the holder of a beneficial interest in a Temporary Regulation S Global Certificate unless and until such holder has delivered to Euroclear or Clearstream the certification described in “*Description of the Certificates—Delivery, Form, Transfer and Denomination—Payments; Certifications by Holders of Temporary Regulation S Global Certificates*” in this Offering Circular.

Certificates of each Class of Certificates sold to QIBs in reliance on Rule 144A (other than Class HRR, Class P and Class R Certificates) will be represented by a Global Certificate of the related Class (each, a “Rule 144A Global Certificate,” and, together with the Temporary Regulation S Global Certificate and the Regulation S Global Certificate, the “Global Certificates”) deposited on or about the Closing Date with a custodian for, and registered in the name of a nominee of, DTC. Beneficial interests in the Global Certificates will be shown on, and transfers of Global Certificates will be effected only through, accounts maintained by DTC and its direct and indirect participants, including Euroclear and Clearstream. See “*Notice to Investors*” and “*Description of the Certificates—Delivery, Form, Transfer and Denomination*” in this Offering Circular.

Any Class of Certificates (other than the Class R Certificates) may also be offered and sold to Institutional Accredited Investors in transactions exempt from the registration requirements of the Securities Act. Any Class of Certificates sold to Institutional Accredited Investors will be delivered on the Closing Date in physical form and registered in the name of such Institutional Accredited Investors or their respective nominees upon delivery of a certification in the form required under the Trust and Servicing Agreement. Definitive certificates (“Definitive Certificates”) may only be transferred to QIBs, other Institutional Accredited Investors, and to institutions that are non-“U.S. persons” in “offshore transactions” in accordance with Regulation S upon delivery to the Certificate Administrator of a written certificate (in the form provided in the Trust and Servicing Agreement). The Class P and Class R Certificates will only be issued as Definitive Certificates and the Class HRR Certificates will be issued as Definitive Certificates and held by the Custodian so long as the Credit Risk Retention Rules apply to holding of the Class HRR Certificates. See “*Notice to Investors*” and “*Description of the Certificates—Delivery, Form, Transfer and Denomination*” in this Offering Circular.

The Sequential Pay Certificates will be issued in minimum denominations of \$100,000 initial Certificate Balance and integral multiples of \$1,000 in excess of \$100,000. The Class P and Class R Certificates will be issued in minimum percentage interests of 10% and integral multiples of 1% in excess of 10%.

Information Available to
Certificateholders

On each Distribution Date, the Certificate Administrator will prepare and make available to each Certificateholder of record, initially expected to be Cede & Co., a statement as to the distributions being made on that date. Additionally, under certain circumstances, Certificateholders of record may be entitled to certain other information regarding the Trust. See “*Description of the Trust and Servicing Agreement—Reports to Certificateholders*” and “*—Information Available Electronically*” in this Offering Circular.

Deal Information/Analytics.....	Certain information concerning the Mortgage Loan and the Certificates may be available to subscribers through the following services:
	<ul style="list-style-type: none"> • Bloomberg Financial Markets, L.P., Trepp, LLC, Intex Solutions, Inc., BlackRock Financial Management, Inc., Interactive Data Corporation, CMBS.com, Inc., Moody's Analytics, MBS Data, LLC, RealInsight, Thompson Reuters and Markit Group Limited; • the Certificate Administrator's Internet website initially located at "www.ctslink.com"; and • the Servicer's Internet website initially located at "www.wellsfargo.com/com/comintro".
Required Repurchase of Mortgage Loan	Under certain limited circumstances, the Mortgage Loan Sellers may be obligated to repurchase their respective Loan Percentage Interest in the Mortgage Loan from the Trust as a result of a material document defect or a material breach of the representations and warranties made by the Mortgage Loan Sellers with respect to the Mortgage Loan in the Mortgage Loan Purchase Agreement. Each Mortgage Loan Seller will only be liable under the Mortgage Loan Purchase Agreement for the portion of the Mortgage Loan sold to the Depositor by such Mortgage Loan Seller (and the respective portion of the related repurchase price) and no Mortgage Loan Seller will have any obligation, liability or responsibility with respect to any obligations of any other Mortgage Loan Seller. See " <i>Description of the Mortgage Loan Purchase Agreement</i> " in this Offering Circular.
Sale of Defaulted Mortgage Loan.....	The Special Servicer may sell the Mortgage Loan after the occurrence of a Special Servicing Loan Event (as defined under " <i>Description of the Trust and Servicing Agreement—Servicing of the Mortgage Loan—Servicing Fee and Special Servicing Fee</i> " in this Offering Circular), in accordance with the procedures set forth in the Trust and Servicing Agreement. See " <i>Description of the Trust and Servicing Agreement—Realization Upon the Mortgage Loan</i> " in this Offering Circular.
Certain Federal Income Tax Considerations.....	<p>A single real estate mortgage investment conduit ("<u>REMIC</u>") election (the "<u>Trust REMIC</u>") will be made with respect to the Trust. The Trust REMIC will hold the Mortgage Loan and certain other assets and will issue the Class A, Class B, Class C, Class D, Class E, Class F, Class P and Class HRR Certificates (together, the "<u>Regular Certificates</u>") representing classes of regular interests in the Trust REMIC. The HRR Certificates will also represent ownership of an interest in the Excess Liquidation Proceeds Option, which will be an asset of the Trust that is not an asset of the Trust REMIC. The Class R Certificates will represent the sole class of "residual interests" in the Trust REMIC.</p> <p>The Regular Certificates generally will be treated as newly originated debt instruments of the Trust REMIC. Beneficial owners of the Regular Certificates will be required to report income on the Regular Certificates in accordance with the accrual method of accounting. See "<i>Certain Federal Income Tax Considerations—Taxation of Regular Certificates</i>" in this Offering Circular.</p> <p>It is anticipated that the Class A, Class B, Class C, Class D, Class E, Class F and Class HRR Certificates will be issued with de minimis original issue discount for federal income tax purposes.</p>

Holders of the Class R Certificates will be required to include the taxable income or loss of the Trust REMIC in determining their federal taxable income. It is anticipated that all or a substantial portion of the taxable income of the Trust REMIC includable by the Holders of the Class R Certificates will be treated as “excess inclusion” income subject to special limitations for federal income tax purposes. As a result, the effective after-tax return of the Class R Certificates may be significantly lower than would be the case if the Class R Certificates were taxed as debt instruments, or may be negative. Further, significant restrictions apply to the transfer of the Class R Certificates. The Class R Certificates will be considered “noneconomic residual interests,” certain transfers of which may be disregarded for federal income tax purposes. See “*Certain Federal Income Tax Considerations—Taxation of the Class R Certificates*” in this Offering Circular.

ERISA Considerations..... Fiduciaries of employee benefit plans subject to the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), or plans subject to Section 4975 of the Internal Revenue Code of 1986, as amended (the “Code”), or governmental plans (as defined in Section 3(32) of ERISA) or other plans that are subject to any federal, state or local law that is, to a material extent, similar to the fiduciary responsibility provisions of ERISA or to Section 4975 of the Code (“Similar Law”) should carefully review with their legal advisors whether the purchase or holding of the Certificates offered hereby could give rise to a transaction prohibited or not otherwise permissible under ERISA, the Code or Similar Law.

The U.S. Department of Labor has granted an administrative exemption to (i) WFS, as Prohibited Transaction Exemption (“PTE”) 96-22, 61 Fed. Reg. 14828 (April 3, 1996), as amended by PTE 2013-08, 78 Fed. Reg. 41090 (July 9, 2013), (ii) JPMS, as PTE 2002-19, 67 Fed. Reg. 14979 (March 28, 2002) J.P. Morgan Chase & Co., granted as PTE 2002-19, 67 Federal Register 14979 (March 28, 2002), as amended by PTE 2013-08, 78 Fed. Reg. 41090 (July 9, 2013) and (iii) GS&Co., as PTE 89-88, 54 Fed. Reg. 42582 (October 17, 1989), as amended, 55 Federal Register 48939 (November 23, 1990), as amended by PTE 2013-08, 78 Fed. Reg. 41,090 (July 9, 2013), which may exempt from the application of certain of the prohibited transaction provisions of Section 406 of ERISA and the excise taxes imposed on such prohibited transactions by Sections 4975(a) and (b) of the Code, transactions relating to the purchase, sale and holding of pass-through certificates underwritten by a selling group of which WFS, JPMS, GS&Co. or any of its respective affiliates serves as manager or co-manager, *provided* that certain conditions are met.

These exemptions may apply to the purchase, sale and holding of the Class A, Class B, Class C and Class D Certificates. The Class E, Class F, Class HRR, Class P and Class R Certificates may not be purchased or held by, or transferred to, any plan subject to ERISA or Section 4975 of the Code. However, insurance company general accounts purchasing Class E, Class F or Class HRR Certificates under circumstances whereby all of the requirements of Sections I and III of Prohibited Transaction Class Exemption 95-60 are met may purchase the Class E, Class F or Class HRR Certificates. See “*Certain ERISA Considerations*” in this Offering Circular.

Legal Investment..... No Class of Certificates will constitute “mortgage related securities” for purposes of the Secondary Mortgage Market Enhancement Act of 1984, as amended (“SMMEA”).

If your investment activities are subject to legal investment laws and regulations, regulatory capital requirements, or review by regulatory authorities, then you may be subject to restrictions on investment in the

Certificates. You should consult your own legal advisors for assistance in determining the suitability of and consequences to you of the purchase, ownership, and sale of the Certificates. See “*Legal Investment*” in this Offering Circular.

The issuing entity will be relying on an exclusion or exemption from the definition of “investment company” under the Investment Company Act contained in Section 3(c)(5) of the Investment Company Act or Rule 3a-7 under the Investment Company Act, although there may be additional exclusions or exemptions available to the issuing entity. The issuing entity is being structured so as not to constitute a “covered fund” for purposes of the Volcker Rule under the Dodd-Frank Act (both as defined in *Risk Factors—Legal and Regulatory Provisions Affecting Investors Could Adversely Affect the Liquidity of the Certificates*). See “*Legal Investment*”.

Ratings It is a condition to the issuance and sale of the Certificates that each Class of Sequential Pay Certificates receives the rating specified on the cover page of this Offering Circular from the Rating Agency. The ratings address the likelihood of the timely receipt of distributions of interest at the applicable Pass-Through Rate on the Certificates on each Distribution Date and the ultimate distribution of principal by the applicable Rated Final Distribution Date. The ratings assigned to the Certificates may be partially dependent on the ratings of the Interest Rate Cap Counterparty. Any downgrade, withdrawal or qualification of the ratings of the Interest Rate Cap Counterparty may result in a downgrade, withdrawal or qualification of the then-current ratings on the Certificates. The ratings of the Certificates should be evaluated independently from similar ratings on other types of securities. The ratings of the Certificates entail substantial risks and may be unreliable as an indication of the creditworthiness of your Certificates. Such ratings on the Certificates do not address the tax attributes of the Certificates or the receipt of any Default Interest or Spread Maintenance Premiums, or constitute an assessment of the likelihood or frequency of prepayments on the Mortgage Loan. In general, the ratings address credit risk and not prepayment risk and do not represent any assessment of the yield to maturity that purchasers may experience as a result of the rate of principal prepayments. A security rating is not a recommendation to buy, sell, or hold securities and may be subject to revision or withdrawal at any time by the Rating Agency. See “*Ratings*” in this Offering Circular. The Depositor has not requested a rating of the Certificates from any NRSRO other than S&P.

Other NRSROs that we have not engaged to rate the Certificates may nevertheless issue unsolicited credit ratings on one or more Classes of Certificates on the basis of information they receive pursuant to Rule 17g-5 or otherwise. If any such unsolicited ratings are issued by any such other NRSRO, we cannot assure you that they will not be different from those ratings assigned by S&P. The issuance of unsolicited ratings of a Class of the Certificates that are lower than the ratings assigned by S&P may adversely impact the liquidity, market value and regulatory characteristics of that Class of Certificates. Neither the Depositor nor any other person or entity will have any duty to notify you if any such other NRSRO issues, or delivers notice of its intention to issue, unsolicited ratings on one or more Classes of Certificates after the date of this Offering Circular. In no event will ratings confirmation from any such other NRSRO be a condition to any action, or the exercise of any right, power or privilege by any person or entity, under the Trust and Servicing Agreement.

As part of the process of obtaining ratings for the Certificates, the Depositor had initial discussions with and submitted certain materials to S&P and certain other NRSROs. Based on preliminary feedback from those

NRSROs at that time, the Depositor selected S&P to rate the Certificates and not the other NRSROs, due in part to those NRSROs' initial subordination levels for the various Classes of Certificates. Had the Depositor selected such other NRSROs to rate the Certificates, we cannot assure you that the ratings that such other NRSROs would have assigned to the Certificates would not have been lower than the ratings assigned by S&P to the Classes of Certificates it rated. Although unsolicited ratings may be issued by any NRSRO, an NRSRO might be more likely to issue an unsolicited rating if it was not selected after having provided preliminary feedback to the Depositor. Furthermore, the SEC may determine that S&P no longer qualifies as an NRSRO, or is no longer qualified to rate the Certificates, and that determination may have an adverse effect on the liquidity, market value and regulatory characteristics of the Certificates. See "*Risk Factors—Credit Ratings of the Certificates Are Not Assurance of Performance and May Change Over Time*" in this Offering Circular.

The Class P and Class R Certificates will not be rated by the Rating Agency or another NRSRO (unless an NRSRO issues an unsolicited rating), which may adversely affect the ability of an investor to purchase or retain, or otherwise impact the liquidity, market value and regulatory characteristics of, that Class.

See "*Risk Factors—Credit Ratings of the Certificates Are Not Assurance of Performance and May Change Over Time*" and "*Ratings*" in this Offering Circular.

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RISK FACTORS

You should carefully consider the following risks before making an investment decision. In particular, distributions on your Certificates will depend on payments received on, and other recoveries with respect to, the Mortgage Loan. Therefore, you should carefully consider the risk factors relating to the Mortgage Loan and the Mortgaged Property. The risks and uncertainties described below are not the only ones relating to your Certificates. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also impair your investment. If any of the following events or circumstances identified as risks or other factors or conditions that are not anticipated actually occur or materialize, your investment could be materially and adversely affected. This Offering Circular also contains forward looking statements that involve risks and uncertainties. Actual results could differ materially from those anticipated in these forward looking statements as a result of certain factors, including the risks described below and elsewhere in this Offering Circular.

The Certificates May Not Be a Suitable Investment for You

The Certificates are not suitable investments for all investors. In particular, you should not purchase any Class of Certificates unless you understand and are able to bear the prepayment, credit, liquidity and market risks associated with that Class of Certificates. For those reasons and for the reasons set forth in these "Risk Factors," the yield to maturity and the aggregate amount and timing of distributions on the Certificates are subject to material variability from period to period and over the life of the Certificates. The interaction of the foregoing factors and their effects are impossible to predict and are likely to change from time to time. As a result, an investment in the Certificates involves substantial risks and uncertainties and should be considered only by sophisticated institutional investors with substantial investment experience with similar types of securities and who have conducted appropriate due diligence on the Mortgage Loan, the Mortgaged Property and the Certificates.

Combination or "Layering" of Multiple Risks May Significantly Increase Risk of Loss

Although the various risks discussed in this Offering Circular are generally described separately, you should consider the potential effects of the interplay of multiple risk factors. Where more than one significant risk factor is present, the risk of loss to an investor in the Certificates may be significantly increased.

Risks Related to Market Conditions and Other External Factors

The Volatile Economy, Credit Crisis and Downturn in the Real Estate Market Have Adversely Affected and May Continue To Adversely Affect the Value of CMBS, Including the Certificates

In the past, the real estate and securitization markets, including the market for commercial mortgage-backed securities ("CMBS"), as well as global financial markets and the economy generally, have experienced significant dislocations, illiquidity and volatility from time to time and thus affected the values of such CMBS. We cannot assure you that another dislocation in CMBS will not occur.

Any economic downturn may adversely affect the financial resources of the Borrower and may result in the inability of the Borrower to make payments on, or refinance, the outstanding debt when due or to sell the Mortgaged Property for an amount sufficient to pay off the outstanding debt when due. In the event of default by the Borrower, the Trust may suffer a partial or total loss with respect to the Certificates. Any delinquency or loss on the Mortgage Loan would have an adverse effect on the distributions of principal and interest received by Certificateholders.

Other Events May Affect the Value and Liquidity of Your Investment

Other events whether domestic or international, may affect general economic conditions and financial markets, including but not limited to the following:

- Wars, revolts, terrorist attacks, armed conflicts, energy supply or price disruptions, political crises, natural disasters, civil unrest and/or protests and man-made disasters may have an adverse effect on the Mortgaged Property and/or your Certificates;
- Trading activity associated with indices of CMBS may drive spreads on those indices wider than spreads on CMBS, thereby resulting in a decrease in value of such CMBS, including your certificates, and spreads on those

indices may be affected by a variety of factors, and may or may not be affected for reasons involving the commercial real estate markets and may be affected for reasons that are unknown and cannot be discerned; and

- Even if CMBS are performing as anticipated, the value of such CMBS in the secondary market may nevertheless decline as a result of a deterioration in general market conditions for other asset-backed securities or structured products.

You should consider that the foregoing factors may adversely affect the performance of the Mortgage Loan and accordingly the performance of the Certificates.

Your Investment Is Not Insured or Guaranteed and Your Source for Repayments is Limited to Payments Allocated to the Mortgage Loan

Payments under the Mortgage Loan and the Certificates are not insured or guaranteed by any governmental entity or mortgage insurer. Accordingly, the sources for repayment of your Certificates are limited to amounts due with respect to the Mortgage Loan. Payment of amounts due under the Mortgage Loan prior to the Maturity Date is primarily dependent on the sufficiency of the net operating income of the Mortgaged Property. Payment of the balloon payment of the Mortgage Loan at the Maturity Date is primarily dependent upon the Borrower's ability to sell or refinance the Mortgaged Property for an amount sufficient to repay the Mortgage Loan. Such risk could lead to increased losses for the Trust during the term of the Mortgage Loan.

The Guarantors have agreed to guaranty to the Mortgage Lender and its successors and assigns with respect to certain specified non-recourse carveout obligations of the Borrower under the Mortgage Loan Agreement. However, the Guarantors' (or certain other entities described under "*Description of the Mortgage Loan—Non Recourse Provisions and Exceptions*" in this Offering Circular) liability is capped at 15% (or 25% with respect to certain replacement Guarantors) of the then outstanding principal balance of the Mortgage Loan with respect to breaches or violations of the bankruptcy and insolvency full recourse matters described under "*Description of the Mortgage Loan—Non Recourse Provisions and Exceptions*" in this Offering Circular. In addition, the Guarantors delivered partial completion guaranties with respect to the Required Renovation Work and the Third Floor Renovations. The Guarantors' liability under each completion guaranty is capped at \$6.8 million and \$5.0 million respectively.

The Guarantors are capable of incurring liabilities, whether intentionally (such as incurring other debt) or unintentionally (such as being named in a lawsuit). In addition, the Guarantors have covenanted to maintain an aggregate minimum net worth of not less than \$60,000,000 (or \$80,000,000 together with any bankruptcy guarantor) (exclusive of the Mortgaged Property). It should also be noted that the Guarantors are also guarantors with respect to other mortgage loans that are not included in the Trust. We cannot assure you that the Guarantors will be willing or financially able to satisfy guaranteed obligations. See "*Description of the Mortgage Loan*" in this Offering Circular.

The Certificates Have Limited Liquidity and the Market Value of the Certificates May Decline

The Certificates have not been and will not be registered under the Securities Act or registered or qualified under any state or foreign securities laws, and may not be offered or sold except in accordance with applicable law and the restrictions described in "*Notice to Investors*" and "*Description of the Certificates*" in this Offering Circular. The Certificates will not be listed on any national securities exchange or traded on any automated quotation systems of any registered securities association. There is currently no secondary market for the Certificates and we cannot assure you that a secondary market for the Certificates will develop. Moreover, if a secondary market does develop, we cannot assure you that it will provide Certificateholders with liquidity of investment or that it will continue for the life of the Certificates. Additionally, one or more purchasers may purchase substantial portions of one or more Classes of Certificates, which could adversely affect the liquidity of those classes. Accordingly, you may not have an active or liquid secondary market for your Certificates. The reoffer, resale, pledge or other transfer of the Certificates will be subject to certain restrictions. See "*Notice to Investors*" in this Offering Circular. Lack of liquidity could result in a decline in the market value of the Certificates. In addition, the market value of such Certificates at any time may be affected by many factors, including then prevailing interest rates, and no representation is made by any person or entity as to the market value of any Certificate at any time.

The market value of the Certificates can decline even if those Certificates and the Mortgage Loan are performing at or above your expectations. The market value of the Certificates will be sensitive to fluctuations in current interest rates. However, any change in the market value of the Certificates may be disproportionately impacted by upward or downward movements in current interest rates.

In particular, the market value of the Certificates will also be influenced by the supply of and demand for CMBS generally. The supply of CMBS will depend on, among other things, the amount of commercial mortgage loans, whether newly originated or held in portfolio, that are available for securitization. In addition, recently-enacted financial reform legislation in the United States could adversely affect the availability of credit for commercial real estate. A number of factors will affect investors' demand for CMBS, including:

- the availability of alternative investments that offer higher yields or are perceived as being a better credit risk, having a less volatile market value or being more liquid;
- legal and other requirements or restrictions that prohibit a particular entity from investing in CMBS or require it to maintain increased capital or reserves as a result of its investment in CMBS; limit the amount or types of CMBS that it may acquire;
- investors' perceptions regarding the commercial real estate markets, which may be adversely affected by, among other things, a decline in real estate values or an increase in defaults and foreclosures on mortgage loans secured by income producing properties;
- investors' perceptions regarding the capital markets in general, which may be adversely affected by political, social and economic events completely unrelated to the commercial real estate markets; and
- the impact on demand generally for CMBS as a result of the existence or cancellation of government-sponsored economic programs.

The holder of the Class HRR Certificates will be subject to the hedging, transfer and financing restrictions described in "*Credit Risk Retention—Hedging, Transfer and Financing Restrictions*" in this Offering Circular, and the Certificate Administrator will not register the sale, transfer, pledge or other disposition of any such Certificate unless the Certificate Administrator has received the required certifications countersigned by the Retaining Sponsor as set forth in the Trust and Servicing Agreement. These restrictions are likely to have a material and adverse effect on the liquidity and market value of such Certificates.

If you decide to sell any Certificates, the ability to sell those Certificates will depend on, among other things, whether and to what extent a secondary market then exists for those Certificates, and you may not be able to sell your Certificates at all or you may have to sell your Certificates at a discount from the price you paid for reasons unrelated to the performance of the Certificates or the Mortgage Loan.

The primary source of ongoing information regarding the Certificates, including information regarding the status of the Mortgage Loan and any credit support for the Certificates, will be the periodic reports made available on the Certificate Administrator's website. See "*Description of the Trust and Servicing Agreement—Reports to Certificateholders*" in this Offering Circular. We cannot assure you that any additional ongoing information regarding the Certificates will be available through any other source. The limited nature of the available information in respect of the Certificates may adversely affect their liquidity, even if a secondary market for the Certificates does develop.

We are not aware of any source through which pricing information regarding the Certificates will be generally available on an ongoing basis or on any particular date.

The liquidity and market value of the Certificates may also be affected by present uncertainties and future unfavorable determinations concerning legal investment. See "*—Legal and Regulatory Provisions Affecting Investors Could Adversely Affect the Liquidity of the Certificates*" below and "*Legal Investment*" in this Offering Circular.

There Are Restrictions on Transfers of the Certificates

There are restrictions on transfers of the Certificates. The Certificates have not been registered or qualified under the Securities Act or any state or foreign securities laws. We are relying upon exemptions from registration or qualification under the Securities Act and applicable state and foreign securities laws in offering the Certificates. As a result, the Certificates may be reoffered, resold, pledged or otherwise transferred only in transactions registered or qualified under, or exempt from, the Securities Act and applicable state and foreign securities laws, and you may be required to bear the risk of your investment for an indefinite period of time.

Legal and Regulatory Provisions Affecting Investors Could Adversely Affect the Liquidity of the Certificates

We make no representation as to the proper characterization of the Certificates for legal investment, financial institution regulatory, financial reporting or other purposes, as to the ability of particular investors to purchase the Certificates under applicable legal investment or other restrictions or as to the consequences of an investment in the Certificates for such purposes or under such restrictions. Changes in federal banking and securities laws and other laws and regulations may have an adverse effect on issuers, investors, or other participants in the asset-backed securities markets including the CMBS market. While the general effects of such changes are uncertain, regulatory or legislative provisions applicable to certain investors may have the effect of limiting or restricting their ability to hold or acquire CMBS, which in turn may adversely affect the ability of investors in the Certificates who are not subject to those provisions to resell their Certificates in the secondary market. For example:

- Investors should be aware and in some cases are required to be aware of the due diligence requirements (the “EU Due Diligence Requirements”) which under Article 5 of Regulation (EU) 2017/2402 (the “EU Securitization Regulation”) apply to certain types of EU-regulated investors including institutions for occupational retirement, credit institutions, alternative investment fund managers who manage or market alternative investment funds in the EU, investment firms, insurance and reinsurance undertaking and management companies of UCITS funds (or internally managed UCITS) (“EU Institutional Investors”). Among other things, the EU Due Diligence Requirements restrict an EU Institutional Investor from investing in a securitization unless the EU Institutional Investor has verified that:
 - (a) the originator or original lender of the underlying exposures of the securitization grants all the credits giving rise to the underlying exposures on the basis of sound and well-defined criteria and clearly established processes for approving, amending, renewing and financing those credits and has effective systems in place to apply those criteria and processes to ensure that credit-granting is based on a thorough assessment of the obligor’s creditworthiness;
 - (b) the originator, sponsor or original lender of the securitization (i) retains on an ongoing basis a material net economic interest which, in any event, shall not be less than 5%, determined in accordance with Article 6 of the EU Securitization Regulation, and (ii) discloses the risk retention to EU Institutional Investors (the “EU Retention Requirement”); and
 - (c) the originator, sponsor or securitization special purpose entity has, where applicable, made available the information required by Article 7 of the EU Securitization Regulation in accordance with the frequency and modalities provided for in Article 7 of the EU Securitization Regulation.

Failure on the part of an EU Institutional Investor to comply with the EU Retention Requirement and the EU Due Diligence Requirements may result in various penalties including, in the case of those investors subject to regulatory capital requirements, the imposition of a punitive capital charge in respect of the investment in the securitization acquired by the relevant investor. Aspects of the requirements and what is or will be required to demonstrate compliance to nations regulators remain unclear.

None of the Mortgage Loan Sellers, the Depositor, the Trust or the Initial Purchasers, their respective affiliates or any other person intends to retain a material net economic interest in the securitization constituted by the issuance of the Certificates in a manner that would satisfy the EU Retention Requirement or to take any other action that may be required by EU Institutional Investors for the purposes of their compliance with the EU Retention Requirement and EU Due Diligence Requirements, and no such person assumes (i) any obligation to so retain or take any such other action or (ii) any liability whatsoever in connection with any Certificateholder’s non-compliance with the EU Retention Requirement and EU Due Diligence Requirements. Consequently, the Certificates may not be a suitable investment for EU Institutional Investors. As a result, the price and liquidity of the Certificates in the secondary market may be adversely affected. None of the Mortgage Loan Sellers, the Depositor, the Trust or the Initial Purchasers and any other party to the transaction makes any representation to any prospective investor or purchaser of the Certificates regarding the regulatory treatment of their investment in the Certificates on the Closing Date or at any time in the future.

- Recent changes in federal banking and securities laws, including those resulting from the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”) enacted in the United States, may have an adverse effect on issuers, investors, or other participants in the asset-backed securities markets. In particular, new capital regulations were issued by the U.S. banking regulators in July 2013; these regulations implement the increased capital requirements established under the Basel Accord and are being phased in over time. These new capital

regulations eliminate reliance on credit ratings and otherwise alter, and in most cases increase, the capital requirements imposed on depository institutions and their holding companies, including with respect to ownership of asset-backed securities such as CMBS. Further changes in capital requirements have been announced by the Basel Committee on Banking Supervision and it is uncertain when such changes will be implemented in the United States. When fully implemented in the United States, these changes may have an adverse effect with respect to investments in asset-backed securities, including CMBS. As a result of these regulations, investments in CMBS such as the Certificates by financial institutions subject to bank capital regulations may result in greater capital charges to these financial institutions and these new regulations may otherwise adversely affect the treatment of CMBS for their regulatory capital purposes.

- Regulations were adopted on December 10, 2013 to implement Section 619 of the Dodd Frank Act (such statutory provision, together with such implementing regulations, the “Volcker Rule”). The Volcker Rule generally prohibits “banking entities” (which is broadly defined to include U.S. banks and bank holding companies and many non-U.S. banking entities, together with their respective subsidiaries and other affiliates) from (i) engaging in proprietary trading, (ii) acquiring or retaining an ownership interest in or sponsoring a “covered fund” and (iii) entering into certain relationships with such funds. The Volcker Rule became effective on July 21, 2012. Subject to certain exceptions, banking entities are required to be in conformance with the Volcker Rule by July 21, 2015. Under the Volcker Rule, unless otherwise jointly determined otherwise by specified federal regulators, a “covered fund” does not include an issuer that may rely on an exclusion or exemption from the definition of “investment company” under the Investment Company Act other than the exclusions contained in Section 3(c)(1) and Section 3(c)(7) of the Investment Company Act.

The Trust will be relying on an exclusion or exemption under the Investment Company Act contained in Section 3(c)(5) of the Investment Company Act or Rule 3a-7 under the Investment Company Act, although there may be additional exclusions or exemptions available to the Trust. Accordingly, the Trust is being structured so as not to constitute a “covered fund” for purposes of the Volcker Rule. The general effects of the Volcker Rule remain uncertain. Any prospective investor in the Certificates, including a U.S. or foreign bank or a subsidiary or other bank affiliate, should consult its own legal advisors regarding such matters and other effects of the Volcker Rule.

- The Financial Accounting Standards Board has adopted changes to the accounting standards for structured products. These changes, or any future changes, may affect the accounting for entities such as the Trust, could under certain circumstances require an investor or its owner generally to consolidate the assets of the Trust in its financial statements and record third parties’ investments in the Trust as liabilities of that investor or owner or could otherwise adversely affect the manner in which the investor or its owner must report an investment in CMBS for financial reporting purposes.
- No Class of Certificates will constitute “mortgage related securities” for purposes of SMMEA.

Further changes in federal banking and securities laws and other laws and regulations may have an adverse effect on issuers, investors, or other participants in the asset-backed securities markets (including the CMBS market) and may have adverse effect on the liquidity, market value and regulatory characteristics of the Certificates.

Accordingly, all investors whose investment activities are subject to legal investment laws and regulations, regulatory capital requirements, or review by regulatory authorities should consult with their own legal, accounting and other advisors in determining whether, and to what extent, the Certificates will constitute legal investments for them or are subject to investment or other restrictions, unfavorable accounting treatment, capital charges or reserve requirements. See “*Legal Investment*” in this Offering Circular.

In addition, the Retaining Sponsor intends to satisfy the credit risk retention requirements of the Credit Risk Retention Rules as described under “*Credit Risk Retention*”. We cannot assure you that the Retaining Sponsor will at all times satisfy such credit risk retention requirements. At this time, it is unclear what effect a failure of the Retaining Sponsor to be in compliance with the Credit Risk Retention Rules at any time will have on the Certificateholders or the market value or liquidity of the Certificates.

The Prospective Performance of the Mortgage Loan Included in the Trust Fund Should Be Evaluated Separately from the Performance of Mortgage Loans Included in Other Trusts

While there may be certain common factors affecting the performance and value of income-producing real properties in general, those factors do not apply equally to all income-producing real properties and, in many cases, there are unique factors that will affect the performance and/or value of a particular income-producing real property. Moreover, the effect of

a given factor on a particular real property will depend on a number of variables, including but not limited to property type, geographic location, competition, sponsorship, management and other characteristics of the properties and the related mortgage loan. Each income-producing real property represents a separate and distinct business venture and, as a result, the mortgage loan requires a unique underwriting analysis. Furthermore, economic and other conditions affecting real properties, whether worldwide, national, regional or local, vary over time. The performance of a mortgage loan originated and outstanding under a given set of economic conditions may vary significantly from the performance of otherwise comparable mortgage loans originated and outstanding under a different set of economic conditions. Accordingly, investors should evaluate the Mortgage Loan underlying the Certificates independently from the performance of mortgage loans underlying any other series of certificates.

A Portion of Revenue at the Mortgaged Property is Dependent on Food and Beverage Sales and Other Non-Room Revenues.

The Mortgaged Property has seven food and beverage venues. Approximately 9.7% of the TTM October 2018 Total Revenue (as set forth in Annex G in this Offering Circular) are derived from food and beverage operations at the Mortgaged Property, and approximately 6.6% of the TTM October 2018 Total Revenue are derived from retail tenants.

We cannot assure you that the revenues of any of the Mortgaged Property's food and beverage venues and retail tenants will be maintained. Consumer demand for entertainment resorts is particularly sensitive to downturns in the economy and the corresponding impact on discretionary spending on leisure activities. Changes in discretionary consumer spending or consumer preferences could be driven by factors such as perceived or actual general economic conditions, high energy, fuel and food costs, the increased cost of travel, the potential for bank failures, a weakened job market, perceived or actual disposable consumer income and wealth, fears of recession and changes in consumer confidence in the economy or fears of future acts of terrorism. These factors could reduce consumer demand for the leisure activities that the Mortgaged Property offers, thus imposing practical limits on pricing and harming operations. Restaurants, lounges and bars are particularly vulnerable to changes in consumer preferences.

In addition, a restaurant's, lounge's or bar's revenue is dependent on its popularity and perception and is affected by the opening of new restaurants or bars in the area where a hotel is located. Any change in the popularity, perception and competition could have a material adverse effect on the cash flow of the Mortgaged Property.

The restaurant, lounge and bar operations at the Mortgaged Property are also subject to extensive regulation and licensing requirements by the regulating entities in Hawaii. The ability of the Mortgaged Property to attract customers and/or a portion of its revenues may depend on its having a liquor license or licenses. Although the Property Manager currently has the necessary liquor licenses to operate its entertainment venues, in the event any violation were to occur at any of the operations of the Mortgaged Property, the authorities in Hawaii may, among other things, suspend or revoke the Mortgaged Property's liquor licenses. If the liquor licenses are suspended, revoked, terminated or expire by their terms, the Borrower might not be able to obtain new liquor licenses or might be able to obtain new liquor licenses only after a significant delay.

In addition, the Hawaii liquor laws and regulations require County Liquor Commission approval for any transfer of a liquor license. If the Management Agreement is terminated for any reason, the Property Manager is required under the Management Agreement to cooperate with the Borrower or any successor manager for a reasonable period after such termination in the transfer of the liquor licenses to the Borrower or a successor manager. The transfer process requires an application and hearings before the County Liquor Commission. In the event of a foreclosure of the Mortgaged Property, the Special Servicer on behalf of the Trust or a purchaser in a foreclosure sale may be required to apply for a transfer of the liquor license or a new license, either of which require an application process and hearings, subject to County Liquor Commission approval. There is no assurance that the transfer of the liquor license or an application for a new license will be granted without significant delay or granted at all. Tax clearances, certificate of good standing, and certificate of liquor liability insurance are required before the liquor license will be renewed by the County Liquor Commission.

The loss of a liquor license for any period of time at the Mortgaged Property could have an adverse impact on the operations and revenues of the Mortgaged Property and the value of the Mortgaged Property.

The Mortgaged Property also includes retail spaces. The value of retail and third-party food and beverage space is significantly affected by the quality of the resort and its guests. The correlation between success of tenant businesses and the value of retail and third-party food and beverage spaces may be more direct with respect to retail and third-party food and beverage spaces than other types of commercial space because a component of the total rent paid by certain retail and third-party food and beverage tenants is often tied to a percentage of gross sales. We cannot assure you that, if the retail and/or third-party food and beverage tenants at the Mortgaged Property were to close or become or remain vacant, such

tenants and retail and third-party food and beverage spaces would be replaced in a timely manner or without incurring material additional costs and having an adverse economic effect on the Mortgaged Property.

Risks Relating to Hotel Properties Operated Under Brands

The Mortgaged Property securing the Mortgage Loan is operated under the “Marriott” brand under the Management Agreement that includes the franchise related provisions. The performance of a hotel property associated with a flag or brand depends in part on:

- the continued existence, market strength and financial strength of the hotel management company;
- the public perception of the brand or hotel chain service mark;
- the duration of the management agreement; and/or
- any collective bargaining agreement or other union contract with respect to the manager’s and/or the hotel’s employees.

The continuation of the Management Agreement is subject to specified operating standards and other terms and conditions set forth in such agreement, including the completion of certain capital repairs and improvements. The failure of the Borrower to adhere to other applicable terms and conditions may result in the non-renewal and/or termination of the Management Agreement. Over the next 15 months, the Borrower expects to spend approximately \$68.1 million (\$51,981 per key) renovating all of the guest rooms pursuant to a rooms upgrade program required under the Management Agreement. In addition, the Borrower anticipates performing comprehensive renovation of the third floor terrace and pool areas prior to the Final Maturity Date, as required under the Mortgage Loan Agreement. While the timing of the terrace/pool area renovation has not been finalized, the Borrower anticipates performing such work at the same time it is performing the guest room renovation program. The cost of the terrace/pool area renovation is currently expected to be approximately \$11.9 million (bringing total anticipated capital expenditure projects, not including routine capital expenditures, to approximately \$80.0 million (\$61,052 per key)). Any renovations at the Mortgaged Property could result in a disruption in certain rooms being unavailable to rent to guests, which in turn may adversely affect the Borrower’s ability to repay the Mortgage Loan. The Management Agreement requires that the renovations to the guest rooms be completed by March 31, 2020, subject to any extension(s) approved by the Property Manager. See also “*Risks Related to Construction, Redevelopment, Renovation and Repairs at or near the Mortgaged Property*” below.

The Management Agreement has an expiration date of December 31, 2027, and is subject to five 10-year extension options, however it is subject to termination upon one year’s notice. In the event the Management Agreement is terminated for any reason, we cannot assure you that the Borrower would be able to enter into a suitable replacement management agreement or that such replacement brand affiliation would be of equal quality to the terminated brand affiliation. Any of the foregoing could have a material adverse impact on the Mortgage Loan, which could affect the ability of the Borrower to repay the Mortgage Loan.

The success of the business of the Mortgaged Property and the Borrower is in part dependent upon the success of the management of the Mortgaged Property, the Marriott systems and on brand recognition. Such dependence makes the business of the Borrower susceptible to reputational damage and competition from other hotel franchise businesses. We cannot assure you that competition from other brands will not adversely impact the market position or the financial performance of the Mortgaged Property, including the Borrower. See also “*Description of the Management Agreement and Assignment of Management Agreement*” in this Offering Circular.

Further, you should consider that the brand recognition and support that provides the basis for a successful operation of owned businesses can also mean that problems within the Property Manager or its affiliates or at the Mortgaged Property (e.g., changes in ownership or management or management practices, or acts or omissions that adversely affect the business of such owners, including crime, scandal, litigation, negative publicity, catastrophic fires or similar events, accidents or injuries to guests) can have a substantial impact on operations of otherwise successful individual hotel locations. The Property Manager could also face legal claims and adverse publicity from a variety of events or conditions, many of which are beyond their control. Any of the above events or a successful liability claim could injure the reputation or goodwill of the applicable franchise. Even if unsuccessful, a liability claim could cause unfavorable publicity. This, in turn, could have an adverse impact on the performance of the Mortgaged Property and/or the franchise business and could adversely impact the ability of the Borrower to perform under the Mortgage Loan Documents. See “*Description of the Mortgaged Property*” in this Offering Circular.

Operation of the Mortgaged Property Depends on the Property Manager's Performance

The effective management and operation of the Mortgaged Property will be a significant factor affecting the revenues, expenses and value of the Mortgaged Property, and depends on the Property Manager's performance and viability. The day-to-day management of the Mortgaged Property is currently performed by Marriott Hotel Services, Inc. ("Marriott") under the Management Agreement pursuant to which the Mortgaged Property will operate under the "Marriott" brand. The Property Manager will be responsible for, among other things:

- using all reasonable efforts to encourage and maintain the long-term profitability and status of the Mortgaged Property facilities;
- employing, paying, supervising and discharging all personnel of the Mortgaged Property;
- furnishing the corporate sales and marketing services, corporate and regional sales offices, corporate advertising services, public relations and centralized reservation services as provided in the Management Agreement; and
- providing for the maintenance and repair of the Mortgaged Property.

Properties deriving revenues primarily from short term sources, such as hotel guests or short term leases, are generally more management intensive than properties leased to creditworthy tenants under long term leases. While the Property Manager is experienced in managing hotel properties, we cannot assure you that the Property Manager will continue to act as the property manager of the Mortgaged Property, manage the Mortgaged Property successfully or at all times be in a financial condition to continue to fulfill its management responsibilities under the Management Agreement throughout the terms of the Management Agreement. We make no representation as to the skills or experience of the present or future property managers. In addition, we cannot assure you that the financial condition of any future property manager will be sufficient to fulfill its management responsibilities. Finally, it is possible that individuals involved in the management or general business development at the Mortgaged Property could engage in unlawful activities or otherwise exercise poor business judgment that adversely affects the operation of and ultimately cash flow at the Mortgaged Property.

The Property Manager owns and/or licenses technology and systems for procurement and cash management. If any of these systems fail to operate as anticipated, are vulnerable to or subject to security breaches or these systems are not replaced with new systems comparable to those introduced by competitors, such circumstances could have a negative impact on the business of the Borrower. Any degradation, failure of adequate development relative to, or security breach of, competitive systems may adversely affect the conduct of the business of the Borrower.

Pursuant to the Management Agreement, all funds received from the operation of the Mortgaged Property are required to be deposited into one or more special accounts under the control of the Property Manager.

The Property Manager has agreed to collect all funds derived from the operation of the Mortgaged Property managed pursuant to the Management Agreement. From such funds, the Property Manager will pay fees owed to the Property Manager, operating expenses, other authorized expenditures under the Management Agreement (including taxes, payments of insurance maintained by the Property Manager and deposits to the manager-controlled FF&E reserve). See "*Description of the Mortgage Loan–Lockbox Account*" and "*–Cash Management Account*" in this Offering Circular.

Pursuant to the Mortgage Loan Agreement, during a Mortgage Loan Event of Default, the Borrower will not be permitted to exercise any rights, make any decisions, grant any approvals or otherwise take any material action under the Management Agreement without the prior consent of the Mortgage Lender, which consent may be withheld in the Mortgage Lender's sole discretion. We cannot assure you that a replacement manager could be obtained in the event of termination. In addition, replacement franchises and/or hotel managers may require significantly higher fees as well as the investment of capital to bring the hospitality property into compliance with the requirements of the replacement franchisor and/or hotel managers. Any provision in the Management Agreement providing for termination because of a bankruptcy of a franchisor or manager generally will not be enforceable.

See "*Description of the Management Agreement and Assignment of Management Agreement*" in this Offering Circular.

Condominium Ownership May Limit Use and Improvements

The Borrower has the right under the Mortgage Loan Documents, upon the satisfaction of certain conditions in relation to a Timeshare Transaction, to convert the Mortgaged Property to a commercial condominium form of ownership.

In the case of condominiums, a board of managers generally has discretion to make decisions affecting the condominium and we cannot assure you that the Borrower will have any control over decisions made by the related board of managers. Thus, decisions made by that board of managers, including regarding assessments to be paid by the unit owners, insurance to be maintained on the condominium and many other decisions affecting the maintenance of that condominium, may have an adverse impact on the Mortgage Loan. We cannot assure you that the related board of managers will always act in the best interests of the Borrower as the board members are required by law to act in the best interests of all condominium unit owners generally. Further, due to the nature of condominiums, a default on the part of the Borrower will not allow the Special Servicer the same flexibility in realizing on the collateral as is generally available with respect to commercial properties that are not condominiums. The rights of other unit owners, the documents governing the management of the condominium units and the state and local laws applicable to condominium units must be considered. In addition, in the event of a casualty with respect to a mortgaged property which consists of a condominium interest, due to the possible existence of multiple loss payees on any insurance policy covering any such property, there could be a delay in the allocation of any related insurance proceeds. Consequently, servicing and realizing upon a condominium property could subject you to a greater delay, expense and risk than with respect to a loan secured by a commercial property that is not a condominium. In addition, a property that is subject to a condominium regime may not be readily convertible (or convertible at all) to alternative uses if any such property were to become unprofitable for any reason, due to the use and other restrictions imposed by the condominium declaration and other related documents, especially in a situation where a property does not represent the entire condominium regime.

Lack of Asset and Sponsorship Diversification Exposes Your Investment to Increased Risks Relating to Commercial Real Estate

The Trust will not have any asset diversification insofar as the assets of the Trust will be comprised solely of the Mortgage Loan secured by the Mortgaged Property. The Mortgaged Property is a full-service hotel property located in Honolulu, Hawaii. As a result of having no significant assets other than the Mortgage Loan, the Trust will have a significantly greater exposure to each of the potential risks inherent in investing in commercial mortgage loans, some of which are described in this Offering Circular.

The lack of diversification of sponsorship increases the risk that financial or other difficulties experienced by the Borrower or the Borrower Sponsor could have a greater impact on the Certificates. Affiliates of the Borrower Sponsor own and may acquire additional hospitality properties and other properties, and if the Borrower experiences financial difficulty, it could defer maintenance or redevelopment at the Mortgaged Property to pay debt service or other expenses at such other properties owned by the Borrower Sponsor or its respective affiliates. See “*—The Borrower’s Form of Entity May Cause Special Risks*” and “*—Bankruptcy Considerations*” below. We cannot assure you that the lack of asset and sponsorship diversification in the assets of the Trust will not adversely affect your investment in the Certificates.

Geographic Concentration Exposes Investors to Greater Risk of Default and Loss

The Mortgaged Property is located in Honolulu, Hawaii. A downturn in the economies of Hawaii or Honolulu could have an adverse effect on the Borrower, the Mortgage Loan and the Certificates. The market value of the Mortgaged Property could be adversely affected by declining economic conditions generally, or specific to Hawaii or Honolulu, and may increase the risk that adverse economic or other developments or natural disasters affecting Hawaii could increase the frequency and severity of losses on the Mortgaged Loan.

Several regions of the United States, including the region where the Mortgaged Property is located, recently experienced significant real estate downturns. In addition, local or regional economies may be adversely affected to a greater degree than other areas of the country by developments affecting industries concentrated in such area. Other regional factors—e.g., volcanoes, earthquakes, other natural disasters, or changes in government rules or fiscal policies—may also adversely affect the Mortgaged Property. For example, properties located in Hawaii may be more susceptible to certain hazards (such as earthquakes, tsunamis or volcanoes) than properties in other parts of the country. We cannot assure you that any damage as a result of a natural disaster would be covered by insurance. Regional areas affected by such events often experience disruptions in travel, transportation and tourism, loss of jobs and an overall decrease in consumer activity, and often a decline in real estate related investments. If one of these types of events were to occur, we cannot assure you that the economies in Hawaii or Honolulu would recover sufficiently to support income-producing real

estate at pre-event levels or that the costs of the related clean-up will not have a material adverse effect on the local or national economy.

The revenue of the Mortgaged Property is heavily dependent on business received from the visitors to Honolulu. During the Great Recession, the tourism industry, which is a primary economic driver of the Honolulu economy, was severely impacted. Although the tourism industry has shown recent improvement, any recession, economic slowdown or any other significant economic condition affecting consumers and consumer spending generally is likely to cause a reduction in visitation to Honolulu and consequently the Mortgaged Property, which would adversely affect operating results of the Mortgaged Property. Furthermore, since Hawaii is an island, it is more dependent on airline travel than other locations may be. If airline service to Honolulu International Airport were to decline, whether due to a disruption with respect to certain airlines, or generally as a result of terrorism or other factors or otherwise, it could adversely affect the number of tourists visiting Hawaii. See “*Risks Related to Market Conditions and Other External Factors*” above. Other factors, such as natural disasters, could also have an adverse effect. We cannot assure you that the level of tourists visiting and staying at the Mortgaged Property will not decline. Any such decline may have an adverse impact on the Mortgaged Property and the ability of the Borrower to pay debt service on the Mortgage Loan.

Commercial Lending Is Dependent Upon Net Operating Income

The Mortgage Loan is secured primarily by a hospitality property. Therefore, the repayment of the Mortgage Loan will be dependent upon the ability of the Mortgaged Property to produce cash flow through the collection of room, food and beverage, spa and fitness, retail and other revenues.

Even the liquidation value of a commercial property is determined, in substantial part, by the capitalization of the property's cash flow. However, net operating income and cash flow can be volatile and may be insufficient to cover debt service on the Mortgage Loan at any given time.

The net operating income and property value of the Mortgaged Property may be adversely affected by a large number of factors relating to the Mortgaged Property itself and/or tenants at the Mortgaged Property, including, among others, the following factors, some of which are described in greater detail in the other risk factors:

- the age, design, adaptability and construction quality of the Mortgaged Property;
- perceptions regarding the safety, convenience and attractiveness of the Mortgaged Property;
- the characteristics of the neighborhood where the Mortgaged Property is located;
- the proximity of the Mortgaged Property to demand generators, such as businesses, population centers or tourist attractions;
- the strength and nature of the local economy, including labor costs and quality, tax environment and quality of life for employees;
- increases in management fees;
- the adequacy of the Mortgaged Property's management and maintenance;
- increases in interest rates, real estate taxes and other operating expenses at the Mortgaged Property and in relation to competing properties;
- an increase in the capital expenditures needed to maintain the Mortgaged Property or make improvements;
- dependence upon a particular business or industry;
- the proximity and attractiveness of competing properties;
- competitive conditions that may affect the ability of the Borrower to obtain or maintain a high level of occupancy at the Mortgaged Property;
- an increase in vacancy rates;

- a decrease in occupancy or rental rates;
- conditions impacting air travel;
- costs of supplies and labor; and
- labor strikes at the Mortgaged Property.

Other factors are more general in nature, such as:

- national, regional or local economic conditions, including industry slowdowns and increases in unemployment rates;
- local real estate conditions, such as an oversupply of competing properties or hotel capacity or new construction of competing properties in the same market;
- demographic factors;
- consumer confidence;
- consumer tastes and preferences, including the effects of adverse publicity;
- zoning laws or other governmental rules, regulations and policies (including environmental restrictions);
- retroactive changes in building codes;
- changes or continued weakness in specific industry segments;
- the public perception of safety for customers and clients, including perceptions as to crime, risk of terrorism or other factors;
- inflation or general currency fluctuation; and
- civil disorder, acts of war or of terrorists, natural disasters and acts of God, such as floods or earthquakes, and other factors beyond the control of the Borrower.

A decline in the economy or hospitality industry will tend to have a more immediate effect on the net operating income of properties with short-term revenue sources, such as hotels, and may lead to higher rates of delinquency or defaults. In addition, a significant source of revenue from the Mortgaged Property is derived from ancillary income producing uses, including food and beverage. Such items tend to be "high end" discretionary spending items and as such are typically more susceptible to downturns in the economy.

Property Value May Be Adversely Affected Even When There Is No Change in Current Operating Income

Various factors may adversely affect the value of the Mortgaged Property without affecting the Mortgaged Property's current net operating income. These factors include, among others:

- changes in governmental regulations, fiscal policy, zoning or tax laws;
- potential environmental legislation or liabilities or other legal liabilities;
- proximity and attractiveness of competing properties;
- new construction of competing properties in the same market;
- convertibility of the Mortgaged Property to an alternative use;
- restrictive covenants or easements; and
- the availability of financing or changes in the cost of financing.

Competition and Risks of the Hospitality Industry

The Mortgage Loan is secured by a full-service hotel property. The recreational travel industry is highly competitive. The profitability of the Mortgaged Property is subject to general economic conditions, the management ability of the Property Manager, competition, desirability of particular locations, franchise affiliation, relative strengths of customer loyalty programs, positive or negative perception by customers and guests of the Marriott brand and other factors relating to the operation of the Mortgaged Property. The Mortgaged Property's success in its market, in large part, will be dependent upon its ability to compete on the basis of ease of access, location, quality of accommodations, nature of amenities and support services offered (e.g., pools, spa and recreational facilities, banquet and meeting facilities, and food and beverage offerings), and room rate structure. Properties in large business travel markets face stiff competition from competing hotel properties. The number and quality of competing hotels or resorts in the area in which the Mortgaged Property is located could also have a material effect on the revenues of the Mortgaged Property. In particular, the Mortgaged Property must compete effectively in the full-service segment of the hospitality industry. A downturn in economic conditions would adversely affect business and leisure demand for hotel accommodations. For example, there may be an oversupply of properties of the same type in the area where the Mortgaged Property is located. Such properties could have lower rentals, room rate and operating costs, more favorable locations or better facilities.

In addition to the factors discussed in “*Commercial Lending Is Dependent Upon Net Operating Income*” above, various other factors may adversely affect the financial performance and value of hospitality properties, including:

- adverse economic and social conditions, either local, regional or national (which may limit the amount that can be charged for a room and reduce occupancy levels);
- continuing expenditures for modernizing, refurbishing and maintaining existing facilities prior to the expiration of their anticipated useful lives;
- building design and adaptability;
- decreases in the frequency of business travel as a result of alternatives to in-person meetings, including virtual meetings hosted online or over private teleconferencing networks;
- competition from restaurants or dining options;
- significant increases in cost for health care coverage for employees and potential government regulation with respect to health care coverage;
- ability to convert to alternative uses which may not be readily made;
- a deterioration in the financial strength or managerial capabilities of the owner or operator of a hotel property;
- dependence upon the success of the brand under which the Mortgaged Property is operated;
- decrease in average daily rate;
- changes in travel patterns caused by general adverse economic conditions, fear of terrorist attacks, adverse weather conditions, any type of flu or disease-related pandemic and changes in access, energy prices, strikes, travel costs, relocation of highways, the construction of additional highways, concerns about travel safety or other factors;
- the availability and cost of credit;
- excess supply of available rooms;
- changes in operating costs, including energy, food, commissions, compensation, training, benefits and insurance;
- seasonality of the hospitality business;
- shortages of labor or labor disruptions; and

- relative illiquidity of hospitality investments which limits the ability of the borrowers and property managers to respond to changes in economic or other conditions.

Due in part to the strong correlation between the hospitality industry's performance and general economic conditions, the hospitality industry is subject to cyclical changes in revenues and profits. Income from a hotel property is likely to be more sensitive to economic downturns or increased competitive conditions than other property types, because such income is primarily generated by room occupancy, and room occupancy is usually for a short period of time. Daily exposure to market conditions increases the sensitivity of a hotel's performance to economic cycles. Relatively small decreases in revenue can cause significant declines in net operating income because of hotel properties' relatively high operating costs. If a hotel is operated under a franchise with a license from a regional, national or international chain, changes in the public perception of the chain and/or deterioration in the financial health of the franchisor or property manager may affect the income generated by the hotel. Demand may also be affected by the strength of loyalty programs as compared to competing loyalty programs.

Investments in hotels are generally less liquid than other traditional commercial property types. Such illiquidity may limit the ability of the Borrower or the Property Manager to respond to changes in economic or other conditions. Additionally, the Mortgaged Property may not be readily converted to alternative uses if it were to become unprofitable due to competition, age of the improvements, decreased demand or other factors. The conversion of a hotel to alternative uses would generally require substantial capital expenditures. Thus, if the operation of the Mortgaged Property becomes unprofitable such that the Borrower becomes unable to meet its obligations under the Mortgage Loan, the liquidation value of the Mortgaged Property may be substantially less than would be the case if the Mortgaged Property were readily adaptable to other uses.

The age, construction quality and design of the Mortgaged Property may affect the vacancy levels as well as the room rates that may be charged to guests. Generally, the effects of poor construction quality on any property will increase over time in the form of increased maintenance and capital improvement costs needed to maintain such properties. Even good construction will deteriorate over time if the owner or property manager does not schedule and perform adequate maintenance in a timely fashion. If, during the term of the Mortgage Loan, competing hotel properties are built in the area where the Mortgaged Property is located or other hotels in the vicinity of the Mortgaged Property are substantially updated and refurbished, the value and net operating income of the Mortgaged Property could be reduced. To remain competitive in the industry and maintain economic value, hotels generally require more frequent expenditures for improvements and renovations than for other types of commercial properties. While the Borrower is currently planning to expend approximately \$68.1 million to renovate the guest rooms by replacing all soft goods and case goods, adding new electrical outlets, USB ports, and modern CAT 6 cabling, new ceiling paint and smart door locks as well as remodeling the guest bathrooms and corridors on guest floors, we cannot assure you that such improvements will result in increased property performance or that improvements to competing properties, or new supply, will not result in a deterioration in operating performance, despite enhancements to the Mortgaged Property. See "*Risks Related to Construction, Redevelopment, Renovation and Repairs at or near the Mortgaged Property*" below.

The increasing use of internet travel intermediaries by consumers may cause hotel properties to experience fluctuations in operating performance and otherwise adversely affect profitability and cash flows. Property managers increasingly rely upon Internet travel intermediaries such as Travelocity.com, Expedia.com, Orbitz.com, Hotels.com and Priceline.com to generate demand for hotel properties. As internet bookings increase, these intermediaries may be able to obtain higher commissions, reduced room rates or other significant contract concessions from property managers. Moreover, some of these internet travel intermediaries are attempting to offer hotel rooms as a commodity, by increasing the importance of price and general indicators of quality (such as "three-star downtown hotel") at the expense of brand identification. Consumers may eventually develop brand loyalties to their reservations system rather than the premier-brand Property that comprises the Collateral, which could have an adverse effect on the business of the Property Manager. If the amount of sales made through internet intermediaries increases significantly and the Property Manager fails to appropriately price room inventory in a manner that maximizes the opportunity for enhanced profit margins, room revenues may flatten or decrease and profitability may be adversely affected.

Hotel properties also continue to face competition from new channels of distribution in the travel industry. Additional sources of competition could include "daily deal" websites, such as Groupon Getaways, or peer-to-peer inventory sources, such as AirBnB. AirBnB and similar websites facilitate the short-term rental of homes and apartments from owners, thereby providing an alternative to hotel rooms. The growth of peer-to-peer inventory sources could affect the demand for the Property Manager's services in facilitating reservations at hotel properties.

Moreover, the hospitality industry is generally seasonal in nature and different seasons affect different hospitality properties depending on type and location. This seasonality can be expected to cause periodic fluctuations in a hotel's

room, restaurant and recreation revenues, occupancy levels, room rates and operating expenses. The periods during which the Mortgaged Property experiences higher revenues depends principally upon the customer base served, and market disruptions in high seasons (such as storms, civil unrest, publicly perceived threats or large-event cancellations) and may have disproportionately adverse effects on the Mortgaged Property as compared to properties or businesses with flatter demand curves.

Increased Operating Expenses Can Adversely Affect the Availability of Property Revenues Sufficient for Timely Payment of the Mortgage Loan

As with any business venture of this size and nature, the operation of the Mortgaged Property could be affected by many factors that may increase operating expenses, including the breakdown or failure of equipment or processes, fuel and energy costs, the interference with proper operations by governmental controls and requirements, labor disputes, catastrophic events including fires, explosions, earthquakes and droughts, changes in law, failure to obtain necessary permits or to meet permit conditions, or similar events. The failure or inability to obtain and maintain proper insurance for such contingencies may impair the ability of the Borrower to fund the necessary repairs or other remediations necessary to assure proper continued operations at the Mortgaged Property. The occurrence of such events could jeopardize the current room bookings or future room bookings of the Mortgaged Property and thereby materially impair the availability of gross revenues from operations at the Mortgaged Property sufficient for the timely payment of the Mortgage Loan.

As the Mortgage Loan is secured primarily by a first priority mortgage lien on the Borrower's leasehold interests in the Mortgaged Property, increases in ground rent associated with any of the leasehold interests will result in an increase in operating expenses at the Mortgaged Property and may impair the Borrower's ability to make timely payments on the Mortgage Loan. The ground leases pursuant to which each of the Borrower's leasehold interests in the Mortgaged Property were established are subject to periodic rental resets, which increase the uncertainty of projected future rental expenses at the Mortgaged Property. Further, the rent under two of the ground leases is currently being renegotiated and the future ground rent ultimately determined through the ground rent reset process may be materially greater than the underwritten ground rent. Any increase in the ground rent expense may have a material adverse effect on the Borrower's ability to satisfy its obligations under the Mortgage Loan Documents. In addition, notwithstanding the ground leases contain required arbitration to resolve any disputes, if the Borrower and the ground lessors are not able to agree upon future ground rent payments litigation may result and may have a material adverse effect on the Mortgaged Property.

Labor Issues

In general, labor regulations and collective bargaining agreements could lead to higher wage and benefit costs, changes in work rules that raise operating expenses, legal costs, and limitations on the Borrower's ability to take cost saving measures during economic downturns. Increased unionization of the Mortgaged Property's workforces, new labor legislation or changes in regulations could disrupt operations of the Mortgaged Property, reduce profitability, or interfere with the ability of the Borrower or the Property Manager to focus on executing business strategies and consequently could have an adverse impact on the Mortgaged Property and the ability of the Borrower to pay debt service on the Mortgage Loan.

Certain of the labor staff at the Mortgaged Property are currently unionized pursuant to a collective bargaining agreement, and we cannot assure you that additional employees will not unionize in the future. The Property Manager recently concluded negotiations with a labor union representing certain of the employees at the Mortgaged Property with the resulting agreement covering, among other things, wage increases, health benefits and pension benefits for those employees.

Under the terms of the collective bargaining agreement, members of the labor union are not permitted to strike at the Mortgaged Property while the collective bargaining agreement is in effect. Although the labor staff at the Mortgaged Property are not currently on strike, other members of the labor union have been on strike recently at other properties in Hawaii, including in the Honolulu area. While recent news reports indicate these strikes have ended, there can be no assurance that further strikes in the market will not occur. We also cannot assure you that the labor staff at the Mortgaged Property will not strike in the future.

Notwithstanding that the labor staff at the Mortgaged Property is not currently on strike, we cannot assure you that the union activities at other properties, and any negotiated increases in wages or benefits that result from current negotiations with the unions at those locations, will not adversely affect the Mortgaged Property. Any increases in the wages and/or benefits at those other properties that are viewed as generally reasonable should generally be expected to be adopted over time across the market for similarly situated hotel properties. Any increases in the wages or benefits at the

Mortgaged Property, as a result of the recently agreed contract or any future contract, will result in increased expenses and may adversely affect the operations at the Mortgaged Property.

Release of Part of the Mortgaged Property May Lead to Increased Risks

For so long as no event of default under the Mortgage Loan is continuing, the Borrower is permitted, subject to the satisfaction of certain conditions, to obtain the release of (a) up to 308 individual hotel rooms (or have the lien of the Mortgage subordinated to a lease to a third-party Marriot Brand timeshare operator) upon payment of an amount equal to the applicable release price, as described under “*Description of the Mortgage Loan—Release of the Mortgaged Property*” and (b) the Parking Parcel from the lien of the Mortgage. We cannot assure you that any release of a portion of the Mortgaged Property will not adversely impact the performance and operations of the Mortgaged Property or will not otherwise have a material adverse effect on the ability of the Borrower to make debt service payments on the Mortgage Loan.

The Property Manager May Change Certain Policies or Cost Allocations That Could Negatively Impact the Mortgaged Property.

The Property Manager may incur certain costs that are allocated to the Mortgaged Property subject to the Management Agreement. Those costs may increase over time and the Property Manager may elect to introduce new programs that could increase costs allocated to the Mortgaged Property. In addition, certain policies, such as the Property Manager’s frequent traveler programs, may be altered resulting in reduced revenue or increased costs to the Mortgaged Property.

System Security Risks, Data Protection Breaches, Cyber-Attacks and Systems Integration Issues Could Disrupt the Mortgaged Property’s Internal Operations or Services Provided to Guests at the Mortgaged Property, and any such Disruption Could Reduce Expected Revenue, Increase Expenses and Damage the Mortgaged Property’s Reputation.

The Property Manager relies on information technology networks and systems, including the Internet, to process, transmit and store electronic and customer information. These systems require the collection and retention of large volumes of the Mortgaged Property’s guests’ personally identifiable information, including credit card numbers. Experienced computer programmers and hackers may be able to penetrate the Mortgaged Property’s network security or the network security of the Property Manager, and misappropriate or compromise confidential information of the Mortgaged Property’s guests, create system disruptions or cause the shutdown of the Mortgaged Property. Computer programmers and hackers also may be able to develop and deploy viruses, worms, and other malicious software programs that attack the computer systems operated by the Property Manager. In addition, sophisticated hardware and operating system software and applications that the Property Manager may procure from outside companies may contain defects in design or manufacture, including “bugs” and other problems that could unexpectedly interfere with the operations at the Mortgaged Property. The costs to eliminate or alleviate cyber or other security problems, bugs, viruses, worms, malicious software programs and security vulnerabilities could be significant, and the Property Manager’s efforts to address these problems may not be successful and could result in interruptions, delays, cessation of service and loss of existing or potential business at the Mortgaged Property. Any compromise of the Property Manager’s information networks’ function, security and availability could result in disruptions to operations, delayed sales or bookings, lost guest reservations, increased costs, and lower margins. Any of these events could adversely affect the Mortgaged Property’s financial results and subject the Mortgaged Property to potential litigation and liability.

Although the Property Manager has taken steps to protect the security of the Mortgaged Property’s information systems, and the data maintained in these systems, there can be no assurance that the security measures taken will prevent failures, inadequacies or interruptions in system services, or that system security will not be breached through physical or electronic break-ins, computer viruses or attacks by hackers. In addition, the Mortgaged Property relies on the security systems of the Property Manager to protect proprietary and customer information from these threats.

Managers of hospitality properties such as the Property Manager commonly carry cyber insurance policies to protect and offset a portion of potential costs that may be incurred from a security breach. Despite various precautionary steps to protect the Mortgaged Property from losses resulting from cyber-attacks, however, any occurrence of a cyber-attack could still result in losses, which could affect results of operations. For example, on November 30, 2018, Marriott announced that its guest reservation system was hacked and the personal information of guests, including names and credit card information, was compromised. We cannot assure you that this cyber-attack will not adversely impact the performance and operations of the Mortgaged Property.

Risks Relating to Underwritten Net Cash Flow and Underwritten Net Operating Income

As described under “*Description of the Mortgaged Property—Certain Definitions and Column Headings*” in this Offering Circular, Underwritten Net Cash Flow means cash flow as adjusted based on a number of assumptions used by the Mortgage Loan Sellers, and Underwritten Net Operating Income means the estimation of effective gross income less total expenses calculated based upon a number of assumptions used by the Mortgage Loan Sellers. We make no representation that the Underwritten Net Cash Flow or the Underwritten Net Operating Income set forth in this Offering Circular as of the Cut-off Date or any other date represents future net cash flows or net operating income. Each investor should review these assumptions and make its own determination of the appropriate assumptions to be used in determining Underwritten Net Cash Flow and Underwritten Net Operating Income.

Underwritten Net Cash Flow and Underwritten Net Operating Income are speculative and are based upon certain assumptions and projections. In the event of the failure of any assumptions or projections used in connection with the calculation of net cash flow or net operating income, the actual net cash flow or net operating income could be significantly adversely affected. For example, underwritten sales and marketing expenses may not accurately reflect the costs associated with meeting the Mortgaged Property’s as-stabilized appraised value projections and such expenses may be greater than those that were underwritten.

Over the next 15 months, the Borrower expects to spend approximately \$68.1 million (\$51,981 per key) renovating all of the guest rooms pursuant to a rooms upgrade program required under the Management Agreement. In addition, the Borrower anticipates performing comprehensive renovation of the third floor terrace and pool areas prior to the Final Maturity Date, as required under the Mortgage Loan Agreement. While the timing of the terrace/pool area renovation has not been finalized, the Borrower anticipates performing such work at the same time it is performing the guest room renovation program. The cost of the terrace/pool area renovation is currently expected to be approximately \$11.9 million (bringing total anticipated capital expenditure projects, not including routine capital expenditures, to approximately \$80.0 million (\$61,052 per key)). Prospective investors should note that the Borrower is only obligated under the terms of the Mortgage Loan Documents and Management Agreement to complete the Required Renovation Work. The planned construction, as well as any delays in construction or failure to complete the intended renovations will displace rooms and may generally impact the attractiveness of the hotel against competitive properties. The degree to which rooms are offline and the overall impact on occupancy and profitability of the Mortgaged Property is difficult to determine and may be greater than projected. Further, fluctuations in costs of materials, hazardous weather or other delays may increase construction expenses beyond the underwritten projections. We cannot assure you that these renovations will be completed within the projected time frame, or at all, or that costs associated with such renovations will not be greater than those that were underwritten.

In addition, the debt service coverage ratio and the debt yield set forth in this Offering Circular for the Mortgage Loan and the Mortgaged Property vary, and may vary substantially, from the debt service coverage ratios and the debt yield for the Mortgage Loan and the Mortgaged Property as calculated pursuant to the definition of such ratios as set forth in the Mortgage Loan Documents. The ground leases pursuant to which each of the Borrower’s leasehold interests in the Mortgaged Property were established are subject to periodic rental resets, which increase the uncertainty of projected future expenses at the Mortgaged Property. Further, the rent under two of the ground leases is currently being renegotiated and the future ground rent ultimately determined through the ground rent reset process may be materially greater than the underwritten ground rent. Any increase in the ground rent expense may have a material adverse effect on the Borrower’s ability to satisfy its obligations under the Mortgage Loan Documents. See “—*Risks Related to the Ground Leases*”.

Historical Financial Results, Budgets, Projections and Forecasts Are Not Indicative of Future Financial Results

The historical financial results, budgets, projections and forecasts included in this Offering Circular are not indicative of future performance of the Mortgaged Property and we cannot assure you that such historical measures of profit or income represent present or future profit or income from the Mortgaged Property.

Furthermore, any forward looking statements and projections represent intentions, plans, expectations and beliefs of the Borrower as of the date of this Offering Circular and are subject to numerous assumptions, risks and uncertainties. Future results, financial condition and business conditions may differ materially from those expressed in such forward-looking statements or projections. Many of the factors that will determine the outcome of forward-looking statements are beyond the ability of the Borrower or the Depositor to control or predict.

The Borrower's Obligation To Make a Balloon Payment Could Increase the Risk of a Default

The Mortgage Loan is an interest-only loan and will not require regularly scheduled payments of principal prior to the Maturity Date. Therefore, the Mortgage Loan will have a substantial Balloon Payment due on the Maturity Date, unless prepaid earlier pursuant to the terms of the Mortgage Loan Agreement. Loans with a substantial remaining principal balance on their stated maturity involve greater degrees of risk of non-payment at stated maturity than fully amortizing loans. As a result, the ability of the Borrower to repay the Mortgage Loan on the Maturity Date will largely depend upon its ability either to refinance the Mortgage Loan or to sell, to the extent permitted under the Mortgage Loan Documents, all or a portion of the Mortgaged Property at a price sufficient to permit such repayment. The ability of the Borrower to accomplish either of these goals will be affected by a number of factors at the time of attempted refinancing or sale, including:

- the availability of, and competition for, credit for commercial real estate, which fluctuate over time;
- prevailing interest rates;
- the net operating income and cash flow generated by the Mortgaged Property;
- the fair market value of the Mortgaged Property;
- the Borrower's equity in the Mortgaged Property;
- the Borrower's financial condition;
- the operating history and occupancy level of the Mortgaged Property;
- the perception of the brand associated with the Mortgaged Property;
- reductions in applicable government assistance/rent subsidy programs or tax abatements;
- the tax laws; and
- the prevailing general and regional economic conditions.

Whether or not losses are ultimately sustained, any delay in the collection of a Balloon Payment on the Maturity Date that would otherwise be distributable on your Certificates will likely extend the weighted average life of your Certificates.

In addition, compliance with legal requirements, including the credit risk retention regulations under the Dodd-Frank Act, could cause commercial real estate lenders to tighten their lending standards and reduce the availability of leverage and/or refinancings for commercial real estate. This, in turn, may adversely affect the Borrower's ability to refinance the Mortgage Loan or sell the Mortgaged Property on the Maturity Date. We cannot assure you that the Borrower will be able to generate sufficient cash from the sale or refinancing of the Mortgaged Property to make the Balloon Payment on the Mortgage Loan.

Risks Related to Construction, Redevelopment, Renovation and Repairs at or near the Mortgaged Property

The Mortgaged Property may undergo from time to time construction, development, redevelopment, renovation or repairs. We cannot assure you that any construction, redevelopment, renovation or repairs will be completed, that such construction, redevelopment, renovation or repairs will be completed in the time frame contemplated, or that, when and if work is completed, it will improve the operations at, or increase the value of, the Mortgaged Property, or achieve expected occupancy and/or rent levels within the projected time frame, or at all. Failure of any of the foregoing to occur could have a material negative impact on the Mortgaged Property, which could affect the ability of the Borrower to repay the Mortgage Loan. Over the next 15 months, the Borrower expects to spend approximately \$68.1 million (\$51,981 per key) renovating all of the guest rooms pursuant to a rooms upgrade program required under the Management Agreement. In addition, the Borrower anticipates performing comprehensive renovation of the third floor terrace and pool areas prior to the Final Maturity Date, as required under the Mortgage Loan Agreement. While the timing of the terrace/pool area renovation has not been finalized, the Borrower anticipates performing such work at the same time it is performing the guest room renovation program. The cost of the terrace/pool area renovation is currently expected to be approximately \$11.9 million (bringing total anticipated capital expenditure projects, not including routine capital expenditures, to approximately \$80.0 million (\$61,052 per key)).

Pursuant to the terms of the Mortgage Loan Agreement, on the Origination Date the Borrower made an upfront deposit of \$43,141,456 into an account (the “Required Renovations Reserve Account”) for the Required Renovation Work as further described under “*Description of the Management Agreement—Renovation*”. In addition, the Borrower is required to deposit, on a monthly basis, an amount equal to \$750,000 (the “Required Renovations Reserve Monthly Deposit”) into the Required Renovations Reserve Account until such time as an additional \$9,000,000 has been deposited into the Required Renovations Reserve Account. There can be no assurance that the reserve funds and additional amounts expected to be contributed by the Borrower will be sufficient to complete the Required Renovations within the planned timeframes or to the expected quality of the Required Renovations. Insufficient funds may have a material adverse effect on the planned renovations or on the expected benefit to the Mortgaged Property from those planned renovations. See “*Description of the Mortgage Loan—Reserve Accounts—Required Renovation Reserve Fund*” in this Offering Circular.

Unless reserved by the Property Manager pursuant to the terms of the Management Agreement, the Borrower is required to deposit into an account (the “Replacements Reserve Account”), on a monthly basis, an amount equal to (a) for the first 12 months of the Mortgage Loan term, the greater of (i) 4% of gross revenues from the Mortgaged Property and (ii) \$416,667 per month for the calendar month that is two (2) calendar months prior to the calendar month in which the Mortgage Loan Payment Date occurs (without taking into account the preceding Business Day convention) and (b) thereafter, 4% of gross revenues from the Mortgaged Property for the calendar month that is two (2) calendar months prior to the calendar month in which the Mortgage Loan Payment Date occurs (the “Replacements Monthly Deposit”) for the payment or reimbursement of costs of (i) the Required Renovation Work and (ii) all renovations, refurbishing, replacement of or additions to FF&E during the calendar year as set forth in the annual budget approved in accordance with the Mortgage Loan Documents. See “*Description of the Mortgage Loan—Reserve Accounts—Replacements Reserve Fund*” in this Offering Circular.

The existence of construction or renovation at the Mortgaged Property may make the Mortgaged Property less attractive to guests and will make certain rooms unavailable to rent to guests, and accordingly could have a negative effect on the Mortgaged Property’s net operating income. Additionally, construction or renovation of the pool area for an extended period of time may have an adverse impact on guests’ experiences that may negatively impact the Mortgaged Property’s market perception. Further, the planned renovations may block access to the Mortgaged Property or portions of the Mortgaged Property or otherwise create disturbance to the Mortgaged Property. These factors could have a negative effect on net operating income. Failure to complete any improvements in a timely manner or at all may have a material adverse effect on the cash flow at the Mortgaged Property and the ability of the Borrower to meet its payment obligations under the Mortgage Loan Documents. We cannot assure you that the planned renovations at the Mortgaged Property will be completed, that such renovations will be completed in the time frame contemplated, or at the cost budgeted for or that, when and if such renovations are completed, such property improvement plan or renovation will improve the operations at, or increase the value of, the Mortgaged Property. Failure of any of the foregoing to occur could have a material negative impact on the Mortgaged Property, which could affect the ability of the Borrower to repay the Mortgage Loan.

Furthermore, in the event the Borrower fails to pay the costs for work completed or material delivered in connection with such ongoing renovation, or a dispute arises between the Borrower and their contractors, the portion of the Mortgaged Property on which there are renovations may be subject to mechanics’ and materialmen’s liens that may be senior to or *pari passu* with, the lien of the Mortgage. The Guarantors delivered partial completion guaranties with respect to the Required Renovation Work and the Third Floor Renovations. The Guarantors’ liability under each completion guaranty is capped at \$6.8 million and \$5.0 million less the deductions set forth in such guaranty, respectively.

Recourse on the Mortgage Loan Is Limited to the Mortgaged Property and Other Collateral Securing the Mortgage Loan

The Borrower is limited in its purpose primarily to owning or leasing and operating the Mortgaged Property and acting as a borrower or other obligor, as applicable, under the Mortgage Loan Agreement. Upon the occurrence of a Mortgage Loan Event of Default, recourse may generally be had only against the assets of the Borrower, which assets generally are limited to the Mortgaged Property and related assets pledged to secure the Mortgage Loan. Consequently, Certificateholders must look solely to (i) the net revenues from the operation of the Mortgaged Property and (ii) net proceeds from the refinancing or sale of the Mortgaged Property for payment of amounts due on (and allocable to) the Mortgage Loan, including the liquidation proceeds of the Mortgaged Property in a foreclosure sale following a Mortgage Loan Event of Default. Since revenues from the Mortgaged Property generally will serve as the primary source for monthly payments due on the Mortgage Loan, if revenue from the Mortgaged Property is reduced or if expenses incurred in the operation of the Mortgaged Property increase, the ability of the Borrower to make payments with respect to the Mortgage Loan may be impaired. Similarly, the ability of the Borrower to sell or refinance the Mortgaged Property and pay the Mortgage Loan could be impaired by an adverse change in the value of the Mortgaged Property or other factors. See also “*Description of the Management Agreement and Assignment of Management Agreement*” in this offering circular.

Lenders typically look to the payment and performance history of loans and their related mortgaged properties and borrowers as an indicator of future performance and in assessing risks of default. The Mortgage Loan was originated on the Origination Date and the first regularly-scheduled Mortgage Loan Payment Date following the Origination Date under the Mortgage Loan will be on the Mortgage Loan Payment Date in January 2019. As a result, the Mortgage Loan will have limited payment history and we cannot assure you that payments will be made on the Mortgage Loan.

The Borrower's Form of Entity May Cause Special Risks

Special purpose entities (each, an “SPE”) are generally used in commercial loan transactions to address certain requirements of institutional lenders and nationally recognized statistical rating organizations. In order to reduce the possibility that an SPE will be the subject of bankruptcy proceedings, an SPE’s organizational documents and/or the applicable loan documentation include certain SPE covenants that are intended to limit the entity’s exposure to claims of outside creditors other than those contemplated by the loan transaction. The Borrower was formed for the purpose of acquiring title to the Mortgaged Property, but has been in existence and operating at the Mortgaged Property since September 7, 2005. The Mortgage Loan Documents and governing organizational documents require that the Borrower maintains itself as a single-purpose entity limited in its activities to the ownership or leasing of only the Mortgaged Property and related collateral pledged to secure the Mortgage Loan and limited in its ability to incur additional indebtedness or liability for the obligations of other entities. The Borrower is required to observe additional covenants and conditions that are typically required in order for it to be viewed under rating agency criteria as a “special purpose entity”. The requirements include the appointment of two independent directors, managers or other similar persons whose vote is required before the Borrower files a voluntary bankruptcy or insolvency petition or otherwise institutes insolvency proceedings, and may only be replaced by certain other independent successors. Single-purpose and special-purpose covenants and conditions are intended to lessen the possibility that the Borrower’s financial condition would be adversely impacted by factors unrelated to the Mortgaged Property and the Mortgage Loan. The Borrower, even structured as a special purpose entity, as an owner of real estate, will be subject to certain potential liabilities and risks. We cannot assure you that the Borrower has complied or will comply with these special purpose requirements, and even if all or most of such restrictions have been complied with by the Borrower, we cannot assure you that the Borrower will not become subject to voluntary or involuntary bankruptcy proceeding, or that a bankruptcy proceeding involving the Borrower or any of its affiliates will not have an adverse effect on the performance or value of your Certificates. See “*Certain Legal Aspects of the Mortgage Loan—Bankruptcy Issues*” and “*Annex E—Representations and Warranties of the Borrower*” in this Offering Circular.

Risks Associated with Pre-Existing Loan Parties

Although the Mortgage Loan Agreement requires the Borrower to comply with certain covenants relating to its separateness from other entities and generally requires that the Borrower own no properties or other assets other than the related Collateral for the Mortgage Loan and the Borrower made representations in the Mortgage Loan Agreement subject to the exceptions set forth in the Mortgage Loan Documents that the Borrower has complied with such covenants, the Borrower existed and was the owner of the Mortgaged Property prior to the origination of the Mortgage Loan. Also, we cannot assure you that the Borrower has always complied with the representations, warranties and covenants contained in the Mortgage Loan Agreement prior to the Origination Date. Accordingly, the Trust may be exposed to risks that would be applicable to those circumstances where a borrower was not a single purpose entity or failed to comply with its special purpose entity covenants. See “*Annex E—Representations and Warranties of the Borrower*” in this Offering Circular.

Bankruptcy Considerations

The bankruptcy of the Borrower could interfere with and delay the ability of the Servicer or the Special Servicer, as applicable, to obtain payments on the Mortgage Loan, to realize on the Mortgaged Property and/or enforce a deficiency judgment against the Borrower. See “*Certain Legal Aspects of the Mortgage Loan—Bankruptcy Issues*” in this Offering Circular.

Although the organizational documents of the Borrower contain provisions designed to mitigate the risk of a bankruptcy filing by the Borrower, risks associated with the Borrower’s or its affiliate’s bankruptcy cannot be eliminated. For example, to preserve the Borrower’s separateness, the Borrower’s organizational documents prohibit the Borrower from (i) engaging in activities other than those that relate to the ownership, operation, management and financing of the Mortgaged Property and (ii) incurring additional indebtedness other than indebtedness permitted under the Mortgage Loan Documents relating to the activities set forth in clause (i) above.

The organizational documents of the Borrower also require that the Borrower have two independent directors, managers or trustees whose vote is required before the Borrower files a voluntary bankruptcy or insolvency petition or

otherwise institutes insolvency proceedings. The independent directors, managers or trustees may only be replaced by certain other independent persons.

Although the requirement of having independent directors, managers or trustees is designed to mitigate the risk of a voluntary bankruptcy filing by the Borrower if it is solvent, the independent directors, managers or trustees may determine that a bankruptcy filing is an appropriate course of action to be taken by the Borrower. Although the independent directors, managers or trustees generally owe no fiduciary duties to entities other than the Borrower, such determination might take into account the interests and financial condition of the Borrower's parent entities or their respective affiliates, in addition to the interests and financial condition of the Borrower, such that the financial distress of an affiliate of the Borrower might increase the likelihood of a bankruptcy filing by the Borrower. We cannot assure you that the Borrower will not file for bankruptcy protection, that creditors of the Borrower will not initiate a bankruptcy or similar proceeding against the Borrower or that, if initiated, a bankruptcy case of the Borrower would be dismissed.

In the bankruptcy case of *In Re General Growth Properties, Inc.*, for example, notwithstanding that the subsidiaries were special purpose entities with independent directors, numerous property-level, special purpose subsidiaries were filed for bankruptcy protection by their parent entity. Nonetheless, the United States Bankruptcy Court for the Southern District of New York denied various lenders' motions to dismiss the special purpose entity subsidiaries' cases as bad faith filings. In denying the motions, the bankruptcy court stated that the fundamental and bargained-for creditor protections embedded in the special purpose entity structures at the property level would remain in place during the pendency of the chapter 11 cases. Those protections included adequate protection of the lenders' interest in their collateral and protection against the substantive consolidation of the property-level debtors with any other entities.

The moving lenders had argued that the 20 property-level bankruptcy filings were premature and improperly sought to restructure the debt of solvent entities for the benefit of equity holders. However, the Bankruptcy Code does not require that a voluntary debtor be insolvent or unable to pay its debts currently in order to be eligible for relief and generally a bankruptcy petition will not be dismissed for bad faith if the debtor has a legitimate rehabilitation objective. Accordingly, after finding that the relevant debtors were experiencing varying degrees of financial distress due to factors such as cross defaults, a need to refinance in the near term (i.e., within one to four years), and other considerations, the bankruptcy court noted that it was not required to analyze in isolation each debtor's basis for filing. In the court's view, the critical issue was whether a parent company that had filed its bankruptcy case in good faith could include in the filing subsidiaries that were crucial to the parent's reorganization. As demonstrated in the *In re General Growth Properties, Inc.*, bankruptcy case, although special purpose entities are designed to mitigate the bankruptcy risk of a borrower, special purpose entities can become debtors in bankruptcy under various circumstances. For more information regarding the Borrower Sponsor, see "Description of the Borrower and Related Parties" in this Offering Circular.

In the event that the Borrower, the Borrower Sponsor and any of their respective affiliates becomes a debtor in a chapter 11 or other bankruptcy proceeding in the United States, it is possible that a party in interest may seek to substantively consolidate the assets and liabilities of these different entities in order to cause them to form a common pool. Pursuant to the doctrine of substantive consolidation, a bankruptcy court, in the exercise of its equitable powers, has the authority to order that the assets and liabilities of the Borrower be consolidated with those of a bankrupt affiliate (i.e., even a non-borrower) for the purposes of making distributions under a plan of reorganization or liquidation. Thus, property that is ostensibly the property of the Borrower may become subject to the bankruptcy case of an affiliate, the automatic stay applicable to such bankrupt affiliate may be extended to the Borrower, and the rights of creditors of the Borrower may become impaired.

Substantive consolidation is an equitable remedy that could result in an otherwise solvent company becoming subject to the bankruptcy proceedings of an insolvent affiliate, making its assets available to repay the debts of affiliated companies. A court has the discretion to order substantive consolidation in whole or in part and may include non-debtor affiliates of the bankrupt entity in the proceedings. At origination of the Mortgage Loan, an opinion of counsel to the Borrower was delivered concluding on the basis of a reasoned analysis of analogous case law and subject to certain limitations set forth in the opinion, that if the matter were properly presented to a court of competent jurisdiction, under reported decisional authority and statutes applicable in federal bankruptcy cases on the Origination Date in a case involving any one or more of the relevant parent entities of the Borrower as a debtor under the Bankruptcy Code a court that correctly applied the law to the assumed facts would not disregard the separate legal existence of the Borrower so as to order the consolidation of the assets and liabilities of the Borrower with those of the Borrower's parent entities. These opinions are based on numerous assumptions regarding future actions and past conduct of the Borrower and its affiliates (including the Borrower Sponsor). We cannot assure you that in the event of the bankruptcy of the applicable parent entities of the Borrower, the assets of the Borrower would not be treated as part of the bankruptcy estates of such parent entities. See "Certain Legal Aspects of the Mortgage Loan–Bankruptcy Issues" in this Offering Circular. In addition, in the event of the institution of voluntary or involuntary bankruptcy proceedings involving the Borrower and certain of its

affiliates, we cannot assure you that a court would not consolidate the respective bankruptcy proceedings as an administrative matter. See “*The Borrower’s Form of Entity May Cause Special Risks*” above.

The Mortgage Loan Sellers, the Depositor and the Trust Are Subject to Bankruptcy or Insolvency Laws That May Affect the Trust’s Ownership of the Mortgage Loan

In the event of the bankruptcy or insolvency of GSMC or the Depositor, or a receivership or conservatorship of WFB, JPMCB or Goldman Sachs Bank USA (“GS Bank”), the parent of GSMC, it is possible that the Trust’s right to payment from or ownership of the Mortgage Loan could be challenged. If such challenge is successful, payments on the Certificates would be reduced or delayed. Even if the challenge is not successful, payments on the Certificates would be delayed while a court resolves the claim.

If any of GSMC or the Depositor were to become a debtor under the Bankruptcy Code or WFB or JPMCB were to become the subject of a receivership or conservatorship, it is possible that a creditor or trustee of any of GSMC or the Depositor, as debtor in possession, or receiver or conservator of WFB or JPMCB, may argue that the sale of such Mortgage Loan Seller’s respective Loan Percentage Interest in the Mortgage Loan was a pledge of the Mortgage Loan rather than a sale. Opinions of counsel will be rendered on the Closing Date, based on certain facts and assumptions and subject to certain qualifications, to the effect that the transfer of the related Loan Percentage Interest in the Mortgage Loan by such Mortgage Loan Seller to the Depositor and the transfer of the Mortgage Loan by the Depositor to the Trust would generally be respected as a sale in the event any of GSMC or the Depositor, as the case may be, were to become subject to a proceeding under the Bankruptcy Code or WFB or JPMCB become were to become the subject of a receivership or conservatorship.

GSMC is a direct subsidiary of GS Bank, a New York State chartered bank, the deposits of which are insured by the Federal Deposit Insurance Corporation (the “FDIC”). If GS Bank, WFB or JPMCB were to become subject to receivership or conservatorship, the proceeding would be administered by the FDIC under the Federal Deposit Insurance Act (the “FDIA”); likewise, if GS Bank, WFB or JPMCB were to become subject to conservatorship, the agency appointed as conservator would likely be the FDIC as well. The FDIA gives the FDIC the power to disaffirm or repudiate contracts to which a bank is party at the time of receivership or conservatorship and the performance of which the FDIC determines to be burdensome, in which case the counterparty to the contract has a claim for payment by the receivership or conservatorship estate of “actual direct compensatory damages” as of the date of receivership or conservatorship.

The FDIC has adopted a rule, substantially revised and effective January 1, 2011, establishing a safe harbor (the “FDIC Safe Harbor”) from its repudiation powers for securitizations meeting the requirements of the rule (12 C.F.R. § 360.6). The transfers of their respective Loan Percentage Interest in the Mortgage Loan by WFB, JPMCB and GSCM to the Depositor will not qualify for the FDIC Safe Harbor. However, the transfer by GSCM of its respective portion of the Mortgage Loan is not a transfer by a bank, and in any event, even if the FDIC Safe Harbor were applicable to that transfer, the FDIC Safe Harbor is non-exclusive. Additionally, opinions of counsel will be rendered on the Closing Date to the effect that the transfers of their respective Loan Percentage Interest in the Mortgage Loan by WFB, JPMCB and GSCM to the Depositor would generally be respected as a sale in the event of a bankruptcy or insolvency of WFB, JPMCB or GSCM, as applicable, and therefore would be beyond the FDIC’s repudiation powers if GS Bank, WFB or JPMCB, as applicable, were to become subject to a receivership or conservatorship.

The legal opinion is not a guaranty as to what any particular court would actually decide, but rather an opinion as to the decision a court would reach if the issues are competently presented and the court followed existing precedent as to legal and equitable principles applicable in bankruptcy or bank insolvency cases. In this regard, legal opinions on bankruptcy and bank insolvency law matters unavoidably have inherent limitations primarily because of the pervasive equity powers of bankruptcy courts, the overriding goal of reorganization to which other legal rights and policies may be subordinated, the potential relevance to the exercise of judicial discretion of future arising facts and circumstances, and the nature of the bankruptcy process. As a result, the FDIC, a creditor, bankruptcy trustee or another interested party, including an entity transferring the Mortgage Loan, as debtor-in-possession, could still attempt to assert that the transfer of the Mortgage Loan was not a sale. If such party’s challenge is successful, payments on the Certificates would be reduced or delayed. Even if the challenge is not successful, payments on the Certificates would be delayed while a court resolves the claim.

In addition, since the Trust is a common law trust, it may not be eligible for relief under the federal bankruptcy laws, unless it can be characterized as a “business trust” for purposes of the federal bankruptcy laws. Bankruptcy courts look at various considerations in making this determination, so it is not possible to predict with any certainty whether or not the Trust would be characterized as a “business trust.” Regardless of whether a bankruptcy court ultimately determines that

the Trust was a “business trust”, it is possible that payments on the Certificates would be delayed while the court resolved the issue.

Title II of the Dodd-Frank Act provides for an orderly liquidation authority (“OLA”) under which the FDIC can be appointed as receiver of certain systemically important non-bank financial companies and their direct or indirect subsidiaries in certain cases. We make no representation as to whether this would apply to the Mortgage Loan Sellers. In January 2011, the former acting general counsel of the FDIC issued a letter (the “Former Acting General Counsel’s Letter”) in which he expressed his view that under then-existing regulations, the FDIC, as receiver under the OLA, would not, in the exercise of its OLA repudiation powers, recover as property of a financial company assets transferred by the financial company, provided that the transfer satisfies the conditions for the exclusion of assets from the financial company’s estate under the Bankruptcy Code. The Former Acting General Counsel’s Letter further noted that, while the FDIC staff may be considering recommending further regulations under OLA, the former acting general counsel would recommend that such regulations incorporate a 90-day transition period for any provisions affecting the FDIC’s statutory power to disaffirm or repudiate contracts. If, however, the FDIC were to adopt a different approach than that described in the Former Acting General Counsel’s Letter, delays or reductions in payments on the Certificates would occur. We cannot assure you that the Mortgage Loan Sellers would not be considered systemically important non-bank financial companies for purposes of OLA.

Reserves Established for Mortgage Loans May Be Insufficient and This May Adversely Affect Payments on Your Certificates

The Borrower has agreed to make ongoing deposits to reserves during the continuance of a Cash Sweep Period for the payment of various anticipated or potential expenditures, such as (but not limited to) the costs of property taxes, capital expenditures and insurance premiums so long as the manager is not reserving or paying such expense. We cannot assure you that any such reserve will be sufficient to cover the actual costs of the items for which the reserves were established or that the Borrower will put aside sufficient funds to pay for those items. We also cannot assure you that cash flow from the Mortgaged Property during the continuance of a Cash Sweep Period will be sufficient to fully fund the ongoing monthly reserve requirements or to enable the Borrower to fully pay for those items.

Appraisals and Inspections Are Not Guarantees of the Value or Condition of the Mortgaged Property

Commercial lenders typically require appraisals and property condition reports when originating mortgage loans. Mortgage lenders evaluate such reports when analyzing risks of default and calculating anticipated loan-to-value ratios and debt service coverage ratios.

In connection with the origination of the Mortgage Loan, Cushman & Wakefield Western, Inc. prepared an MAI appraisal with respect to the Mortgaged Property. The appraisal has been conducted in accordance with (a) the Financial Institutions, Reform, Recovery and Enforcement Act of 1989 and (b) the Appraisal Foundation’s Uniform Standards of Professional Appraisal Practices. We cannot assure you that the value of the Mortgaged Property during the term of the Mortgage Loan will equal or exceed such Appraised Value. In general, appraisals represent the analysis and opinion of qualified experts and are not guarantees of present or future value. A qualified appraiser may reach a different conclusion as to the value of a particular commercial property than the conclusion that would be reached if a different appraiser were appraising such property. Moreover, appraisals seek to establish the amount a typically motivated buyer would pay a typically motivated seller and, in certain cases, may have taken into consideration the purchase price paid by the borrower. Such amount expressed in an appraisal could be significantly higher than the amount obtained from the actual sale of the Mortgaged Property under a distress or liquidation sale. The Appraised Value reflected in this Offering Circular with respect the Mortgaged Property reflects only the “as-is” value. Information regarding the as-is appraised value of the Mortgaged Property is presented in this Offering Circular for illustrative purposes only and is not intended to be a representation as to the past, present or future market value of the Mortgaged Property. The description of the Mortgaged Property set forth under “*Description of the Mortgaged Property*,” and certain other portions of this Offering Circular, refer to certain statements or conclusions set forth in the appraisals. Such statements and conclusions are subject to the complete appraisal reports, including the assumptions, qualifications and conditions set forth in the appraisal reports. A copy of the appraisal for the Mortgaged Property will be made available for review on the Depositor’s website at www.intralinks.com until February 20, 2019. Following such date, you may contact your Initial Purchaser’s sales representative to obtain access to the appraisal. Investors are urged to read the appraisal in its entirety.

Lenders typically conduct inspections of properties that are to serve as collateral in connection with the underwriting of mortgage loans. An inspection (or updates of previous inspections) of the Mortgaged Property was conducted by EMG, an independent third party engineer, in connection with the origination of the Mortgage Loan. Such inspection was performed in order to assess the structure, exterior walls, roofing, interior construction, mechanical and electrical systems

and general physical condition of the site, buildings and other improvements located on the Mortgaged Property. However, we cannot assure you that all conditions requiring repair or replacement have been identified in such inspections or property condition assessment reports.

Availability of Earthquake, Flood, Wind Storm and Other Insurance and Insufficiency of Proceeds

Although the Mortgaged Property is required to be insured against certain risks, there is a possibility of casualty loss with respect to the Mortgaged Property for which insurance proceeds may not be adequate or which may result from risks not covered by insurance.

We cannot assure you that in the future the Borrower will be able to comply with requirements to maintain adequate insurance with respect to the Mortgaged Property or that such insurance will be commercially available in the future. Any uninsured loss could have a material adverse impact on the amount available to make payments on the Mortgage Loan, and consequently, the Certificates. As with all real estate, if reconstruction (following fire or other casualty) or any major repair or improvement is required to the damaged property, changes in laws and governmental regulations may be applicable and may materially affect the cost to, or ability of, the Borrower to effect such reconstruction, major repair or improvement. As a result, the amount realized with respect to the Mortgaged Property, and the amount available to make payments on the Mortgage Loan, and consequently, the Certificates could be reduced. In addition, we cannot assure you that the amount of insurance required or provided would be sufficient to cover damages caused by any casualty, or that such insurance will be commercially available in the future.

At origination of the Mortgage Loan, the Mortgaged Property was insured by a dedicated all-risk insurance policy with a limit of \$551,000,000 applying per occurrence and reinstating after each loss, including coverage for wind/hail windstorm/named storm for full policy limits. Coverage includes \$75,000,000 of flood coverage per occurrence and in the aggregate and \$100,000,000 of earthquake/tsunami coverage per occurrence and in the aggregate. Terrorism insurance is included with the policy with a limit of \$551,000,000 applying in the aggregate. Property and Terrorism coverage is provided by a syndicate of carriers, including but not limited to Lexington Insurance Company, Lloyd's of London, Ironshore Specialty Insurance Company and Chubb Custom Insurance Company, all satisfying the rating requirements in the Mortgage Loan Agreement.

The Mortgaged Property is in Flood Zone X & AE and flood and tsunami coverages were required by the Mortgage Lender. The National Flood Insurance Program ("NFIP") will expire on May 31, 2019. We cannot assure you if or when NFIP will be reauthorized by Congress. If NFIP is not reauthorized, it could have an adverse effect on the value of properties in flood zones or their ability to repair or rebuild after flood damage.

Although the Mortgaged Property is insured at levels consistent with the insurance carried by institutional owners of hotel buildings, we cannot assure you that any loss incurred will be of a type covered by such insurance and will not exceed the limits of such insurance.

Additionally, in certain cases, particularly where land values are high, the insurable value of the related mortgaged property may be significantly lower than the principal balance of such mortgage loan. In the case of the Mortgaged Property, the insurable value (approximately \$408,630,186 for the improvements of the Mortgaged Property and \$39,300,000 for personal property according to the appraisal furnished by Cushman & Wakefield) at the time of origination of the Mortgage Loan, is greater than the principal balance of the Mortgage Loan. In the event of a casualty when the Borrower is not required to rebuild or cannot rebuild, we cannot assure you that the insurance required with respect to the Mortgaged Property will be sufficient to pay the Mortgage Loan in full and there is no "gap" insurance required under the Mortgage Loan to cover any difference. In those circumstances, a casualty that occurred near the maturity date of the Mortgage Loan may result in an extension of the Mortgage Loan if the Servicer, in accordance with Accepted Servicing Practices, determined that such extension was in the best interest of Certificateholders.

Should an uninsured loss or a loss in excess of insured limits occur, the Borrower could suffer disruption of income, potentially for an extended period of time, while remaining responsible for any financial obligations relating to the Mortgaged Property. In addition, the Borrower is relying on the creditworthiness of the insurers providing insurance with respect to the Mortgaged Property. The Mortgage Loan Agreement requires that the insurance policies be issued by financially sound and responsible insurance companies authorized to do business in the State of Hawaii and having a general policy rating of "A" or better and a financial size category of "X" or better by A.M. Best Company, Inc., and a rating of "A" or better by S&P and "A2" or better by Moody's, to the extent Moody's rates the securities and rates the applicable insurance company and "A" or better by Fitch (to the extent Fitch rates the securities and rates the applicable insurance company, or if a syndicate of carriers is providing such coverage, at least 75% of the coverage, if there are 4 or fewer carriers or at least 60% of the coverage if there are 5 or more carriers, is provided by carriers having such ratings and the remainder

shall be provided by carriers with an S&P rating of at least “BBB” and “Baa2” or better by Moody’s, to the extent Moody’s rates the securities and rates the applicable insurance company and “BBB” or better by Fitch (to the extent Fitch rates the securities and rates the applicable insurance company. The Borrower has purchased property coverage from insurers with ratings that meet the above described requirements. See also *Description of the Mortgage Loan–Risk Management–Hazard, Liability and Other Insurance* in this Offering Circular.

In addition, the Borrower is relying on the creditworthiness of the insurers providing insurance with respect to the Mortgaged Property, and we cannot assure that the insurers will continue to meet the requirements described above.

In addition, hazard insurance policies will typically contain co-insurance clauses that in effect require an insured at all times to carry insurance of a specified percentage, generally 80% to 90%, of the full replacement value of the improvements on the related property in order to recover the full amount of any partial loss. As a result, even if insurance coverage is maintained, if the insured’s coverage falls below this specified percentage, those clauses generally provide that the insurer’s liability in the event of partial loss does not exceed the lesser of (1) the replacement cost of the improvements less physical depreciation and (2) that proportion of the loss as the amount of insurance carried bears to the specified percentage of the full replacement cost of those improvements.

Furthermore, while the standard form of fire and extended coverage policy generally covers physical damage to or destruction of the improvements of a property by fire, lightning, explosion, smoke, windstorm and hail, and riot, strike and civil commotion, subject to the conditions and exclusions specified in each policy, most policies typically do not cover any physical damage resulting from, among other things:

- war;
- revolution;
- nuclear, biological or chemical materials;
- governmental actions;
- wet or dry rot;
- vermin; and
- domestic animals.

The Mortgage Loan Documents also require that the Borrower maintains or causes to be maintained insurance against damage resulting from acts of terrorism under certain circumstances as described under *Description of the Mortgage Loan–Hazard, Liability and Other Insurance* in this Offering Circular. See also *–Terrorism Insurance May Be Unavailable or Insufficient* below.

The Borrower is permitted to obtain coverage via a blanket insurance policy if such insurance policy will otherwise provide the same protection as would a separate insurance policy insuring only the Mortgaged Property in compliance with the Mortgage Loan Agreement, subject to review and approval by the Mortgage Lender based on the schedule of locations and values, PML reports for the catastrophic perils of earthquake and windstorm/named storm, and such other information as requested by the Mortgage Lender or the Rating Agency.

Inadequacy of Title Insurers May Adversely Affect Distributions on Your Certificates

Title insurance for a mortgaged property generally insures a lender against risks relating to a lender not having a first lien with respect to a mortgaged property, and in some cases can insure a lender against specific other risks. The protection afforded by title insurance depends on the ability of the title insurer to pay claims made upon it. We cannot assure you that:

- the title insurer will have the ability to pay title insurance claims made upon it;
- the title insurer will maintain its present financial strength; or
- the title insurer will not contest claims made upon it.

Risks Related to the Ground Leases

The Mortgage Loan will be secured primarily by a first priority mortgage lien on the Borrower's leasehold interests in the land and improvements at the Mortgaged Property. See "*Description of the Mortgaged Property—Ground Leases*" in this Offering Circular. The Borrower's leasehold interests in the land and improvements at the Mortgaged Property were established pursuant to three separate ground leases (each, a "Ground Lease"). Two of the Ground Leases are between the Lili'uokalani Trust, as ground lessor, and the Borrower, as ground lessee. The largest ground lease encompasses the parcels upon which both the hotel and the parking garage are situated (the "Hotel Parcel Lease") and terminates on December 31, 2080. Current annual rent under the Hotel Parcel Lease is equal to the sum of (a) \$6,504,585 (\$6,211,881 plus a 4.712% general excise tax) plus (b) (i) 3.5% of gross rooms revenue greater than \$78,101,039 plus (ii) 1.6% of gross food and beverage revenue greater than \$16,725,456 plus (iii) 10% of retail lease income. The thresholds for the minimum rent, rooms revenue and food and beverage revenue in clause (a), clause (b)(i) and clause (b)(ii) of the preceding sentence, respectively, increased in 2014 and will reset every five years based on a formula tied to increases in CPI as described in the Hotel Parcel Lease.

The second Ground Lease between the Lili'uokalani Trust and the Borrower encompasses the parcel that contains the hotel's surface parking area (the "Parking Parcel Lease") and terminates on December 31, 2028 with an option to include the Parking Parcel under the Hotel Parcel Lease, which terminates on December 31, 2080. Annual rent under the Parking Parcel Lease is currently \$785,340 (\$750,000 plus a 4.712% general excise tax). However, the annual minimum rent commencing on December 1, 2018 has not been established and negotiations are ongoing pursuant to a scheduled minimum rent reset required under the terms of the Parking Parcel Lease. The ground rent currently being negotiated is determined based on mutual agreement of the parties or, if the parties are unable to agree, by an arbitration board consisting of three impartial real estate appraisers; provided that, in no event, will rent be less than the fair market value of the Parking Parcel based on the highest and best use of the Parking Parcel permitted from time to time under applicable zoning laws and regulations, multiplied by the then-prevailing rate of return on similar property in the community (but no less than 6%). In connection with such ground rent reset, the Mortgage Loan Agreement provides that the Mortgage Lender must consent to any rental rate that is greater than \$2,400,000 *per annum*. The Mortgage Lender has assumed ground rent for the Parking Parcel Lease to be \$785,340 (\$750,000 plus a 4.712% general excise tax), however we cannot assure you that the ground rent ultimately negotiated between the ground lessor and ground lessee will not be materially higher.

The third Ground Lease is between a group of individuals and trusts and an LLC affiliate of the Borrower, as successors in interest to Bishop Trust Company, Limited, as trustee under a trust made by C. Bolte dated April 15, 1919, as ground lessor, and the Borrower, as ground lessee and terminates on December 31, 2050 (the "Bolte Parcel Lease"). Annual rent under the Bolte Parcel Lease is currently the greater of (i) \$450,000 or (ii) the sum of 15% of the gross sales from the Bolte Parcel if such outlet is operated by the Borrower, 40% of gross annual sublease and concession rentals received by the Borrower from the first floor of any building located on the Bolte Parcel, 25% of the gross annual sublease and concession rentals received by the Borrower from the second floor of any building located on the Bolte Parcel, and 20% of gross annual sublease and concession rentals received by the Borrower on all other floors of any building located on the Bolte Parcel. The amount of rent due under the Bolte Parcel Lease reset on January 1, 2018 and annual rent under the Bolte Parcel Lease for 2018 and going forward is currently being negotiated. The ground rent currently being negotiated is determined based on mutual agreement by Bolte Parcel Ground Lessor and the Borrower and, if the Bolte Parcel Ground Lessor and the Borrower fail to reach agreement, then the rent will be determined on the basis of a percentage of fair market value of the land and improvements therefor for such period by a three member arbitration board, one member appointed by the Bolte Parcel Ground Lessor, one appointed by the Borrower and one selected by both appointed appraisers. In connection with such ground rent reset, the Mortgage Loan Agreement provides that the Mortgage Lender must consent to any rental rate that is greater than \$1,245,000 *per annum*. Based on the ground rent paid under the Bolte Parcel for the trailing-twelve month period ending October 2018, the Mortgage Lender has assumed ground rent for the Bolte Parcel Lease to be \$1,125,324, however we cannot assure you that the ground rent ultimately negotiated between the ground lessor and ground lessee will not be materially higher. In addition, an affiliate of the Borrower is currently one of the ground lessors under the Bolte Parcel Lease, as a tenant-in-common with the other ground lessors, and holds a 47% interest in the land relating to the Bolte Parcel Lease, which may present a conflict of interest in the current negotiations of the reset ground rent under such Ground Lease.

We cannot assure you that the ground rent reset for the Parking Parcel Lease or Bolte Parcel Lease will not result in ground rent that is materially greater than the current ground rent paid or as underwritten. Any increase in the ground rent expense may have a material adverse effect on the Borrower's operating expenses at the Mortgaged Property and overall property performance. See "*Description of the Mortgaged Property—Ground Leases*" in this Offering Circular.

Upon any foreclosure of the Mortgaged Property by the Mortgage Lender, any subsequent transfers of the lessee interest in any Ground Lease will require prior notice to the ground lessor. We cannot assure you that the existence of such

consent right will not have an adverse effect on the willingness of potential bidders to submit bids on the Mortgaged Property after a foreclosure sale or on the overall timeliness of any realization on the collateral for the Mortgage Loan. Upon the bankruptcy of a ground lessor or a ground lessee under a ground lease, the debtor entity has the right to assume or reject the ground lease. Pursuant to Section 365(h) of the Bankruptcy Code, a ground lessee whose ground lease is rejected by a debtor ground lessor has the right to remain in possession of its leased premises under the rent reserved in the ground lease for the remaining term (including renewals) of the ground lease but is not entitled to enforce the obligations of the ground lessor to provide any services required under the ground lease. In the event a ground lessee/borrower in bankruptcy rejects any or all of its ground lease, the lender would have the right to succeed the ground lessee/borrower's position under the ground lease only if the ground lessor had specifically granted the lender such right.

Neither the Bolte Parcel Lease nor the Parking Parcel Lease prohibits amendments or modifications to the Bolte Parcel Lease or the Parking Parcel Lease, as applicable, without the prior written consent of the Mortgage Lender. The ground lessor has agreed to give the Mortgage Lender at least 10 days prior notice of any proposed amendment, alteration, modification or acceptance of surrender of the Bolte Parcel Lease. Additionally, the Borrower and Guarantors have indemnified the Mortgage Lender for any losses suffered in connection with any amendment or modification of the Bolte Parcel Lease and/or Parking Parcel Lease which is done without the Mortgage Lender's consent.

The Parking Parcel Lease expires by its terms on December 31, 2028. However, the Borrower has the option pursuant to the Hotel Parcel Lease to incorporate the land demised by the Parking Parcel Lease into the Hotel Parcel Lease upon its termination and the Mortgage Loan Agreement requires the Borrower to exercise such option should the Parking Parcel Lease terminate unless the Borrower can demonstrate to the Mortgage Lender that the Parking Parcel Lease is not required to satisfy then-applicable zoning regulations.

Further, in an appellate decision by the United States Court of Appeals for the Seventh Circuit (*Precision Indus. v. Qualitech Steel SBO, LLC*, 327 F.3d 537 (7th Cir, 2003) ("Qualitech"), the Seventh Circuit ruled, on the unusual facts of the case, that where a statutory sale of leased property occurs under Section 363(f) of the Bankruptcy Code upon the bankruptcy of a landlord, the sale terminates a lessee's possessory interest in the property, and the purchaser assumes title free and clear of any interest, including any leasehold estate. In *Qualitech*, the debtor had entered into a prepetition supply contract and lease with a supplier. Pursuant to the lease, the supplier built a warehouse to store supplies on site and was entitled to possession of the leasehold for one (1) dollar a year for ten (10) years. No memorandum of lease was recorded. The debtor subsequently filed for bankruptcy and sold all of its property to a third party free and clear of liens and interests. The supplier did not object to the sale. Thereafter, the debtor's successor did not assume the supply contract, and the supplier locked and vacated the warehouse. Thereafter, the debtor's successor hired a locksmith and changed the locks, and the supplier filed an action seeking possession of the leased property.

The Seventh Circuit adopted the minority position that a proper sale free and clear of interests under section 363(f) can terminate the rights of tenants under section 365(h). Critical to the outcome in *Qualitech* was the supplier's concession that a statutory ground for selling the property free and clear of interests existed because the lease was unrecorded. 327 F.3d at 546. If the lease had been recorded or if the supplier had been in possession, it is uncertain whether the debtor's successor would have been able to establish a valid ground for such sale under Section 363(f). Pursuant to section 363(e) of the Bankruptcy Code, a lessee also may request the bankruptcy court to prohibit or condition the statutory sale of the property so as to provide adequate protection of the leasehold interest. However, the court ruled that this provision does not ensure the lessee's continued possession of the property, but rather entitles the lessee to compensation for the value of its leasehold interest, typically from the proceeds of sale. If the proceeds of the sale are insufficient to provide adequate protection to the lessee, then the lessee would have a basis to ask the bankruptcy court to prohibit the sale for lack of adequate protection.

Unlike in *Qualitech*, the Ground Lease is recorded and the Borrower should be in possession of the related Mortgaged Property. However, we cannot assure you that, in the event of an attempted statutory sale of leased property pursuant to section 363(f) of the Bankruptcy Code in a bankruptcy case of a ground lessor, such ground lessor would not be able to establish a ground for the sale or that the lessee would be able to maintain possession of the property under the ground lease if such a sale were approved. Because of the possible termination of the related ground lease, whether arising from a bankruptcy, the expiration of a lease term, or an uncured defect under the related ground lease, lending on a leasehold interest in real property is riskier than lending on the fee interest in the property.

Risks to the Financial Markets Relating to Terrorist Attacks

On September 11, 2001, the United States was subjected to multiple terrorist attacks, resulting in the loss of many lives and massive property damage and destruction in New York City, the Washington, D.C. area and Pennsylvania.

Subsequently a number of terrorist attacks and thwarted planned attacks have been reported. It is impossible to predict whether, or the extent to which, future terrorist activities may occur in the United States.

It is uncertain what effects any future terrorist activities in the United States or abroad and/or any consequent actions on the part of the United States Government and others, including military action, could have on general economic conditions, real estate markets, particular business segments (including those that are important to the performance of commercial mortgage loans) and/or insurance costs and the availability of insurance coverage for terrorist acts. Among other things, reduced investor confidence could result in substantial volatility in securities markets and a decline in real estate-related investments. In addition, reduced consumer confidence, as well as a heightened concern for personal safety, could result in a material decline in personal spending and travel.

Terrorism Insurance May Be Unavailable or Insufficient

The occurrence or possibility of terrorist attacks could (1) lead to damage to the Mortgaged Property if any terrorist attacks occur or (2) result in higher costs for security and insurance premiums or diminish the availability of insurance coverage for losses related to terrorist attacks, which could adversely affect the cash flow at the Mortgaged Property.

After the September 11, 2001 terrorist attacks in New York City and the Washington, D.C. area, all forms of insurance were impacted, particularly from a cost and availability perspective, including comprehensive general liability and business interruption or rent loss insurance policies required by typical mortgage loans. To give time for private markets to develop a pricing mechanism for terrorism risk and to build capacity to absorb future losses that may occur due to terrorism, the Terrorism Risk Insurance Act of 2002 was enacted on November 26, 2002, establishing the Terrorism Insurance Program. The Terrorism Insurance Program was extended through December 31, 2014 by the Terrorism Risk Insurance Program Reauthorization Act of 2007 and was subsequently reauthorized on January 12, 2015 for a period of six years through December 31, 2020 pursuant to the Terrorism Risk Insurance Program Reauthorization Act of 2015 (“TRIPRA”).

The Terrorism Insurance Program requires insurance carriers to provide terrorism coverage in their basic “all risk” policies. Any commercial property and casualty terrorism insurance exclusion that was in force on November 26, 2002 is automatically void to the extent that it excluded losses that would otherwise be insured losses. Any state approval of those types of exclusions in force on November 26, 2002 is also void. Under the Terrorism Insurance Program, the federal government shares in the risk of losses occurring within the United States resulting from acts committed in an effort to influence or coerce United States civilians or the United States government. The federal share of compensation for insured losses of an insurer equals 81% in 2019 (subject to annual decreases of 1% thereafter until equal to 80%) of the portion of such insured losses that exceed a deductible equal to 20% of the value of the insurer’s direct earned premiums over the calendar year immediately preceding that program year. Federal compensation in any program year is capped at \$100 billion (with insurers being liable for any amount that exceeds such cap), and no compensation is payable with respect to a terrorist act unless the aggregate industry losses relating to such act exceed \$180 million in 2019 (subject to annual \$20 million increases until such threshold equals \$200 million). The Terrorism Insurance Program does not cover nuclear, biological, chemical or radiological attacks. Unless a borrower obtains separate coverage for events that do not meet the thresholds or other requirements above, such events will not be covered.

If the Terrorism Insurance Program is not reenacted after its expiration in 2020, premiums for terrorism insurance coverage will likely increase and the terms of such insurance policies may be materially amended to increase stated exclusions or to otherwise effectively decrease the scope of coverage available (perhaps to the point where it is effectively not available). In addition, certain insurance policies contain a “sunset clause” (i.e., clauses that void terrorism coverage if the federal insurance backstop program is not renewed. We cannot assure you that future insurance policies relating to the Mortgaged Property will not have such a sunset clause. If any replacement insurance policies contain such clauses, then, such policies may cease to provide terrorism insurance upon the expiration of the Terrorism Insurance Program. We cannot assure you that the Terrorism Insurance Program or any successor program will create any long term changes in the availability and cost of such insurance. Moreover, future legislation, including regulations expected to be adopted by the Treasury Department pursuant to TRIPRA, may have a material effect on the availability of federal assistance in the terrorism insurance market. To the extent that uninsured or underinsured casualty losses occur with respect to the Mortgaged Property, losses on the Mortgage Loan may result.

We cannot assure you that the Terrorism Insurance Program will create any long-term changes in the availability and cost of insuring terrorism risks. In addition, we cannot assure you that terrorism insurance or the Terrorism Insurance Program will be available or provide sufficient protection against risks of loss on the Mortgage Loan resulting from acts of terrorism.

The Borrower will be required to obtain and maintain coverage in its property, loss of rents/business interruption, general liability and umbrella liability insurance policies (or by a separate policy) against loss or damage by terrorist acts in an amount equal to 100% of the full replacement cost of the Mortgaged Property as required above.

Pursuant to the terms of the Trust and Servicing Agreement, the Servicer may not be required to maintain insurance covering terrorist or similar acts, and may not be required to call a default under the Mortgage Loan, if the Borrower fails to maintain such insurance (even if required to do so under the related Mortgage Loan Documents) if the Special Servicer has determined, in accordance with Accepted Servicing Practices that either:

- such insurance is not available at commercially reasonable rates and that such hazards are not at the time commonly insured against for properties similar to the Mortgaged Property and located in or around the region in which the Mortgaged Property is located; or
- such insurance is not available at any rate.

To the extent that uninsured or underinsured casualty losses occur with respect to the Mortgaged Property, the value of the Mortgage Loan may be adversely affected. It is also possible that the lack of available insurance coverage for such risks in the future may adversely affect the ability to obtain conventional financing for commercial properties, which in turn may adversely affect the liquidation proceeds that may be realized following a default on any of the commercial mortgage loans.

See also “—Availability of Earthquake, Flood, Wind Storm and Other Insurance and Insufficiency of Proceeds” above and “Description of the Mortgage Loan—Hazard, Liability and Other Insurance” in this Offering Circular.

Assignment of Leases

The Mortgage Loan is secured by an assignment of leases and rents with respect to the Mortgaged Property, pursuant to which the Borrower assigned its right, title and interest and the income derived from it as further security for the Mortgage Loan, while retaining a license to collect rents so long as no Mortgage Loan Event of Default has occurred and is continuing. In the event that a Mortgage Loan Event of Default occurs and is continuing, the Mortgage Loan Documents provide that such license will automatically terminate and the Servicer or the Special Servicer, as applicable, will be entitled to collect rents from the Mortgaged Property on behalf of the Trust and the Certificateholders until any Mortgage Loan Event of Default then existing is cured or waived. However, under the law of some states, while recording the assignment perfects the security interest, enforcement under various statutory methods is required first to establish the secured lender’s entitlement to rents. Such requirements could delay the ability of the Servicer or the Special Servicer, as applicable, on behalf of the Trust to collect rents from the Mortgaged Property during the existence of a Mortgage Loan Event of Default. Under Hawaii law, even if an assignment of rents is recorded, enforcement under various statutory methods is required first to establish the secured lender’s entitlement to rents. Such requirements could delay the ability of the Servicer or the Special Servicer, as applicable, on behalf of the Trust to collect rents from the Mortgaged Property during the existence of a Mortgage Loan Event of Default.

Environmental Issues Can Adversely Affect Your Investment

Under various federal, state and local environmental laws, ordinances and regulations, such as the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (“CERCLA”), a current or previous owner or operator of real property may be liable for the costs of investigation, removal or remediation of hazardous or toxic substances on, under, adjacent to, in or migrating from such property. Such laws often impose liability whether or not the owner or operator knew of, or was responsible for, the presence of such hazardous or toxic substances. The cost of any required remediation and the owner’s liability therefor could exceed the value of the property and/or the aggregate assets of the owner. In addition, the presence of hazardous or toxic substances, or the failure to properly remediate environmental conditions of such property, may adversely affect the owner’s or operator’s ability to refinance using such property as collateral or the owner’s ability to sell such property. Persons who arrange for the offsite disposal or treatment of hazardous or toxic substances may also be liable for the costs of removal or remediation of such substances at the disposal or treatment facility. Certain laws impose liability for release of asbestos containing materials (“ACMs”) into the air or require the removal or containment of ACMs, and third parties may seek recovery from owners or operators of real properties for personal injury associated with ACMs or other exposure to chemicals or other hazardous substances. For all of these reasons, the presence of, or potential for contamination by, hazardous or toxic substances at, on, under, adjacent to, or in the Mortgaged Property can materially adversely affect the value of the Mortgaged Property and the Borrower’s ability to pay the Mortgage Loan.

Under some environmental laws, such as CERCLA, as well as other federal and state laws, a secured lender may become liable as an “owner” or “operator” for the costs of responding to a release or threat of a release of hazardous substances on or from a borrower’s property regardless of whether the borrower or a previous owner caused the environmental damage, if (i) agents or employees of a lender are deemed to have participated in the management of the borrower’s property prior to foreclosure or (ii) the lender actually takes possession of a borrower’s property or control of its day-to-day operations, as for example, through the appointment of a receiver. Although CERCLA was amended in an attempt to clarify the activities in which a lender may engage without becoming subject to liability under CERCLA and similar federal laws, such legislation has not been extensively interpreted by the courts and in any event has no applicability to many state environmental laws.

The Mortgaged Property has been subject to a Phase I environmental site assessment (“ESA”) performed by EMG Corporation in connection with the origination of the Mortgage Loan. The ESA was intended to evaluate the environmental condition of and potential environmental liabilities associated with the Mortgaged Property. The ESA included a visual inspection of the Mortgaged Property, interviews, research of historical uses, a review of Mortgaged Property documents, and a review of publicly-available information including government environmental databases concerning known conditions at the Mortgaged Property or in the vicinity of the Mortgaged Property. The ESA identified the presence of one underground storage tank at the Mortgaged Property. The Borrower is required to maintain an environmental insurance policy with respect to the Mortgaged Property. We cannot assure you that all environmental conditions and risks relating to the Mortgaged Property have been identified in the ESA.

The Trust and Servicing Agreement provides that the Special Servicer may not acquire, at foreclosure or by deed-in-lieu of foreclosure, title to the Mortgaged Property or take over the operation of the Mortgaged Property unless the Special Servicer has previously determined, based on a report prepared by an independent person who regularly conducts ESAs for purchasers of comparable properties, that (i) the Mortgaged Property is in compliance with applicable environmental laws or that taking the actions necessary to comply with such laws is reasonably likely to produce a greater recovery on a net present value basis than not taking such actions and (ii) there are no circumstances known to the Special Servicer relating to the use of hazardous substances or petroleum-based materials that require investigation or remediation, or that if such circumstances exist, taking such remedial action is reasonably likely to produce a greater recovery on a present value basis than not taking such actions. The procedure required by the Trust and Servicing Agreement may delay or adversely affect the Special Servicer’s ability to foreclose on the Mortgaged Property. Moreover, any such ESA may not reveal all potential environmental liabilities to which the Mortgaged Property may be subject. We cannot assure you that the requirements of the Trust and Servicing Agreement, even if fully observed, will in fact insulate the Borrower and/or the Trust Fund from liability for environmental conditions. See “*Description of the Trust and Servicing Agreement*” in this Offering Circular.

Risks Associated with the Borrower as an Environmental Indemnitor

The Guarantors under the Guaranty and the Borrower executed the environmental indemnity agreement for the benefit of the Mortgage Lender. The Environmental Indemnity Agreement covers certain environmental cleanup costs and liabilities for the Mortgaged Property. The Borrower does not have any significant properties or assets other than its interest in the Mortgaged Property. We cannot assure you that the Borrower will be able to satisfy any indemnity obligations that arise under the Environmental Indemnity Agreement if such indemnity obligations exceed the net recovery value of the Property or that the Guarantors will fulfill its obligations under the Environmental Indemnity Agreement. For more information regarding the Environmental Indemnity Agreement, see “*Description of the Mortgage Loan—Non-Recourse Provisions and Exceptions*” in this Offering Circular.

Litigation May Adversely Affect Mortgage Loan Performance

There are pending and, from time to time, there may be pending or threatened legal proceedings against the Borrower and its affiliates arising out of the ordinary course of business of the Borrower and its affiliates. Moreover, certain legal proceedings are typically covered by insurance maintained by the Borrower. However, certain types of litigation may not be covered by insurance. We cannot assure you that any insurance maintained by the Borrower will be adequate to cover litigation expenses or that litigation will not have a material adverse effect on the Borrower’s ability to make its debt service payments or on the value of the Certificates.

In addition, affiliates of the Borrower Sponsor and their principals have been involved in litigation involving other properties, some of which remains ongoing. For example, affiliates of the Borrower Sponsor proposed a plan of reorganization in the bankruptcy cases of the Revocable Trust of John Q. Hammons, dated December 28, 1989, as amended and restated and certain of its affiliates (collectively, the “JQH Trust”) which authorized the transfer of among other things, the hotel properties owned by the JQH Trust to affiliates of Borrower Sponsor free and clear of all prepetition liens, claims and encumbrances. The bankruptcy court confirmed that reorganization plan (the “Confirmation”). In May 2018, certain

CMBS trusts filed a notice of appeal of the Confirmation asserting claims that they were entitled to certain amounts under the loan agreements relating to certain of the hotel properties. That litigation remains ongoing and, if resolved in favor of the CMBS trusts, may have a material adverse effect on the affiliates of the Borrower Sponsor. Neither Borrower nor Borrower Sponsor are, or have ever been, involved in the aforementioned bankruptcy litigation.

We cannot assure you that other litigation involving the Borrower or the Property Manager will not arise, or that any such existing or future litigation will be covered by insurance or will not have a material adverse effect on the Mortgaged Property or the ability of the Borrower or the Property Manager to perform their respective obligations under the Mortgage Loan Documents.

Limitations on Real Estate Lenders Imposed by State Laws; Risks Associated with Foreclosure

The Mortgage Loan will be secured by the Mortgage on the Borrower's leasehold interests in the Mortgaged Property, a security interest in certain personal property associated with the Mortgaged Property, including contracts, cash flow, other general intangibles, and a security interest in certain accounts, the rights of the Borrower under the Management Agreement and certain other contracts and certain equity assets as set forth in the applicable Mortgage Loan Documents. See "*Description of the Mortgage Loan*" in this Offering Circular.

The Mortgage Loan, subject to certain limited exceptions set forth in the Mortgage Loan Documents, consists of obligations of the Borrower, whose only assets are the Mortgaged Property and related assets. Accordingly, if funds generated by the operations of the Mortgaged Property are not sufficient to pay debt service on the Mortgage Loan or if the remaining principal cannot be paid on the maturity date of the Mortgage Loan, or upon any other event of default under the Mortgage Loan Documents, recourse is available only to the Mortgaged Property and such other assets that have been pledged to secure the Mortgage Loan. The Borrower will not have, and should not be expected in the future to have, any significant assets other than the Mortgaged Property. If the collateral securing the Mortgage Loan is insufficient to make payments on the Mortgage Loan, the timing and amount of payments on the Mortgage Loan and the Certificates will be adversely affected.

Foreclosure of the Mortgage could be an expensive and lengthy process and could lead to an indefinite delay in recovery of amounts owed under the Mortgage Loan. The liquidation value of the Mortgaged Property may be adversely affected by risks generally incident to interests in the real property and other factors which are beyond the control of the Servicer or the Special Servicer, including the risks of decreases in prevailing real property values in the local market. Delays in the liquidation of a defaulted loan may extend the final repayment of principal of that loan. In the case of defaults, recovery of proceeds may be delayed or impaired by, among other things, adverse conditions in the local market generally or the market for hotel properties specifically. We cannot assure you that the Trust would recover all amounts owed under the Mortgage Loan upon a foreclosure and subsequent sale of the Mortgaged Property. See "*Certain Legal Aspects of the Mortgage Loan—Foreclosure*" in this Offering Circular.

State laws may interfere with the ability of the Servicer or the Special Servicer, as applicable, to accelerate the Mortgage Loan upon a Mortgage Loan Event of Default, and of the Servicer or the Special Servicer, as applicable, on behalf of the Trustee, to enforce the Mortgage, the assignments of leases and rents and the other collateral agreements. Such laws also may limit any deficiency judgment following a foreclosure to the excess of the outstanding debt over the fair market value of the property foreclosed upon. See "*Description of the Mortgage Loan*" and "*Certain Legal Aspects of the Mortgage Loan*" in this Offering Circular. The liquidation value of the Mortgaged Property may be adversely affected by the federal income tax requirements for qualification as "foreclosure property" and by risks generally incident to interests in real property. We cannot assure you that the Servicer or the Special Servicer, as applicable, would recover all amounts owed under the Mortgage Loan upon a foreclosure and subsequent sale of the Mortgaged Property. See "*Certain Legal Aspects of the Mortgage Loan*" in this Offering Circular.

Risks Related to Potential Conflicts of Interest

Potential Conflicts of Interest of the Mortgage Loan Sellers

Conflicts of interest may arise between the Trust, on the one hand, and any Mortgage Loan Seller and its affiliates that engage in the acquisition, development, operation, financing and disposition of real estate, on the other hand. Those conflicts may arise because the Mortgage Loan Sellers and their affiliates intend to continue to actively acquire, develop, operate, lease, finance and dispose of real estate-related assets in the ordinary course of their business. During the course of its business activities, each Mortgage Loan Seller and its affiliates may acquire, sell or lease properties, or finance loans secured by properties (or by ownership interests in the Borrower), securing the mortgage loans or properties that are in the same markets as the Mortgaged Property, or that are made to the Borrower Sponsor or its respective affiliates. The

activities of the Mortgage Loan Sellers may compete with the Mortgaged Property or otherwise be in conflict with the interests of the Borrower or the Certificateholders. We cannot assure you that the activities of the Mortgage Loan Sellers and their affiliates with respect to such other properties will not adversely affect the performance of the Mortgaged Property.

The Mortgage Loan Sellers, or their affiliates, may acquire a portion of the Certificates for their own account. Conflicts of interest may arise between the Trust and one or more of the Mortgage Loan Sellers, or their affiliates or subsidiaries that engage in the acquisition, development, operation, leasing, financing and disposition of real estate or act as a fiduciary for third parties in real estate transactions, if a Mortgage Loan Seller or one of its affiliates acquires any Certificates.

The Mortgage Loan Sellers and their affiliates (including, with respect to each Mortgage Loan Seller, one of the Initial Purchasers) may benefit from this offering in a number of ways, some of which may be inconsistent with the interests of purchasers of the Certificates. The Mortgage Loan Sellers will sell the Mortgage Loan to the Depositor. To the extent unhedged or not completely hedged, these sales will reduce or eliminate the Mortgage Loan Sellers' exposure to the Mortgage Loan by effectively transferring the Mortgage Loan Sellers' exposure to the purchasers of the Certificates.

Furthermore, the Mortgage Loan Sellers and their affiliates may benefit from a completed offering of the Certificates because the offering would establish a market precedent and a valuation data point for securities similar to the Certificates, thus enhancing the ability of the Mortgage Loan Sellers and their affiliates to conduct similar offerings in the future and permitting them to write up, avoid writing down or otherwise adjust the fair value of the Mortgage Loan or other similar assets or securities held on their balance sheet.

Each of the foregoing relationships should be considered carefully by you before you invest in any Certificates.

Potential Conflicts of Interest of the Borrower Sponsor

The Borrower Sponsor and its respective affiliates own, lease and manage a number of properties other than the Mortgaged Property and may acquire or manage additional properties in the future. Such other properties, similar to other third-party owned real estate, may compete with the Mortgaged Property.

In addition, an affiliate of the Borrower is currently one of the ground lessors under the Bolte Parcel Lease, as a tenant-in-common with the other ground lessors, and holds a 47% interest in the land relating to the Bolte Parcel Lease. Such ownership may present a conflict of interest in the current negotiations of the reset ground rent under such Ground Lease.

See "*Description of the Borrower and Related Parties*" in this Offering Circular. In addition, the Borrower Sponsor and its respective affiliates may purchase or otherwise acquire and own direct or indirect interests in the Mortgage Loan (including any Certificates).

Potential Conflicts of Interest of the Servicer and the Special Servicer

The Trust and Servicing Agreement provides that the Mortgage Loan is required to be administered in accordance with Accepted Servicing Practices without regard to ownership of any Certificate by the Servicer or Special Servicer or any of their respective affiliates. See "*Description of the Trust and Servicing Agreement—Servicing of the Mortgage Loan—Responsibilities of the Servicer and the Special Servicer*" in this Offering Circular.

Notwithstanding the foregoing, the Servicer, the Special Servicer or any of their respective affiliates may have interests when dealing with the Mortgage Loan that are in conflict with those of Certificateholders, especially if the Servicer, the Special Servicer or any of their respective affiliates holds Certificates, or has financial interests in or other financial dealings with any Borrower Affiliate. Each of these relationships may create a conflict of interest. For instance, if the Special Servicer or its affiliate holds a subordinate Class of Certificates, the Special Servicer might seek to reduce the potential for losses allocable to those Certificates from the Mortgage Loan by deferring acceleration in hope of maximizing future proceeds. However, that action could result in less proceeds to the Trust than would be realized if earlier action had been taken.

In addition, under certain circumstances the Servicer or the Special Servicer may be able to purchase or bid on the Mortgage Loan or the Foreclosed Property from the Trust as described in this Offering Circular.

Each of the Servicer and the Special Servicer services and is expected to continue to service, in the ordinary course of its business, existing and new mortgage loans for third parties, including portfolios of mortgage loans similar to the Mortgage Loan. The real properties securing these other mortgage loans may be in the same market as, and compete with,

the Mortgaged Property. Consequently, personnel of the Servicer or Special Servicer, as applicable, may perform services, on behalf of the Trust, with respect to the Mortgage Loan at the same time as they are performing services, on behalf of other persons, with respect to other mortgage loans secured by properties that compete with the Mortgaged Property. This may pose inherent conflicts for the Servicer or the Special Servicer. The interests of the Servicer and the Special Servicer may differ from and compete with the interests of the Trust, and their activities may adversely affect the amount and timing of collections on the Mortgage Loan notwithstanding the fact that the Trust and Servicing Agreement will provide that the Mortgage Loan is to be serviced in accordance with the Accepted Servicing Practices and without regard to ownership of any Certificates by the Servicer or the Special Servicer, as applicable. Additionally, the Servicer, the Special Servicer or any of their affiliates, in the ordinary course of their businesses, may in the future acquire mortgage loans for their own account, including, in each such case, mortgage loans similar to the Mortgage Loan. The real properties securing these other mortgage loans may be in the same markets as, and compete with, the Mortgaged Property securing the Mortgage Loan. Consequently, personnel of the Servicer or the Special Servicer may perform services, on behalf of the Trust, with respect to the Mortgage Loan at the same time as they are performing services with respect to, or while the Servicer, the Special Servicer or any of their affiliates are holding, other mortgage loans secured by properties that compete with the Mortgaged Property securing the Mortgage Loan. This may pose inherent conflicts for the Servicer or the Special Servicer.

Certain relationships and transactions between a Certificateholder and the Special Servicer may result in conflicts of interest. Additionally, these parties (and/or their affiliates) may, in the ordinary course of business, have relationships with, render services to, and engage in other transactions with each other. We cannot assure you that these transactions and relationships will not influence the actions taken by the Special Servicer.

Each of the foregoing relationships should be considered carefully by you before you invest in any Certificates. See also “*Potential Conflicts of Interest Among Various Certificateholders*” below.

Potential Conflicts of Interest of the Operating Advisor

Park Bridge Lender Services LLC, a New York limited liability company, has been appointed as the initial Operating Advisor with respect to the Mortgage Loan. See “*Transaction Parties—The Operating Advisor*” in this Offering Circular. In the normal course of conducting its business, the initial Operating Advisor and its affiliates may have rendered services to, performed surveillance of, provided valuation and due diligence services to, and negotiated with, numerous parties engaged in activities related to structured finance and commercial mortgage securitization. These parties may have included institutional investors, the Depositor, the Mortgage Loan Sellers, the Borrower Sponsor, the Certificate Administrator, the Trustee, the Servicer, the Special Servicer, the Directing Certificateholder, the Borrower Sponsor, the Guarantors or the Borrower or affiliates of any of those parties. Each of these relationships, to the extent they exist, may continue in the future, and may involve a conflict of interest with respect to the initial Operating Advisor’s duties as Operating Advisor. We cannot assure you that the existence of these relationships and other relationships in the future will not impact the manner in which the initial Operating Advisor performs its duties under the Trust and Servicing Agreement.

Additionally, Park Bridge Lender Services LLC or its affiliates, in the ordinary course of its business, may in the future (a) perform for third parties contract underwriting and due diligence services and advisory services as well as service or specially service mortgage loans and (b) acquire or have interest in existing and new commercial and multifamily mortgage loans for its own account, including mortgage loans similar to the Mortgage Loan. The real properties securing these other mortgage loans may be in the same markets as, or have owners, obligors or property managers in common with, and compete with, the Mortgaged Property securing the Mortgage Loan. Consequently, personnel of Park Bridge Lender Services LLC may perform services, on behalf of the Trust, with respect to the Mortgage Loan at the same time as they are performing services with respect to, or while Park Bridge Lender Services LLC or its affiliates are holding, other mortgage loans secured by properties that compete with the Mortgaged Property securing the Mortgage Loan. This may pose inherent conflicts of interest for Park Bridge Lender Services LLC. Although the Operating Advisor is required to consider Accepted Servicing Practices in connection with its activities under the Trust and Servicing Agreement, the Operating Advisor will not itself be bound by Accepted Servicing Practices.

In addition, the Operating Advisor and its affiliates may have interests that are in conflict with those of Certificateholders if the Operating Advisor or any of its affiliates has financial interests in or financial dealings with the Borrower, a parent of the Borrower or any of their affiliates. Each of these relationships may also create a conflict of interest.

Potential Conflicts of Interest of the Initial Purchasers and Their Affiliates

The activities and interests of the Initial Purchasers and their respective affiliates (individually, each an “Initial Purchaser Entity” and collectively, the “Initial Purchaser Entities”) will not align with, and may in fact be directly contrary to, those of Certificateholders. The Initial Purchaser Entities are each part of global banking, investment banking, securities and investment management firms that provide a wide range of financial services to a substantial and diversified client base that includes corporations, financial institutions, governments and high net worth individuals. As such, they actively make markets in and trade financial instruments for their own account and for the accounts of customers. These financial instruments include debt and equity securities, currencies, commodities, bank loans, indices, baskets and other products. The Initial Purchaser Entities’ activities include, among other things, executing large block trades and taking long and short positions directly and indirectly, through derivative instruments or otherwise. The securities and instruments in which the Initial Purchaser Entities take positions, or expect to take positions, include loans similar to the Mortgage Loan, securities and instruments similar to the Certificates and other securities and instruments. Market making is an activity where the Initial Purchaser Entities buy and sell on behalf of customers, or for their own account, to satisfy the expected demand of customers. By its nature, market making involves facilitating transactions among market participants that have differing views of securities and instruments. As a result, you should expect that the Initial Purchaser Entities will take positions that are inconsistent with, or adverse to, the investment objectives of investors in the Certificates.

As a result of the Initial Purchaser Entities’ various financial market activities, including acting as a research provider, investment advisor, market maker or principal investor, you should expect that personnel in various businesses throughout the Initial Purchaser Entities will have and express research or investment views and make recommendations that are inconsistent with, or adverse to, the objectives of investors in the Certificates.

If any Initial Purchaser Entity becomes a holder of any of the Certificates, through market-making activity or otherwise, any actions that it may take in its capacity as a Certificateholder, including voting, providing consents or otherwise will not necessarily be aligned with the interests of the other holders of the same Class or other Classes of the Certificates. We cannot assure you that any actions that such party takes in either such capacity will necessarily be aligned with the interests of the holders of the Certificates. To the extent an Initial Purchaser Entity makes a market in the Certificates (which it is under no obligation to do), it would expect to receive income from the spreads between its bid and offer prices for the Certificates. The price at which an Initial Purchaser Entity may be willing to purchase Certificates, if it makes a market, will depend on market conditions and other relevant factors and may be significantly lower than the issue price for the Certificates and significantly lower than the price at which it may be willing to sell Certificates.

In addition, the Initial Purchaser Entities will have no obligation to monitor the performance of the Certificates or the actions of the Servicer, the Special Servicer, the Operating Advisor, the Certificate Administrator or the Trustee and will have no authority to advise any such parties or to direct their actions.

Furthermore, the Initial Purchaser Entities expect that a completed offering will enhance their ability to assist clients and counterparties in the transaction or in related transactions (including assisting clients in additional purchases and sales of the Certificates and hedging transactions). The Initial Purchaser Entities expect to derive fees and other revenues from these transactions. In addition, participating in a successful offering and providing related services to clients may enhance the Initial Purchaser Entities’ relationships with various parties, facilitate additional business development, and enable them to obtain additional business and generate additional revenue.

In addition, the Initial Purchaser Entities may have ongoing relationships with, render services to, and engage in transactions with any Borrower Affiliates, which relationships and transactions may create conflicts of interest between the Initial Purchaser and its affiliates, on the one hand, and the Trust, on the other hand. See “*Summary of Offering Circular—Certain Affiliations*” in this Offering Circular for a description of certain affiliations and relationships between the Initial Purchaser and other participants in this offering.

Each of the foregoing relationships should be considered carefully by you before you invest in any Certificates.

Potential Conflicts of Interest of the Property Manager

The Property Manager, and any replacement Property Manager, also manage other properties including properties that compete with the Mortgaged Property. Accordingly, the Property Manager, including any replacement Property Manager, may experience conflicts of interest in the management of the Mortgaged Property, and may be hesitant to take actions with respect to the Mortgaged Property that may have an adverse effect on any other properties that they manage or own. In addition, any replacement Property Manager may be an affiliate of the Borrower and therefore may experience conflicts of interest in the management of the Mortgaged Property, particularly with regard to reporting to the Mortgage

Lender under the Mortgage Loan Agreement, cash management, actions taken subsequent to a Mortgage Loan Event of Default and resignations by the Property Manager.

The Property Manager and its affiliates own, lease, franchise and manage a number of properties other than the Mortgaged Property and may acquire additional properties in the future, including other hotel properties. Certain of these other properties, similar to other third party owned real estate, compete directly with the Mortgaged Property for existing and potential business and guests. We cannot assure you that the Property Manager and its affiliates will allocate its management efforts in such a way as to maximize the returns with respect to the Mortgaged Property, as opposed to maximizing the returns with respect to such other properties that do not secure the Mortgage Loan, or that the activities of the Property Manager and its affiliates with respect to such other properties will not adversely impact the performance of the Mortgaged Property. Additionally, a Mortgage Loan Seller or an affiliate may lend to the Property Manager and its affiliates (or third party owners) in the future with such other properties constituting security.

Zoning Compliance Issues Could Adversely Affect the Mortgaged Property

Due to changes in applicable building and zoning ordinances and codes affecting the Mortgaged Property that may have come into effect after the construction of improvements on the Mortgaged Property, it is possible that certain improvements may not comply fully with current law, including density, use, parking and set back requirements, but qualify as permitted non-conforming uses. Such changes in the zoning laws may limit the ability of the Borrower to rebuild the Mortgaged Property as is (or may significantly increase the cost to do so) in the event of a substantial casualty loss or taking and may, in the event of such a casualty or taking, adversely affect the ability of the Borrower to meet its obligations under the Mortgage Loan Agreement from cash flow from the Mortgaged Property. The Mortgage Loan Seller obtained a zoning report prepared by The Planning and Zoning Company, dated October 29, 2018, which concluded that the Mortgaged Property is legally non-conforming with respect to the minimum required setbacks, the maximum building height and floor area ratio. The Mortgaged Property is otherwise legally conforming. If the Mortgaged Property suffers a significant casualty, a variance would need to be obtained from the zoning council to permit the Mortgaged Property to be rebuilt to its current size. We cannot assure you that such a variance will be obtained.

The Mortgaged Property may be subject to additional reconstruction restrictions in the event of a casualty. However, we cannot assure you that any changes in zoning laws would not limit the ability of the Borrower to rebuild the premises as a full-service hotel in the event of a substantial casualty loss and may, in the event of such a casualty, significantly and adversely affect the ability of the Borrower to meet its obligations under the Mortgage Loan Agreement from cash flow from the Mortgaged Property. While it is expected that insurance proceeds, subject to the terms of the Ground Lease, would be available after restoration (if the Mortgage Lender is required to disburse the proceeds for restoration in accordance with the Mortgage Loan Documents) for application to the Mortgage Loan in accordance with the terms of the Mortgage Loan Agreement, if a substantial casualty were to occur or if proceeds available under the related insurance policies were not available in the related amounts, we cannot assure you that such proceeds would be sufficient to restore or repay the Mortgage Loan or, if the Mortgaged Property were to be repaired or restored in conformity with then-current law, what the value of the Mortgaged Property would be relative to the remaining balance of the Mortgage Loan, whether the Mortgaged Property would have a value equal to that before the casualty, or what its revenue-producing potential would be. See “*Description of the Mortgage Loan—Casualty and Condemnation*” in this Offering Circular.

Risks Relating to Costs of Compliance with Applicable Laws and Regulations

The Borrower may be required to incur costs to comply with various existing and future federal, state or local laws and regulations applicable to the Mortgaged Property. The expenditure of these costs or the imposition of injunctive relief, penalties or fines in connection with the Borrower’s noncompliance could negatively impact the Borrower’s cash flow and, consequently, its ability to pay the Mortgage Loan.

For example, under the Americans with Disabilities Act of 1990 and the rules and regulations promulgated thereunder (collectively, the “ADA”), all public accommodations are required to meet certain federal requirements related to access and use by disabled persons. To the extent that the Mortgaged Property does not comply with the ADA, the Borrower is likely to incur costs of complying with the ADA. In addition, noncompliance could result in the imposition of fines by the federal government or an award of damages to private litigants. In connection with the origination of the Mortgage Loan, property inspection reports were obtained that included limited information regarding compliance with the ADA. We cannot assure you that the Mortgaged Property will comply with the ADA in all respects once the related conditions are remedied, that such property inspection reports identified all risks or conditions relating to the ADA or that amounts reserved are sufficient to pay such costs.

Risks Relating to Assumption of the Mortgage Loan

Pursuant to the Mortgage Loan Agreement, the Borrower has the right, without obtaining the consent of the Mortgage Lender in certain instances, and the satisfaction of certain conditions to transfer the Mortgaged Property securing the Mortgage Loan to a qualified transferee that would assume the obligations of the Borrower under the Mortgage Loan. See “*Description of the Mortgage Loan—Transfer Restrictions*” in this Offering Circular. The value of the Mortgaged Property may be significantly affected by the management skills, quality and judgment of its owner. We cannot assure you that the management skills, quality or judgment of any qualified transferee and their equityholders will be equivalent to that of the Borrower and its equityholders and that the value of the Mortgaged Property will be maintained at the same level by any qualified successor borrower. See “*Description of the Mortgage Loan—Transfer Restrictions*” in this Offering Circular.

Limitations on Enforceability

The Mortgage Loan Documents contain a debt-acceleration clause that permits the Trust to accelerate the indebtedness evidenced thereby upon a Mortgage Loan Event of Default. Courts generally will enforce clauses providing for acceleration in the event of a material payment default after the giving of appropriate notices but may refuse to permit the foreclosure of a mortgage when an acceleration of the indebtedness would be inequitable or unjust or the circumstances would render the acceleration unconscionable.

Limitations of Cash Management Account

The Borrower is required to cause the Property Manager (or any Approved Replacement Property Manager) to deliver directly to the Lockbox Account all income and proceeds to which Borrower is entitled pursuant to the Management Agreement (or an Approved Replacement Management Agreement). At any time the Mortgaged Property is not subject to the Management Agreement (or any Approved Replacement Management Agreement), the Borrower is required to cause all credit card receivables to be remitted directly into the Lockbox Account. In the event any amounts or rents in respect of the Mortgaged Property are paid directly to Borrower, the Borrower is required to cause all such amounts to be deposited in the Lockbox Account by the end of the second business day following the Borrower’s receipt thereof. There is a risk that the Borrower or a Property Manager could divert receipts from the Mortgaged Property rather than depositing such amounts to the Lockbox Account or the Cash Management Account as required under the Mortgage Loan Documents. See “*Description of the Mortgage Loan—Lockbox Account*” and “*—Cash Management Account*” in this Offering Circular.

Risks Associated with a Lack of Cash Management in the Absence of the Applicable Debt Yield Trigger

Under the terms of the Mortgage Loan Documents, the Borrower is not required to maintain reserves with the Mortgage Lender for taxes, insurance or rent under the Ground Leases unless a Cash Sweep Event has occurred (i.e., (a) a Mortgage Loan Event of Default; (b) any bankruptcy action of the Borrower, Principal or affiliated property manager; (c) the debt yield falls below (i) 6.50% for any date that is prior to the date which is twelve (12) months after the completion of the Required Renovation Work but in no event longer than thirty (30) months after the commencement of the Required Renovation Work and (ii) 7.00% thereafter; and (d) the funds deposited (and, subject to the terms of the Mortgage Loan Agreement, funds to be deposited during the first 12 months of the Mortgage Loan) in the Required Renovation Reserve Account and Replacements Reserve Account, in the aggregate, are less than 90% of the estimated cost to substantially complete the Required Renovation Work) and the Property Manager is no longer required to, and no longer does, pay tax and insurance expenses or the rent under the Ground Leases directly from cash flow. Even if a Cash Sweep Event has occurred, the Borrower is not required to maintain reserves if certain other conditions set forth in the Mortgage Loan Documents are satisfied. See “*Description of the Mortgage Loan—Lockbox Account*” and “*—Cash Management Account*” in this Offering Circular. We cannot assure you that monthly cash flow from the Mortgaged Property will always be sufficient to cover such expenses.

The Performance of the Mortgage Loan and the Mortgaged Property Depends in Part on Who Controls the Borrower and the Mortgaged Property

The operation and performance of the Mortgage Loan will depend in part on the identity of the persons or entities who control the Borrower and the Mortgaged Property. The performance of the Mortgage Loan may be adversely affected if control of the Borrower changes, which may occur, for example, by means of transfers of direct or indirect ownership interests in the Borrower. See “*Description of the Mortgage Loan—Transfer Restrictions*” in this Offering Circular.

We cannot assure you that the management skills, quality or judgment of any transferee and its equityholders will be equivalent to that of the Borrower and its equityholders and that the value of the Mortgaged Property will be maintained at the same level by any successor transferee of the equity interests.

Limitations with Respect to Representations and Warranties of the Mortgage Loan Sellers

The Mortgage Loan Purchase and Sale Agreement, to be dated as of the Closing Date (the “Mortgage Loan Purchase Agreement”), between the Mortgage Loan Sellers and the Depositor will contain certain limited representations and warranties of the Mortgage Loan Sellers. If any Mortgage Loan Document required to be delivered to the Certificate Administrator, in its capacity as custodian, is not delivered as and when required, is not properly executed or is defective (any of the foregoing, a “Defect”), or if there is a material breach of any representation or warranty set forth on Annex D to this Offering Circular, and in either case the Defect or breach materially and adversely affects the value of the Mortgage Loan or the interests of the Certificateholders (a “Material Document Defect” and a “Material Breach”), the Mortgage Loan Sellers or applicable Mortgage Loan Seller will be required to repurchase the applicable Loan Percentage Interest in the Mortgage Loan at the applicable Repurchase Price set forth in “*Description of the Mortgage Loan Purchase Agreement*” in this Offering Circular or indemnify the Trust (subject to receipt of a Rating Agency Confirmation from the Rating Agency) if the Material Breach or Material Document Defect cannot be cured for losses directly related to such Defect. The Repurchase Price and any indemnity payments received from the Mortgage Loan Sellers will become part of the amounts to be distributed to Certificateholders as described in “*Description of the Certificates—Payment on the Certificates*” and “*Credit Risk Retention*” in this Offering Circular. Any such repurchase will have substantially the same effect as if the Mortgage Loan had been prepaid by the Borrower without payment of a spread maintenance premium, which may adversely affect the yield to maturity of certain Classes of Certificates.

None of the Depositor, the Servicer, the Special Servicer, the Trustee, the Certificate Administrator, the Operating Advisor, the Initial Purchasers or any other person or party will be obligated to repurchase a Mortgage Loan Seller’s Loan Percentage Interest of the Mortgage Loan if such Mortgage Loan Seller defaults on its obligations to repurchase, and we cannot assure you that each Mortgage Loan Seller will fulfill such obligation. In the event that less than the entire Mortgage Loan is repurchased by reason of such a default or otherwise, you could experience cash flow disruptions or losses on your Certificates.

The Mortgage Loan Sellers will not make any representations or warranties with respect to the Mortgage Loan or Property or with respect to any characteristics or attributes of the Mortgage Loan or the Property other than the limited representations and warranties set forth in Annex C to this Offering Circular. It is possible that the Mortgage Loan may contain defects that are not covered by the representations and warranties of the Mortgage Loan Sellers, in which event no claim could be made against the Mortgage Loan Sellers.

Potential Conflicts of Interest Among Various Certificateholders

The Special Servicer is given considerable latitude in determining whether and in what manner to liquidate or modify the Mortgage Loan upon a Mortgage Loan Event of Default and to sell Foreclosed Property. Prior to the occurrence and continuance of a Control Event, the Directing Certificateholder will have the right to replace the Special Servicer upon satisfaction of certain conditions set forth in the Trust and Servicing Agreement as described under “*Description of the Trust and Servicing Agreement—Replacement of the Special Servicer*” in this Offering Circular.

At any given time, the Directing Certificateholder will be controlled by the Controlling Class, and such Certificateholders may have interests in conflict with those of other Certificateholders. In addition, prior to the occurrence and continuance of a Control Event, the Directing Certificateholder will have the right to approve the determination of customarily acceptable costs with respect to insurance coverage and the right to advise the Special Servicer with respect to certain actions of the Special Servicer on and, in connection with such rights, may act solely in the interest of the Certificateholders of the Controlling Class, without any liability to any Certificateholder. For instance, Certificateholders of the Controlling Class might desire to mitigate the potential for loss to that Class by deferring enforcement under the Mortgage Loan Agreement in the hope of maximizing future proceeds. However, the interests of the Certificateholders may be better served by prompt action, because a delay followed by a market downturn could result in less proceeds to the Trust than would have been realized if earlier action had been taken.

Under such circumstances, the Servicer and the Special Servicer may have interests that conflict with the interests of the other Certificateholders and/or the Trust. In addition, each of the Servicer and the Special Servicer will service loans other than the Mortgage Loan in the ordinary course of its business. In these instances, the interests of the Servicer, the Special Servicer and their respective clients may differ from and compete with the interests of the Trust, and their activities may adversely affect the amount and timing of collections on the Mortgage Loan notwithstanding the fact that the Trust and Servicing Agreement will provide that the Mortgage Loan is to be serviced in accordance with the Accepted Servicing Practices and without regard to ownership of any Certificates by the Servicer or the Special Servicer, as applicable. In addition, except as limited by certain conditions described under “*Description of the Trust and Servicing Agreement—The Directing Certificateholder*” in this Offering Circular, the Special Servicer may be removed, with or without cause, by the

Directing Certificateholder (prior to the occurrence and continuance of a Control Event) or by the holders of a certain percentage of the Voting Rights of the Certificates (after the occurrence and continuance of a Control Event). See “*Description of the Trust and Servicing Agreement—Replacement of the Special Servicer*” in this Offering Circular. Holders of Certificates in the Controlling Class, the Directing Certificateholder, any subsequent Directing Certificateholder or an affiliate of the foregoing may become a rated special servicer in the future. Prior to the occurrence and continuance of a Control Event, the Directing Certificateholder would have the right to replace the Special Servicer with such affiliated special servicer upon satisfaction of certain conditions set forth in the Trust and Servicing Agreement. Under such circumstances, the Special Servicer may have interests that conflict with the interests of the other Certificateholders and/or the Trust. Further, it is possible that the Servicer and/or Special Servicer may be hired to act in a servicing or other capacity relating to the Trust.

The Special Servicer may enter into one or more arrangements with the Directing Certificateholder or any other person who has the right to remove, or vote to remove, the Special Servicer, to provide for a discount and/or revenue sharing with respect to certain Special Servicer compensation. The Directing Certificateholder, a Controlling Class Certificateholder and/or other persons or Certificateholders who have the right to remove, or vote to remove, the Special Servicer may further consider any such economic arrangements with the Special Servicer or a prospective replacement special servicer in entering into any decision to appoint or replace such party from time to time, and such considerations would not be required to take into account the best interests of any Certificateholder.

Each Certificateholder (by its acceptance of its Certificates) acknowledges and agrees that (i) the Directing Certificateholder and the Certificateholders in the Controlling Class may each have relationships and interests that conflict with those of Certificateholders of the other Classes of Certificates; (ii) the Directing Certificateholder and the Certificateholders in the Controlling Class may act solely in the interests of the Controlling Class; (iii) the Directing Certificateholder and the Certificateholders in the Controlling Class do not have any duties to the Trust or to the Certificateholders of any Class of Certificates; (iv) the Directing Certificateholder and the Certificateholders in the Controlling Class may take actions that favor interests of the Controlling Class over the interests of the Certificateholders of one or more other Classes of Certificates; (v) neither the Directing Certificateholder nor the Certificateholders in the Controlling Class will have any liability whatsoever to the Trust, the other parties to the Trust and Servicing Agreement, the Certificateholders or any other person (including any Borrower Affiliate) for having acted in accordance with or as permitted under the terms described in this paragraph and/or pursuant to the Trust and Servicing Agreement; and (vi) the Certificateholders may not take any action whatsoever against the Directing Certificateholder or the Certificateholders in the Controlling Class or any of the respective affiliates, directors, officers, shareholders, members, partners, agents or principals of the Directing Certificateholder or the Certificateholders in the Controlling Class as a result of the Directing Certificateholder or the Certificateholders in the Controlling Class having acted in accordance with the terms described in this paragraph and/or pursuant to the terms of and as permitted under the Trust and Servicing Agreement.

Subordination of the Class HRR, Class F, Class E, Class D, Class C and Class B Certificates

On each Distribution Date, distributions in respect of interest and principal will be made to Certificateholders in the manner and in the priorities set forth under “*Description of the Certificates*” in this Offering Circular. As a result of the subordination of certain Classes of Certificates, any loss on the Mortgage Loan will be borne first by the Class HRR Certificates, then by the Class F Certificates, then by the Class E Certificates, then by the Class D Certificates, then by the Class C Certificates, then by the Class B Certificates, and last, by the Class A Certificates. As a result, the more subordinated Classes of Certificates will be more sensitive to delinquencies and losses on the Mortgage Loan than the more senior Classes of Certificates and under certain circumstances purchasers of such Certificates may not recover their initial investment.

Allocation of Realized Losses with Respect to the Mortgage Loan

All Realized Losses with respect to the Mortgage Loan will be allocated, *first*, to the Class HRR Certificates, *second*, to the Class F Certificates, *third*, to the Class E Certificates, *fourth*, to the Class D Certificates, *fifth*, to the Class C Certificates, *sixth*, to the Class B Certificates, and *seventh*, to the Class A Certificates, in that order, in each case until the Certificate Balance of that Class has been reduced to zero. As a result of such reductions, less interest will accrue on each affected Class of Certificates than would otherwise be the case. Once a Realized Loss is allocated to a Certificate, no principal or interest will be distributable with respect to such written down amount as described in “*Description of the Certificates—Payment on the Certificates*” in this Offering Circular.

You should consider the risk that losses on the Mortgage Loan could result in your failure to fully recover your initial investment. We make no representation as to the frequency of delinquencies, defaults and/or liquidations that may occur with respect to the Mortgage Loan, or the magnitude of any losses that may occur with respect to the Mortgage Loan.

Your Lack of Control Over the Trust Can Adversely Impact Your Investment

Except as described below, investors in the Certificates (other than the Controlling Class Certificateholders and the Directing Certificateholder) do not have the right to make decisions with respect to the administration of the Trust. These decisions are generally made, subject to the express terms of the Trust and Servicing Agreement, by the Servicer, the Special Servicer, the Trustee or the Certificate Administrator. Any decision made by any of those parties in respect of the Trust in accordance with the terms of the Trust and Servicing Agreement, even if it determines that decision to be in your best interests, may be contrary to the decision that you would have made and may negatively affect your interests.

Prior to the occurrence and continuance of a Control Event, the Directing Certificateholder will have the right to replace the Special Servicer with or without cause. After the occurrence and during the continuance of a Control Event, the holders of at least 25% of the Voting Rights of the Certificates may request a vote to replace the Special Servicer. The subsequent vote may result in the termination and replacement of the Special Servicer if within 180 days of the initial request for that vote, the holders of at least 75% of a Certificateholder Quorum vote affirmatively to so replace or terminate the Special Servicer. In addition, prior to the occurrence and continuance of a Control Event, the Directing Certificateholder will have certain consent rights and rights to direct the actions of the Special Servicer under the Trust and Servicing Agreement, as described in this Offering Circular. Further, after the occurrence and during the continuance of a Control Event but prior to a Consultation Termination Event, the Directing Certificateholder will have certain consultation rights under the Trust and Servicing Agreement. See "*Description of the Trust and Servicing Agreement—The Directing Certificateholder*" in this Offering Circular.

In addition, if at any time the Operating Advisor determines, in its sole discretion exercised in good faith, that (1) the Special Servicer is not performing its duties as required under the Trust and Servicing Agreement or is otherwise not acting in accordance with Accepted Servicing Practices, and (2) the replacement of the Special Servicer would be in the best interest of the Certificateholders as a collective whole, then the Operating Advisor will have the right to recommend the replacement of the Special Servicer and deliver a report supporting such recommendation in the manner described in "*Description of the Trust and Servicing Agreement—Replacement of the Special Servicer After Operating Advisor Recommendation and Investor Vote*". The Operating Advisor's recommendation to replace the Special Servicer must be confirmed by an affirmative vote of holders of Sequential Pay Certificates evidencing at least a majority of a quorum of Certificateholders (which, for this purpose, is the holders of certificates that (i) evidence at least 20% of the Voting Rights (taking into account the application of any Appraisal Reduction Amounts to notionally reduce the respective Certificate Balances) of all Sequential Pay Certificates on an aggregate basis, and (ii) consist of at least three Certificateholders or Certificate Owners that are not Risk Retention Affiliates).

In certain other limited circumstances, Certificateholders have the right to vote on matters affecting the Trust. In some cases these votes are by Certificateholders taken as a whole and in others the vote is by Class. Accordingly, your interests as an owner of Certificates of a particular Class may not be aligned with the interests of owners of one or more other Classes of Certificates in connection with any such vote. In addition, voting is generally based on the outstanding Certificate Balance, but in certain cases as reduced by the allocation of the Appraisal Reduction Amount. In other words, even if the outstanding Certificate Balance of your Certificates has not in fact been reduced by payment of principal or allocation of Realized Losses, your entitlement to vote may be reduced by appraisal reductions allocated to your Certificates. These limitations on voting resulting from appraisal reductions could adversely affect your ability to protect your interests with respect to matters voted on by Certificateholders. See "*Description of the Certificates—Appraisal Reductions*", "*—Voting Rights*", "*Description of the Trust and Servicing Agreement—Replacement of the Special Servicer*", "*—The Directing Certificateholder*" and "*—Replacement of the Special Servicer After Operating Advisor Recommendation and Investor Vote*" in this Offering Circular.

In general, a Certificate beneficially owned by any Borrower Affiliate, any Property Manager, the Servicer, the Special Servicer, the Trustee, the Certificate Administrator, or any of their sub-servicers or respective affiliates or agents will be deemed not to be outstanding and a holder of such Certificate will not have the right to vote, subject to certain exceptions, as further described in the definition of "Certificateholder" under "*Description of Certificates—Delivery, Form, Transfer and Denomination*" in this Offering Circular.

If the Mortgage Loan Is Restructured in Connection with a Default or Expected Default, the Maturity Date Could Be Extended

Under the Trust and Servicing Agreement, the Special Servicer has broad discretion (subject to the Accepted Servicing Practices) to modify the terms of the Mortgage Loan in connection with a default or expected default. Among other things, the Special Servicer may extend the Maturity Date of the Mortgage Loan up to, but not beyond, a date that is

five years prior to the Rated Final Distribution Date. This could adversely affect your yield on the Certificates. See “*Yield, Prepayment and Maturity Considerations*” in this Offering Circular.

Risks Relating to Floating Rate Loans

The Mortgage Loan bears interest at a floating rate based on LIBOR (or, in limited circumstances as described under “*Description of the Mortgage Loan—Principal and Interest*”, the Alternate Rate). Accordingly, debt service for the Mortgage Loan will generally increase as interest rates rise. Accordingly, the debt service coverage ratio of the Mortgage Loan will generally be adversely affected by rising interest rates, and the Borrower’s ability to make all payments due on the Mortgage Loan may be adversely affected.

There are no periodic or lifetime caps on the interest rate of the Mortgage Loan under the Mortgage Loan Documents. However, the Borrower has purchased an Interest Rate Cap Agreement to protect the Borrower against significant movements in LIBOR during the initial term of the Mortgage Loan, which Interest Rate Cap Agreement has been collaterally pledged as additional security for the Mortgage Loan. Pursuant to such Interest Rate Cap Agreement, to the extent LIBOR increases above 4.50% prior to the Initial Maturity Date of the Mortgage Loan, the Borrower will be entitled to receive payments calculated by applying an interest rate equal to the difference between LIBOR and such level to a notional amount equal to the principal balance of the Mortgage Loan. At high interest rates, the Borrower may be dependent on the Interest Rate Cap Agreement for income needed to pay a portion of the interest due on the Mortgage Loan. In connection with the extension of the Mortgage Loan, the Borrower must also cause the Interest Rate Cap Agreement to be extended to (or enter into a new agreement that expires on) the end of the Mortgage Loan Interest Accrual Period related to the extended Maturity Date in accordance with the provisions of the requirements under “*Description of the Mortgage Loan—Extension Options*”. If the Borrower is unable to extend or replace the Interest Rate Cap Agreement at a price that is acceptable to it, the Borrower will not be permitted to extend the Mortgage Loan and will be required to repay such Mortgage Loan on the Maturity Date. If the Borrower is unable to extend or repay the Mortgage Loan, it is a Mortgage Loan Event of Default. If LIBOR or mortgage rates are then relatively high, it may be difficult for the Borrower to refinance the Mortgaged Property in an amount sufficient to repay the Mortgage Loan.

Notwithstanding the requirement that the Interest Rate Cap Counterparty must have and maintain certain ratings, we cannot assure you that the Interest Rate Cap Agreement provider will have sufficient assets or otherwise be able to fulfill its obligations under the Interest Rate Cap Agreement. In addition, if the Mortgage Loan is effectively extended in connection with a default, there is no practical way to require that the Interest Rate Cap Agreement be extended beyond the Interest Rate Cap Agreement’s stated terms. Such circumstances could result in the downgrade, withdrawal or qualification of the ratings on the Certificates. The failure of the Interest Rate Cap Counterparty to fulfill its obligations under the Interest Rate Cap Agreement during periods of higher levels of LIBOR could result in the inability of the Borrower to pay its required debt service on the Mortgage Loan.

In addition, if either (x) the Mortgage Loan has been converted to an Alternate Rate Loan, or (y) the Borrower is unable to obtain an Interest Rate Cap Agreement due to the unavailability or uncertainty in the continuing availability of LIBOR as a reference rate, the Borrower may deliver to the Mortgage Lender one or more replacement Interest Rate Cap Agreements from an Acceptable Counterparty that, in the reasonable judgment of the Mortgage Lender, either provides the reasonably equivalent protection to the Mortgage Lender as is otherwise required by the Mortgage Loan Agreement, or is otherwise in form and substance reasonably acceptable to the Mortgage Lender and is approved in writing by the Rating Agency.

With respect to the Interest Rate Cap Agreement described above, LIBOR is generally determined by the definition of USD-LIBOR-BBA (as defined in the International Swaps and Derivatives Association, Inc. (“ISDA”) definitions), and is based on the rate which appears on the Reuters Screen LIBOR01 Page as of 11:00 a.m., London time, on the day that is two London banking days prior to determination in an amount representative of the notional amount under the Interest Rate Cap Agreement. If such rate does not appear on the Reuters Screen, LIBOR will be determined in accordance with USD-LIBOR-Reference Banks (as defined in the ISDA definitions), where the calculation agent under such agreements asks four major banks in the London interbank market for rates at which deposits in U.S. dollars are offered at approximately 11:00 a.m., London time, on the day that is two London banking days prior to determination. LIBOR will be the arithmetic mean of the quotes unless fewer than two quotations are given, in which case the calculation agent will use the arithmetic mean of rates quoted by major banks in New York City for loans in U.S. dollars to leading European banks in an amount representative of the notional amount under the Interest Rate Cap Agreement. LIBOR for the Certificates and for the Mortgage Loan is determined as set forth under “*Description of the Mortgage Loan—Principal and Interest*” and “*Description of the Certificates—Payment on the Certificates*”, and in certain cases under the Mortgage Loan Agreement, unlike the Interest Rate Cap Agreement, may convert to an Alternate Rate Loan based on an Alternate Index, which could be an index that (a) is commonly accepted by market participants in CMBS loans as an alternative to LIBOR, (b) is publicly

recognized by ISDA as an alternative to LIBOR and (c) ISDA has approved an amendment to, or protocol which has the effect of amending or replacing pre-existing ISDA-based hedge agreements and generally providing such floating rate index as a standard alternative to LIBOR, such index to be reasonably determined by the Mortgage Lender by reference to a generally accepted reporting service for such index such as Bloomberg or a similar service or the “prime rate” as published in *The Wall Street Journal*, if such a floating rate index is unavailable. We cannot assure you that in the circumstances where LIBOR must be determined by obtaining quotes from New York banks, or the circumstances by which an Alternate Rate will be required to be determined or that the rate actually determined for use under the Interest Rate Cap Agreement will be the same as that determined for the Mortgage Loan under the Mortgage Loan Documents or for the Certificates under the Trust and Servicing Agreement nor can we assure you that the protection provided to the Borrower by the Interest Rate Cap Agreement will be at the same level as the protection provided to the Borrower as of the Closing Date. This could increase the Borrower’s debt service costs and have an adverse effect on its ability to pay the Mortgage Loan.

Risks substantially similar to those above in this “—*Risks Relating to Floating Rate Loans*” section could exist with respect to the Mortgage Loan in the event it is converted to an Alternate Rate Loan.

Changes to, or Elimination of, LIBOR Could Adversely Affect Your Investment in the Certificates

Regulators and law-enforcement agencies from a number of governments, including entities in the United States, Japan, Canada and the United Kingdom, have been conducting civil and criminal investigations into whether the banks that contributed to the British Bankers’ Association (the “BBA”) in connection with the calculation of daily LIBOR may have underreported or otherwise manipulated or attempted to manipulate LIBOR. Investigations remain ongoing and we cannot assure you that there will not be findings of rate setting manipulation or collusion, or that improper manipulation of, or collusion in, LIBOR or other similar inter-bank lending rates will not occur in the future.

Based on a review conducted by the Financial Conduct Authority of the United Kingdom (the “FCA”) and a consultation conducted by the European Commission, proposals have been made for governance and institutional reform, regulation, technical changes and contingency planning. In particular: (a) new legislation has been enacted in the United Kingdom pursuant to which LIBOR submissions and administration are now “regulated activities” and manipulation of LIBOR has been brought within the scope of the market abuse regime; (b) legislation has been proposed which if implemented would, among other things, alter the manner in which LIBOR is determined, compel more banks to provide LIBOR submissions, and require these submissions to be based on actual transaction data; and (c) LIBOR rates for certain currencies and maturities are no longer published daily. In addition, pursuant to authorization from the FCA, the ICE Benchmark Administration Limited (the “IBA”) took over the administration of LIBOR from the BBA on February 1, 2014. Any new administrator of LIBOR may make methodological changes to the way in which LIBOR is calculated or may alter, discontinue or suspend calculation or dissemination of LIBOR.

We cannot predict the effect of any changes or any other reforms to LIBOR that may occur, or the effect of the ongoing LIBOR investigations referred to above. These matters may result in a sudden or prolonged increase or decrease in reported LIBOR rates, LIBOR being more volatile than it has been in the past and/or fewer loans utilizing LIBOR as an index for interest payments. In addition, questions surrounding the integrity in the process for determining LIBOR may have other unforeseen consequences, including potential litigation against banks and/or obligors on loans. Any uncertainty in the value of LIBOR or the development of a market view that LIBOR was manipulated or may be manipulated may adversely affect the liquidity of the Certificates in the secondary market and their market value.

In a speech on July 27, 2017, Andrew Bailey, the Chief Executive of the FCA, announced the FCA’s intention to cease sustaining LIBOR after 2021. The FCA has statutory powers to require panel banks to contribute to LIBOR where necessary. The FCA has decided not to ask, or to require, that panel banks continue to submit contributions to LIBOR beyond the end of 2021. The FCA has indicated that it expects that the current panel banks will voluntarily sustain LIBOR until the end of 2021. The FCA’s intention is that after 2021, it will no longer be necessary for the FCA to ask, or to require, banks to submit contributions to LIBOR. The FCA does not intend to sustain LIBOR through using its influence or legal powers beyond that date. It is possible that the IBA and the panel banks could continue to produce LIBOR on the current basis after 2021, if they are willing and able to do so, but we cannot assure you that LIBOR will survive in its current form, or at all.

The Mortgage Loan Agreement provides that in the event that the Mortgage Lender has reasonably and in good faith determined that by reason of circumstances affecting the interbank Eurodollar market LIBOR cannot be determined as provided in the definition of LIBOR, each Component will accrue interest based on the Alternate Rate plus the applicable Alternate Rate Spread, as described under “*Description of the Mortgage Loan—Principal and Interest Payment*”. The Pass-

Through Rates on the Certificates will also be modified as described under “*Description of the Certificates—Payment on the Certificates*”.

It is possible that LIBOR or the Alternate Rate may experience greater than normal fluctuation in the rates during the period of time around when LIBOR is expected to become unavailable as the markets convert from LIBOR-based lending to lending based on alternative rates and adjusts to operating on the basis of those new rates. As a result, the value of your Certificates may increase or decrease for reasons unrelated to the performance of the Mortgage Loan or Mortgaged Property.

In the event LIBOR is no longer available, and the Borrower does not obtain one or more replacement Interest Rate Cap Agreements from an Acceptable Counterparty that, in the reasonable judgment of the Mortgage Lender, either provides the reasonably equivalent protection to the Mortgage Lender or is otherwise in form and substance reasonably acceptable to the Mortgage Lender and is approved in writing by the Rating Agencies, then the Borrower may not be able to extend the term of the Mortgage Loan because the Borrower may not be able to extend or replace the Interest Rate Cap Agreement. As a result, the Borrower would be required to repay the Mortgage Loan and may be unable to do so.

We cannot predict the effect of the FCA’s decision not to sustain LIBOR, or, if changes are ultimately made to LIBOR, the effect of those changes. If LIBOR in its current form does not survive or if an alternative index is chosen, the market value and/or liquidity of the Certificates could be adversely affected.

Sensitivity to LIBOR and Yield Considerations

The yield to investors in the Certificates will be highly sensitive to changes in the level of LIBOR. Investors in the Sequential Pay Certificates should consider the risk that lower than anticipated levels of LIBOR could result in actual yields that are lower than anticipated yields on the Certificates.

In general, the earlier a change in the level of LIBOR, the greater the effect on such investor’s yield to maturity. As a result, the effect on such investor’s yield to maturity of a level of LIBOR that is higher (or lower) than the rate anticipated by such investor during the period immediately following the issuance of the Certificates is not likely to be offset by a subsequent like reduction (or increase) in the level of LIBOR. See “—*Risks Relating to Floating Rate Loans*” above.

Risks substantially similar to those above in this “—*Sensitivity to LIBOR and Yield Considerations*” section could exist with respect to the Certificates in the event interest thereon is calculated based on an Alternate Rate following the conversion of the Mortgage Loan to an Alternate Rate Loan.

Rights of the Directing Certificateholder and the Operating Advisor Could Adversely Affect Your Investment

Prior to the occurrence and continuance of a Control Event, in connection with the making of certain decisions and/or the taking of certain actions with respect to the Mortgage Loan and/or the Collateral, the Special Servicer generally will be required to obtain the consent of the Directing Certificateholder. In addition, prior to the occurrence and continuance of a Control Event, the Directing Certificateholder and the Controlling Class will have the right to direct certain actions of the Special Servicer with respect to the Mortgage Loan and/or the Collateral. After the occurrence and during the continuance of a Control Event but prior to the occurrence and continuance of a Consultation Termination Event, the Special Servicer generally will be required to consult with the Directing Certificateholder on a non-binding basis in connection with the making of certain decisions and/or the taking of certain actions with respect to the Mortgage Loan and/or the Collateral. See “*Description of the Trust and Servicing Agreement—The Directing Certificateholder*” in this Offering Circular. As a result of these consent and consultation rights, the Special Servicer may take actions with respect to the Mortgage Loan and/or the Collateral that could adversely affect the interests of investors in one or more Classes of Certificates.

In addition, if an Operating Advisor Consultation Event has occurred and is continuing, the Operating Advisor will have certain consultation rights with respect to certain matters relating to the Mortgage Loan. Further, the Operating Advisor will have the right to recommend a replacement of the Special Servicer, as described under “*Description of the Trust and Servicing Agreement—Replacement of the Special Servicer After Operating Advisor Recommendation and Investor Vote*”. The Operating Advisor is generally required to act on behalf of the Trust and in the best interest of, and for the benefit of, the Certificateholders (as a collective whole as if the Certificateholders constituted a single lender). We cannot assure you that any actions taken by the Special Servicer as a result of a recommendation or consultation by the Operating Advisor will not adversely affect the interests of investors in one or more Classes of Certificates.

See also “—*Potential Conflicts of Interest Among Various Certificateholders*” above for a discussion of certain conflicts of interest among various Certificateholders and “—*Potential Conflicts of the Operating Advisor*” above for a discussion of certain conflicts of interest of the Operating Advisor.

Special Prepayment and Yield Considerations

The yield to maturity on the Certificates will be sensitive to, among other things, the rate, timing and amount of principal payments (including prepayment in whole or in part, and unscheduled collections of principal due to casualty, condemnation, default and liquidation) on, and payments in connection with a repurchase of the Mortgage Loan (or indemnity payment) by the Mortgage Loan Sellers. We make no representation as to the anticipated rate, timing or amount of payments (including prepayment in whole or in part, and unscheduled collections of principal due to casualty, condemnation, default and liquidation) on the Mortgage Loan (in whole or part) or as to the anticipated yield to maturity of any Certificate.

In addition, it is important to note that previously issued CMBS (including, possibly, certain CMBS sponsored by one or more of the Mortgage Loan Sellers) have in recent years experienced greater losses than expected, and in certain circumstances significantly greater losses, as a result of defaults and liquidations of the mortgage loans that back those CMBS. There can be no assurance that the losses actually incurred with respect to the Mortgage Loan that back the Certificates will not similarly exceed any assumed or expected losses. See “*Yield, Prepayment and Maturity Considerations*” in this Offering Circular.

The Mortgage Loan may be prepaid in whole or in part at any time subject to a Spread Maintenance Premium on the principal amount of such prepayment, if made prior to the Spread Maintenance End Date (except for involuntary prepayments in connection with a casualty or condemnation to the extent the Mortgage Lender is not obligated to make the proceeds of such casualty or condemnation available to the Borrower). The Mortgage Loan is also prepayable in part (a) in connection with a release of individual hotel rooms and in connection with the release of the Parking Parcel (as described under “*Description of the Mortgage Loan—Release of the Mortgaged Property*”) or (b) to achieve the Debt Yield necessary to permit a Debt Yield Cure (as described under “*Description of the Mortgage Loan—Debt Yield Cure Payments*”). In addition, the Mortgage Loan provides for mandatory prepayments in certain circumstances such as casualty and condemnation without a Spread Maintenance Premium.

Any such prepayments would result in an earlier than expected repayment of the Mortgage Loan. Any prepayments of the Mortgage Loan will be required to be allocated to the Sequential Pay Certificates in Sequential Order until the Certificate Balance of such Certificates has been reduced to zero as described in “*Description of the Certificates—Payment on the Certificates*”. See also “*Risk Factors—Subordination of the Class HRR, Class F, Class E, Class D, Class C and Class B Certificates*”.

The Mortgage Loan Purchase Agreement will contain certain limited representations and warranties of the Mortgage Loan Sellers (set forth on Annex D to this Offering Circular). In the event there is a Material Breach of any such representation or warranty or a Material Document Defect, the applicable Mortgage Loan Seller may be required to repurchase its respective interests in the Mortgage Loan or indemnify the Trust as described under “*Description of the Mortgage Loan Purchase Agreement*” in this Offering Circular. The Repurchase Price will become part of the amounts to be distributed to Certificateholders as described in “*Description of the Certificates—Payment on the Certificates*” and “*Credit Risk Retention*” in this Offering Circular.

In addition, in the event the interest rate of the Mortgage Loan increases as a result of a conversion from a LIBOR Loan to an Alternate Rate Loan during a time in which the Mortgage Loan is freely prepayable, the Borrower will have a greater incentive to prepay the Mortgage Loan.

In general, if a Sequential Pay Certificate is purchased at a premium and principal distributions on that Certificate occur at a rate faster than anticipated at the time of purchase, the purchaser’s actual yield to maturity may be lower than that assumed at the time of purchase. Similarly, if a Sequential Pay Certificate is purchased at par or at a discount and principal distributions on that Certificate occur at a rate slower than that assumed at the time of purchase, the purchaser’s actual yield to maturity may be lower than assumed at the time of purchase.

The investment performance of the Certificates may vary materially and adversely from the investment expectations of purchasers due to rates of partial prepayment, prepayment in whole or defaults and/or severity of losses on the Mortgage Loan that are higher or lower than anticipated by purchasers. The actual yield to the holder of a Certificate may not be equal to the yield anticipated at the time of purchase of the Certificate or, notwithstanding that the actual yield is equal to the yield anticipated at that time, the expected weighted average life of the Certificate may not be realized. In

deciding whether to purchase any Certificates, you should make an independent decision as to the appropriate prepayment, default and other assumptions to be used. See “*Yield, Prepayment and Maturity Considerations*” in this Offering Circular.

Risks Relating to Enforceability of Spread Maintenance Premiums

Provisions requiring Spread Maintenance Premiums may not be enforceable in Hawaii and under federal bankruptcy law. Those provisions also may be interpreted as constituting the collection of interest for usury purposes. Accordingly, we cannot assure you that the obligation to pay a Spread Maintenance Premium will be enforceable. Also, we cannot assure you that foreclosure proceeds will be sufficient to pay an enforceable Spread Maintenance Premium.

Risks Relating to Interest on Advances and Special Servicing Compensation

To the extent described in this Offering Circular, the Servicer, the Special Servicer or the Trustee, as applicable, will be entitled to receive interest on unreimbursed Advances at the “prime rate” as published in *The Wall Street Journal*. This interest will generally accrue from the date on which the related Advance is made or the related expense is incurred to the date of reimbursement. In addition, under certain circumstances, including delinquencies in the payment of principal and/or interest, the Mortgage Loan will be specially serviced and the Special Servicer is entitled to compensation for special servicing activities. The right to receive interest on Advances or special servicing compensation is generally senior to the rights of Certificateholders to receive distributions on the Certificates. The payment of interest on Advances and the payment of compensation to the Special Servicer may lead to shortfalls in amounts otherwise distributable on your Certificates and may ultimately result in losses being allocated to the Certificates that would not otherwise have resulted if not for such reimbursement. See “*Description of the Mortgage Loan*” in this Offering Circular.

Effect of Borrower Defaults

The aggregate amount of distributions and the yield on the Certificates, as well as the weighted average lives of the Certificates, will be affected by the rate and the timing of delinquencies and defaults on the Mortgage Loan and the severity of any losses resulting from such delinquencies and defaults. If a purchaser of a Certificate calculates its anticipated yield based on an assumed rate of default and amount of losses on the Mortgage Loan, that is lower than the default rate and amount of losses actually experienced and such losses are allocable to such Class of Certificates because such Class is subordinated to other Classes, such purchaser’s actual yield to maturity will be lower than that so calculated and could, under certain scenarios, be negative. The timing of any loss upon liquidation of the Mortgaged Property will also affect the actual yield to maturity of the Certificates to which all or a portion of such loss is allocable, even if the rate of default and severity of loss are consistent with a purchaser’s expectations. In general, the earlier a loss borne by a purchaser occurs, the greater is the effect on such purchaser’s yield to maturity.

As described in this Offering Circular, the Servicer and/or the Trustee, as applicable, will be entitled to receive interest on unreimbursed Advances, including Monthly Payment Advances. See “*Description of the Trust and Servicing Agreement—Advances*” in this Offering Circular. The right to receive such interest is prior to the rights of Certificateholders to receive distributions on the Certificates and, unless reimbursed by the Borrower or otherwise collected on the Mortgage Loan, may result in losses being allocated to the Certificates that would not otherwise have resulted without the accrual of such interest. See “*Description of the Certificates—Payment on the Certificates*” in this Offering Circular. In addition, the Special Servicer is entitled to compensation for special servicing activities, which, if not paid by the Borrower or otherwise collected on the Mortgage Loan pursuant to the terms of the Mortgage Loan Documents may result in losses being allocated to Certificates that would not otherwise have resulted. See “*Description of the Trust and Servicing Agreement—Servicing of the Mortgage Loan—Servicing Fee and Special Servicing Fee*” in this Offering Circular.

Regardless of whether a loss ultimately results, delinquency on the Mortgage Loan may significantly delay the receipt of payments by the holder of a Certificate, to the extent that Monthly Payment Advances, the allocations of Realized Losses or the subordination of another Class of Certificates, if applicable, does not fully offset the effects of any such delinquency.

The Certificates Represent Limited Obligations

The Certificates, when issued, will represent ownership interests in the Trust. The Certificates will not represent an interest in, or obligation of, the Depositor, the Mortgage Loan Sellers, the Servicer, the Special Servicer, the Operating Advisor, the Borrower, the Borrower Sponsor, the Trustee, the Certificate Administrator or any other person. The primary asset of the Trust will be the Notes evidencing the Mortgage Loan, and the primary security and source of payment for the Mortgage Loan will be the Mortgaged Property and the other collateral described in this Offering Circular. Payments on

the Certificates are expected to be derived from payments made by the Borrower on the Mortgage Loan. We cannot assure you that the cash flow from the Mortgaged Property and the proceeds of any sale or refinancing of the Mortgaged Property will be sufficient to pay the principal of, and interest on, the Mortgage Loan or to distribute in full the amounts of interest and principal to which the Certificateholders are entitled. See “*Description of the Mortgage Loan*” in this Offering Circular.

Risks Associated with Floating Rate Certificates

The yield to maturity on the Certificates will be highly sensitive to changes in the levels of LIBOR such that decreasing levels of LIBOR will have a negative effect on the yield to maturity of the holders of such Certificates. In addition, prevailing market conditions may increase the spread above LIBOR at which comparable securities are being offered, which would cause the Certificates to decline in value. Investors in the Certificates should consider the risk that lower than anticipated levels of LIBOR could result in lower yields to investors than the anticipated yields and the risk that increased spreads above LIBOR could result in a lower value of the Certificates. See also “*—Changes to, or Elimination of, LIBOR Could Adversely Affect Your Investment in the Certificates*” above.

Risks substantially similar to those above in this “*—Risks Relating to Floating Rate Certificates*” section could exist with respect to the Certificates in the event interest thereon is calculated based on an Alternate Rate following the conversion of an Alternate Rate Loan.

Variability of Average Life of the Certificates Could Affect Your Anticipated Yield to Maturity

The payment experience on the Mortgage Loan will affect the actual distribution experience on and the weighted average life of the corresponding Classes of Certificates.

Principal payments (including unscheduled payments) applied towards the Mortgage Loan will tend to shorten the weighted average lives of the Classes of Sequential Pay Certificates in Sequential Order to reduce their respective Certificates Balances, as described under “*Description of the Certificates—Payment on the Certificates*” in this Offering Circular. Depending on the ability and the length of time needed to exercise remedies, as well as the Special Servicer’s selection of remedies, a default on the Mortgage Loan may lengthen the weighted average lives of one or more Classes of the Certificates. Since any principal payments on the Mortgage Loan will be applied to reduce the Certificate Balance of the Classes of Certificates in Sequential Order unless such amounts are used to reimburse the Servicer, the Special Servicer, the Certificate Administrator, the Trustee or the Operating Advisor for expenses or other costs in the manner described under “*Description of the Certificates—Payment on the Certificates*” in this Offering Circular, the amount of principal payments on the Mortgage Loan and the timing of their receipt will affect the weighted average lives of such Classes of Certificates in varying degrees.

In addition to the foregoing, after a default on the Mortgage Loan, any purchase by a Mortgage Loan Seller of its percentage interest in the Mortgage Loan (or indemnity payment made in lieu of such a repurchase) due to a defect or breach of a representation will have the same effect as a prepayment of the Mortgage Loan in full, which will affect the weighted average life of the Certificates in varying degrees. See “*Description of the Mortgage Loan Purchase Agreement*” in this Offering Circular. After a Mortgage Loan Event of Default or foreclosure, the Special Servicer may sell the Mortgage Loan or the Mortgaged Property resulting in a full or partial repayment of the Mortgage Loan. Any such purchase or sale will not require the purchaser to pay a yield maintenance amount or Spread Maintenance Premium. Any changes in the weighted average lives of your Certificates may adversely affect your yield to maturity. Prepayments resulting in a shortening of weighted average lives of your Certificates may be made at a time of low interest rates when you may be unable to reinvest the resulting payment of principal on your Certificates at a rate comparable to the effective yield anticipated by you in making your investment in the Certificates, while delays and extensions resulting in a lengthening of those weighted average lives may occur at a time of high interest rates when you may have been able to reinvest principal payments that would otherwise have been received by you at higher rates.

In addition, the extent to which prepayments on the Mortgage Loan ultimately affect the average life of the Certificates will depend on the terms of the Certificates and the terms of the Mortgage Loan, more particularly:

- A Class of Certificates that entitles the holders of those Certificates to a disproportionately larger share of the prepayments on the Mortgage Loan increases the “call risk” or the likelihood of early retirement of that Class if the rate of prepayment is relatively fast; and
- A Class of Certificates that entitles the Certificateholders to a disproportionately smaller share of the prepayments on the Mortgage Loan increases the likelihood of “extension risk” or an extended average life of that Class if the rate of prepayment is relatively slow.

See “*Yield, Prepayment and Maturity Considerations*” in this Offering Circular.

Although, the Mortgage Loan has prepayment protection in the form of the Spread Maintenance Premium described in “*Description of the Mortgage Loan—Prepayment*” in this Offering Circular, we cannot assure you that involuntary prepayments and/or mandatory prepayments or other prepayments that do not require payment of a Spread Maintenance Premium will not occur at any time, as described under “*Description of the Mortgage Loan—Principal and Interest*” in this Offering Circular.

We are not aware of any relevant publicly available or authoritative statistics with respect to the historical prepayment experiences of commercial mortgage loans. However, the rate at which voluntary prepayments occur on a mortgage loan will be affected by a variety of factors, including:

- the terms of the mortgage loan;
- the length of any prepayment lockout period;
- the level of prevailing interest rates;
- the availability of mortgage credit;
- any applicable Spread Maintenance Premiums and the extent to which the related mortgage loan terms may be practically enforced;
- the related lender’s ability to enforce Spread Maintenance Premiums;
- the failure to meet certain requirements for the release of escrows;
- the occurrence of casualties or natural disasters; and
- economic, demographic, tax, legal or other factors.

Any changes in weighted average life of a Class of Certificates may adversely affect the yield to holders of such Class of Certificates. Prepayments resulting in a shortening of such weighted average life may be made at a time of low interest rates when a Certificateholder may be unable to reinvest the resulting payments of principal on its Certificates at a rate comparable to the rate borne by such Certificates. Delays and extensions resulting in a lengthening of such weighted average life may occur at a time of high interest rates when a Certificateholder may have been able to reinvest at higher rates principal distributions that would otherwise have been received by it.

Credit Ratings of the Certificates Are Not Assurance of Performance and May Change Over Time

The ratings assigned to the Certificates by the Rating Agency will be based on, among other things, the economic characteristics of the Mortgaged Property and other relevant structural features of the transaction. A security rating does not represent any assessment of the yield to maturity that a Certificateholder may experience. The ratings assigned to the Certificates will reflect only the views of the Rating Agency as of the date such ratings were issued. Future events could have an adverse impact on such ratings. The ratings may be reviewed, revised, suspended, downgraded, qualified or withdrawn entirely by the Rating Agency as a result of changes in or unavailability of information. The ratings do not consider to what extent the Certificates will be subject to prepayment or that the outstanding principal amount of any Class of Sequential Pay Certificates will be prepaid.

Furthermore, the amount, type and nature of credit support, if any, provided with respect to the Certificates was determined on the basis of criteria established by the Rating Agency. These criteria are sometimes based upon analysis of the behavior of mortgage loans in a larger group. We cannot assure you that the historical data supporting that analysis will accurately reflect future experience, or that the data derived from a large pool of mortgage loans will accurately predict the delinquency, foreclosure or loss experience of the Mortgage Loan. As evidenced by the significant amount of downgrades, qualifications and withdrawals of ratings assigned to previously-issued CMBS during the recent credit crisis, the assumptions by the Rating Agency and other NRSROs regarding the performance of the mortgage loans related to such CMBS were not, in all cases, correct.

Certain actions provided for in the Mortgage Loan Agreement or the Trust and Servicing Agreement require, as a condition to taking such action, that a Rating Agency Confirmation be obtained from the Rating Agency. In certain

circumstances, this condition may be deemed to have been met or waived without such a Rating Agency Confirmation being obtained (as described in the definition of “Rating Agency Confirmation” set forth under *Description of the Trust and Servicing Agreement—Rating Agency Confirmations* in this Offering Circular). In the event such an action is taken without a Rating Agency Confirmation being obtained, we cannot assure you that the Rating Agency will not downgrade, qualify or withdraw its ratings as a result of the taking of such action. If you invest in the Certificates, pursuant to the Trust and Servicing Agreement your acceptance of Certificates will constitute an acknowledgment and agreement with the procedures relating to Rating Agency Confirmations described under *Description of the Trust and Servicing Agreement—Rating Agency Confirmations* in this Offering Circular.

We are not obligated to maintain any particular rating with respect to any Class of Certificates. Changes affecting the Mortgaged Property, the Trustee, the Certificate Administrator, the Servicer, the Special Servicer or another person may have an adverse effect on the ratings of the Certificates, and thus on the liquidity, market value and regulatory characteristics of the Certificates, although such adverse changes would not necessarily be a Mortgage Loan Event of Default. See “*Ratings*” in this Offering Circular.

Further, any ratings downgrade of the Certificates below an investment grade rating by the Rating Agency could affect the ability of a benefit plan or other investor to purchase or retain those Certificates. See “*Certain ERISA Considerations*” and “*Legal Investment*” in this Offering Circular.

The Depositor has not requested a rating of the Certificates from any NRSRO other than the Rating Agency. We cannot assure you as to whether another NRSRO will rate any Class of Certificates, or if such other NRSRO were to rate any Class of Certificates, what rating would be assigned by such other NRSRO. Additionally, other NRSROs that we have not engaged to rate the Certificates may nevertheless issue unsolicited credit ratings on one or more Classes of Certificates, relying on information such other NRSROs receive pursuant to Rule 17g-5 or otherwise. If any such unsolicited ratings are issued, we cannot assure you that they will not be different from those ratings assigned by S&P. The issuance of unsolicited ratings on a Class of the Certificates that are lower than the ratings assigned by S&P may impact the liquidity, market value and regulatory characteristics of that Class of Certificates.

As part of the process of obtaining ratings for the Certificates, the Depositor had initial discussions with and submitted certain materials to S&P and certain other NRSROs. Based on preliminary feedback from those NRSROs at that time, the Depositor selected S&P to rate the Certificates and not such other NRSROs, due in part to those NRSROs’ initial subordination levels for the various Classes of Certificates. If the Depositor had selected such other NRSROs to rate the Certificates, the Depositor cannot assure you as to the ratings that such NRSROs would have ultimately assigned to those Classes of Certificates. In addition, the decision not to engage one or more other rating agencies in the rating of certain classes of certificates to be issued in connection with this transaction may negatively impact the liquidity, market value and regulatory characteristics of those classes of certificates, we cannot assure you as to the ratings that such other NRSROs would have assigned to the Certificates. Although unsolicited ratings may be issued by any NRSRO, an NRSRO might be more likely to issue an unsolicited rating if it was not selected after having provided preliminary feedback to the Depositor.

Neither the Depositor nor any other person or entity will have any duty to notify you if any such other NRSRO issues, or delivers notice of its intention to issue, unsolicited ratings on one or more Classes of Certificates after the date of this Offering Circular. In no event will Rating Agency Confirmations from any such other NRSRO be a condition to any action, or the exercise of any right, power or privilege by any person or entity under the Trust and Servicing Agreement.

Furthermore, the SEC may determine that S&P no longer qualifies as an NRSRO, or is no longer qualified to rate the Certificates, and that determination may also have an adverse effect on the liquidity, market value and regulatory characteristics of the Certificates.

The Class P and Class R Certificates will not be rated by the Rating Agency or another NRSRO (unless an NRSRO issues an unsolicited rating), which may adversely affect the ability of an investor to purchase or retain, or otherwise impact the liquidity, market value and regulatory characteristics of that Class.

Risks Relating to Book-Entry Registration

Unless you are an investor in the Class HRR, Class P or Class R Certificates, or are an Institutional Accredited Investor that is not a QIB your Certificates will be initially represented by one or more Certificates registered in the name of Cede & Co., as the nominee for DTC, and will not be registered in your name. As a result, you will not be recognized as a Certificateholder, or holder of record of your Certificates.

- Since transactions in the classes of book-entry Certificates generally can be effected only through DTC, and its participating organizations:
- the liquidity of book-entry Certificates in any secondary trading market that may develop may be limited because investors may be unwilling to purchase Certificates for which they cannot obtain physical Certificates;
- your ability to pledge Certificates to persons or entities that do not participate in the DTC system, or otherwise to take action in respect of the Certificates, may be limited due to lack of a physical security representing the Certificates;
- your access to information regarding the Certificates may be limited since conveyance of notices and other communications by DTC to its participating organizations, and directly and indirectly through those participating organizations to you, will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect at that time; and
- you may experience some delay in receiving distributions of interest and principal on your Certificates because distributions will be made by the Certificate Administrator to DTC and DTC will then be required to credit those distributions to the accounts of its participating organizations and only then will they be credited to your account either directly or indirectly through DTC's participating organizations.

See “*Description of the Certificates—Delivery, Form, Transfer and Denomination—Book-Entry Registration*” in this Offering Circular.

Tax Consequences of the Class R Certificates Present Risks

The Class R Certificates will represent the sole Class of “residual interests” in the Trust REMIC for federal income tax purposes. Holders of the Class R Certificates must report as ordinary income or loss their *pro rata* share of the net income or the net loss of the Trust REMIC whether or not any cash distributions are made to them. This allocation of income or loss may result in a zero or negative after tax return. No cash distributions are expected to be made with respect to the Class R Certificates.

The requirement for holders of Class R Certificates to report their *pro rata* share of the taxable income and net loss of the Trust REMIC will continue until the Certificate Balances of all Classes of Sequential Pay Certificates have been reduced to zero. A portion, or, in certain circumstances, all, of such holder’s REMIC taxable income may be treated as “excess inclusion” income, which:

- generally, will not be subject to offset by losses from other activities;
- for a tax-exempt holder, will be treated as unrelated business taxable income; and
- for a foreign holder, will not qualify for exemption from withholding tax.

Individual holders of a Class R Certificate may be limited in their ability to deduct servicing fees and other expenses of the Trust REMIC. In addition, the Class R Certificates are subject to certain restrictions on transfer. Because of the special tax treatment of Class R Certificates, the taxable income arising in a given year on the Class R Certificates will not be equal to the taxable income associated with investment in a corporate bond or stripped instrument.

No cash distributions are expected to be made with respect to the Class R Certificates. See “*Certain Federal Income Tax Considerations—Taxation of the Class R Certificates*” in this Offering Circular.

Certain Federal Income Tax Considerations Regarding Original Issue Discount

Certain Classes of Certificates may be issued with “original issue discount” for federal income tax purposes, which generally will result in recognition of taxable income in advance of the receipt of cash attributable to that income. Accordingly, investors must have sufficient sources of cash to pay any federal, state or local income taxes with respect to the original issue discount. See “*Certain Federal Income Tax Considerations—Taxation of Regular Certificates—Original Issue Discount*” in this Offering Circular.

Changes in Tax Law; No Gross Up in Respect of the Certificates

Although no withholding tax is currently imposed on the payments of interest on or principal of the Certificates to a holder that provides the appropriate forms and documentation and with respect to whom such interest is “portfolio interest”, we cannot assure you that, as a result of any change in any applicable law, treaty, rule, regulation, or interpretation, the payments on the Certificates would not in the future become subject to withholding taxes. In the event that any withholding tax is imposed on payments of interest or other payments on the Certificates, none of the Depositor, the Borrower or the Trust has any obligation to make “gross-up” payments or pay any additional amounts to Certificateholders in respect of such taxes, and such withholding tax would therefore result in a shortfall to any affected Certificateholders. See “*Certain Federal Income Tax Considerations*” in this Offering Circular.

Changes to REMIC Restrictions on Loan Modifications May Impact an Investment in the Certificates

The IRS issued Revenue Procedure 2009-45 to ease the tax requirements for a servicer to modify a commercial or multifamily mortgage loan held in a REMIC by interpreting the circumstances when default is “reasonably foreseeable” to include those where the servicer reasonably believes that there is a “significant risk of default” with respect to the mortgage loan upon maturity of the loan or at an earlier date, and that by making such modification the risk of default is substantially reduced. Accordingly, if the Servicer or the Special Servicer determined that the Mortgage Loan was at significant risk of default and permitted one or more modifications otherwise consistent with the terms of Trust and Servicing Agreement, any such modification may impact the timing of payments and ultimate recovery on the Mortgage Loan, and likewise on one or more Classes of Certificates.

In addition, final regulations and related guidance were issued under the REMIC provisions of the Code that modify the tax restrictions imposed on a servicer’s ability to modify the terms of mortgage loans held by a REMIC relating to changes in the collateral, credit enhancement and recourse features to permit those modifications so long as the mortgage loan remains “principally secured” by real property (within the meaning of the final regulations). The IRS has also issued Revenue Procedure 2010-30, describing circumstances in which it will not challenge the treatment of mortgage loans as “qualified mortgages” on the grounds that the mortgage loan is not “principally secured by real property”, that is, has a real property loan-to-value ratio greater than 125% following a release of liens on some or all of the real property securing such mortgage loan. The general rule is that a mortgage loan must continue to be “principally secured by real property” following any such lien release in accordance with the REMIC provisions. Revenue Procedure 2010-30 allows lien releases in transactions in which the release is part of a “qualified pay-down transaction” even if the mortgage loan after the transaction might not otherwise be treated as principally secured by a lien on real property. If the value of the real property securing a mortgage loan were to decline, the need to comply with the rules of Revenue Procedure 2010-30 could restrict the servicers’ actions in negotiating the terms of a workout or in allowing minor lien releases in circumstances in which, after giving effect to the release, the mortgage loan would have a real property loan-to-value ratio greater than 125%. This could impact the timing and ultimate recovery on the Mortgage Loan, and likewise on one or more Classes of Certificates.

Prospective investors should consider the possible impact on their investment of any existing REMIC restrictions as well as any potential changes to the REMIC rules.

Tax Consequences Related to Foreclosure

If the Trust were to acquire the Mortgaged Property subsequent to a default on the Mortgage Loan pursuant to a foreclosure or deed in lieu of foreclosure, the Special Servicer would be required to retain an independent contractor to operate and manage the Mortgaged Property. Among other things, the independent contractor would not be able to perform construction work other than repair or maintenance or certain types of tenant build-outs, unless such construction was more than 10% completed when the Mortgage Loan defaulted or when the default became imminent. Generally, any (i) net income from such operation and management, other than qualifying “rents from real property”, (ii) rental income based on the net profits of a tenant or sub-tenant or allocable to a service that is noncustomary in the area and for the type of property involved, or (iii) rental income attributable to personal property leased in connection with the lease of real property, if the rent attributable to the personal property exceeds 15% of the total rent for the taxable year, will subject the Trust REMIC to federal (and possibly state or local) tax on such income at the corporate tax rate (which, as of January 1, 2018, is 21%), thereby reducing net proceeds available for distribution to the Certificateholders. No determination has been made whether any portion of the income from the Mortgaged Property constitutes “rents from real property”. The Trust and Servicing Agreement provides that the Special Servicer will be permitted to cause the Trust REMIC to earn “net income from foreclosure property” that is subject to tax if it determines that the net after-tax benefit to Certificateholders is greater than another method of operating, e.g., net leasing the Mortgaged Property. See “*Certain Federal Income Tax Considerations*” in this Offering Circular. In addition, if the Trust were to acquire the Mortgaged Property pursuant to a foreclosure or deed in lieu of foreclosure, upon acquisition of the Mortgaged Property, the Trust may in certain

jurisdictions be required to pay state or local transfer or excise taxes upon liquidation of such properties. In most cases, the Special Servicer will be required to sell the Mortgaged Property prior to the close of the third calendar year following the year of acquisition of the Mortgaged Property by the Trust. Such state or local taxes may reduce net proceeds available for distribution to the Certificateholders.

In addition, Holders of the Class HRR Certificates that are non-U.S. persons could be subject to United States taxation upon the sale of their Certificates to the extent that the Excess Liquidation Proceeds Option represented by the Class HRR Certificates is deemed to be a “United States Real Property Interest.” It is likely that the Excess Liquidation Proceeds Option is a “United States Real Property Interest.” Non-U.S. persons should consult their tax advisors concerning the consequences of the acquisition, ownership and disposition of the Class HRR Certificates and the tax consequences arising from the Excess Liquidation Proceeds Option.

State and Local Tax Considerations

In addition to the federal income tax consequences described under the heading “*Certain Federal Income Tax Considerations*” in this Offering Circular, potential purchasers should consider the state and local income tax consequences of the acquisition, ownership and disposition of the Certificates. State income tax laws may differ substantially from the corresponding federal law, and this Offering Circular does not purport to describe any aspects of the income tax laws of the state or locality in which the Mortgaged Property is located or of any other applicable state or locality.

It is possible that one or more jurisdictions may attempt to tax nonresident Certificateholders solely by reason of the location in that jurisdiction of the Depositor, the Trustee, the Certificate Administrator, the Borrower or the Mortgaged Property or on some other basis, may require nonresident Certificateholders to file returns in such jurisdiction or may attempt to impose penalties for failure to file such returns; and it is possible that any such jurisdiction will ultimately succeed in collecting such taxes or penalties from nonresident Certificateholders. We cannot assure you that Certificateholders will not be subject to tax in any particular state or local taxing jurisdiction.

If any tax or penalty is successfully asserted by any state or local taxing jurisdiction, none of the Borrower, the Borrower Sponsor, the Depositor, the Servicer, the Special Servicer, the Certificate Administrator, the Trustee or the Operating Advisor will be obligated to indemnify or otherwise to reimburse the Certificateholders therefor.

Potential purchasers should consult their own tax advisors with respect to the various state and local tax consequences of an investment in the Certificates.

CREDIT RISK RETENTION

General

The credit risk retention regulations promulgated pursuant to Section 15G of the Exchange Act (15 U.S.C. §78o-11), as added by Section 941 of the Dodd-Frank Act (the “Credit Risk Retention Rules”) will apply to this securitization. Each Mortgage Loan Seller is a sponsor under the Credit Risk Retention Rules (each, a “Sponsor”). WFB has been designated by the Sponsors to be the retaining sponsor under Rule 3 of the Credit Risk Retention Rules (in such capacity, the “Retaining Sponsor”), and WFB will elect to satisfy its risk retention requirements through the purchase by a “third-party purchaser” of an “eligible horizontal residual interest” (each as defined in the Credit Risk Retention Rules). It is expected that Waikiki Hotel Grand Avenue Partners, LLC will act as the “third-party purchaser” (in such capacity, the “Third Party Purchaser”) by purchasing the Class HRR Certificates set forth in the table below under “—*Material Terms of the Class HRR Certificates*”. See “—*The Third Party Purchaser*” below.

Notwithstanding any references in this Offering Circular to the Credit Risk Retention Rules, Regulation RR, the Retaining Sponsor, the Third Party Purchaser and other risk retention related matters, if the Credit Risk Retention Rules and/or Regulation RR (or any relevant portion thereof) are repealed or determined by applicable regulatory agencies to be no longer applicable to this securitization transaction, none of the Retaining Sponsor, the Third Party Purchaser or any other party will be required to comply with or act in accordance with the Credit Risk Retention Rules or Regulation RR (or such relevant portion thereof).

Qualifying CRE Loans

The Retaining Sponsor has determined that the Mortgage Loan is not a “qualifying CRE loan” as such term is described in the Credit Risk Retention Rules.

Material Terms of the Class HRR Certificates

The Third Party Purchaser is expected to purchase the Class HRR Certificates identified in the table below that comprises the eligible horizontal residual interest for cash on the Closing Date.

Eligible Horizontal Residual Interest

Class of Certificates	Initial Certificate Balance	Fair Value of HRR Certificates (in % and \$) ⁽¹⁾	Purchase Price ⁽²⁾
Class HRR.....	\$16,825,000	5.004% / \$16,744,593	99.5221%

⁽¹⁾ The fair value of the Class HRR Certificates expressed as a percentage of the fair value of all of the Certificates (other than the Class R Certificates) issued by the Trust and as a dollar amount.

⁽²⁾ Expressed as a percentage of the expected initial Certificate Balance of the Class HRR Certificates.

The fair value of the Class HRR Certificates in the above table is equal to approximately \$16,744,593 representing approximately 5.004% of the fair value of all of the Classes of Regular Certificates issued by the Trust.

The Third Party Purchaser is required to retain an eligible horizontal residual interest with a fair value as of the Closing Date of at least \$16,731,843 (representing 5.00% of the aggregate fair value of all the Classes of Regular Certificates), excluding accrued interest.

The approximate fair value of each Class of Regular Certificates based on actual sales prices and final tranche sizes is set forth below:

Class of Certificates	Fair Value
Class A.....	\$ 111,599,281
Class B.....	\$ 36,603,819
Class C.....	\$ 27,155,337
Class D.....	\$ 35,911,197
Class E.....	\$ 56,607,022
Class F.....	\$ 50,015,272
Class HRR.....	\$ 16,744,593
Class P.....	\$ 337

The aggregate fair value of all of the Classes of Regular Certificates is approximately \$334,636,859.

As of the date of this Offering Circular, there are no material differences between (a) the valuation methodology or any of the key inputs and assumptions that were used in calculating the fair value or range of fair values disclosed in the preliminary offering circular under the heading “*Credit Risk Retention*” prior to the pricing of the Certificates and (b) the valuation methodology or the key inputs and assumptions that were used in calculating the fair value set forth above under this “*Credit Risk Retention*” section.

A reasonable time after the Closing Date, the Retaining Sponsor will be required to disclose to, or cause to be disclosed to, Certificateholders the following: (a) the fair value of the Class HRR Certificates that will be retained by the Third Party Purchaser based on actual sale prices and finalized tranche sizes, (b) the fair value of the “eligible horizontal residual interest” (as such term is defined in the Credit Risk Retention Rules) that the Retaining Sponsor is required to retain under the Credit Risk Retention Rules, and (c) to the extent the valuation methodology or any of the key inputs and assumptions that were used in calculating the fair value or range of fair values disclosed in the preliminary offering circular under the heading “*Credit Risk Retention*” prior to the pricing of the Certificates materially differs from the methodology or key inputs and assumptions used to calculate the fair value at the time of closing, descriptions of those material differences. Any such disclosures are expected to be included on the Certificate Administrator’s website on or a reasonable period after the Closing Date.

On any Distribution Date, the aggregate amount available for distributions from the Mortgage Loan, net of specified servicing and administrative costs and expenses, will be distributed to the Certificates in accordance with their respective principal and interest entitlements (beginning with the Class A Certificates, as set forth under “*Description of the Certificates—Payment on the Certificates*”). On any Distribution Date, Realized Losses on the Mortgage Loan will be allocated *first*, to the Class HRR Certificates, *second*, to the Class F Certificates, *third*, to the Class E Certificates, *fourth*, to the Class D Certificates, *fifth*, to the Class C Certificates, *sixth*, to the Class B Certificates, and *seventh*, to the Class A Certificates, in each case until the Certificate Balance of that Class has been reduced to zero. See “*Description of the Certificates—Payment on the Certificates*” in this Offering Circular.

For a description of other material terms of the Class HRR Certificates, see “*Description of the Certificates*” and “*Description of the Trust and Servicing Agreement*” in this Offering Circular.

The Third Party Purchaser

Waikiki Hotel Grand Avenue Partners, LLC, a Delaware limited liability company (the “Third Party Purchaser”), is expected to purchase the Class HRR Certificates. The Third Party Purchaser is a special purpose entity recently formed for the purpose of purchasing the Class HRR Certificates. The Third Party Purchaser is expected to have limited assets and it is not expected that it will purchase or hold CMBS other than the Class HRR Certificates. In addition, one or more affiliates of the Third Party Purchaser is expected to purchase some or all of the Class F Certificates and may purchase additional Certificates.

The Third Party Purchaser is a wholly-owned subsidiary of Oaktree Real Estate Debt Holdings II Ltd. and an affiliate of Oaktree Real Estate Debt Fund II, L.P. and its related parallel funds, which are managed by the Real Estate group of Oaktree Capital Management L.P. (“Oaktree”) pursuant to an investment management agreement. Oaktree is an experienced commercial real estate debt investor. Oaktree’s Real Estate group consists of 54 investment professionals, including 21 managing directors with an average of more than 20 years of investment experience. From the Lehman bankruptcy to September of 2018, Oaktree’s Real Estate group has led \$21.5 billion of real estate investments, \$10.2 billion of which was invested in debt securities and private loans, including \$3.5 billion in CMBS. As of September 30, 2018, Oaktree

Capital Management has \$123.5 billion in assets under management. Oaktree Capital Management is registered as an investment adviser under the U.S. Investment Advisers Act of 1940, as amended.

Hedging, Transfer and Financing Restrictions

The Third Party Purchaser will agree to hedging, transfer and financing restrictions and other restrictions related to its ownership of the Class HRR Certificates consistent with all applicable restrictions that apply to “third party purchasers” under the Credit Risk Retention Rules.

These restrictions will include an agreement by the Third Party Purchaser not to transfer the Class HRR Certificates (which, in the aggregate, are an “eligible horizontal residual interest” for this securitization), until February 20, 2024, except to an MOA of the Third Party Purchaser (in compliance with the Credit Risk Retention Rules). On and after that date, the Third Party Purchaser may transfer the eligible horizontal residual interest to a successor third-party purchaser as long as the Third Party Purchaser satisfies all applicable provisions of the Credit Risk Retention Rules, including providing the Retaining Sponsor with complete identifying information for the successor third-party purchaser and the successor third-party purchaser agreeing to comply with the hedging, transfer, financing and other restrictions applicable to subsequent third-party purchasers (and its affiliates) under the Credit Risk Retention Rules.

The restrictions on hedging, transfer and financing under the Credit Risk Retention Rules will expire on and after (a) the date that is the latest of (i) the date on which the principal balance of the Mortgage Loan has been reduced to 33% of the principal balance of the Mortgage Loan as of the Cut-off Date; (ii) the date on which the total unpaid principal obligations under the Certificates has been reduced to 33% of the aggregate total unpaid principal obligations under the Certificates as of the Closing Date; or (iii) two years after the Closing Date; or (b) subject to the consent of the Retaining Sponsor (which consent may not be unreasonably withheld), the date on which the Credit Risk Retention Rules have been officially repealed or abolished in their entirety or officially determined by the relevant regulatory agencies to be no longer applicable to the transaction or the Class HRR Certificates (the “Risk Retention Period”).

“MOA” means a “majority-owned affiliate” (as defined in the Credit Risk Retention Rules).

Operating Advisor

The Operating Advisor for the transaction is Park Bridge Lender Services LLC, a New York limited liability company (the “Operating Advisor”). As described under “*Description of the Trust and Servicing Agreement—The Operating Advisor*”, the Operating Advisor will, in general and under certain circumstances described in this Offering Circular, have the following responsibilities with respect to the Mortgage Loan:

- review the actions of the special servicer with respect to the Specially Serviced Mortgage Loan;
- review reports provided by the Special Servicer to the extent set forth in the Trust and Servicing Agreement;
- review for accuracy certain calculations made by the Special Servicer; and
- issue an annual report as required under the Trust and Servicing Agreement generally setting forth whether the Operating Advisor believes, in its sole discretion exercised in good faith, that the special servicer is operating in compliance with Accepted Servicing Practices with respect to its performance of its duties under the Trust and Servicing Agreement with respect to Specially Serviced Mortgage Loans.

In addition, if the Operating Advisor determines, in its sole discretion exercised in good faith, that (1) Special Servicer is not performing its duties as required under the Trust and Servicing Agreement or is otherwise not acting in accordance with Accepted Servicing Practices, and (2) the replacement of the Special Servicer would be in the best interest of the Certificateholders as a collective whole, the Operating Advisor will have the right to recommend the replacement of the Special Servicer with respect to the Mortgage Loan. See “*Description of the Trust and Servicing Agreement—The Operating Advisor—Recommendation of the Replacement of the Special Servicer*” and “*—Replacement of the Special Servicer After Operating Advisor Recommendation and Investor Vote*” in this Offering Circular.

Further, after the occurrence and during the continuance of an Operating Advisor Consultation Event, the Operating Advisor will be required to consult on a non-binding basis with the Special Servicer with respect to Asset Status Reports prepared in the event the Mortgage Loan becomes a Specially Serviced Mortgage Loan and with respect to Major Decisions in respect of the Mortgage Loan for which the Operating Advisor has received a Major Decision Reporting

Package. See “*Transaction Parties—The Operating Advisor*” and “*Description of the Trust and Servicing Agreement—The Operating Advisor*” in this Offering Circular.

An “Operating Advisor Consultation Event” will occur when the Certificate Balance of the Class HRR Certificates (taking into account the application of any Appraisal Reduction Amounts to notionally reduce the Certificate Balance of such Class) is 25% or less of the initial Certificate Balance of such Class.

The Certificate Administrator will be required to post a notice of the occurrence or cessation of the Operating Advisor Consultation Event on the Certificate Administrator’s Website and will notify the Operating Advisor promptly after its determination that the Operating Advisor Consultation Event has occurred or ceased to exist.

The Operating Advisor will be entitled to compensation in the form of the Operating Advisor Fee, the Operating Advisor Consulting Fee and reimbursement of any Operating Advisor Expenses. For additional information, see “*Description of the Trust and Servicing Agreement—The Operating Advisor—Operating Advisor Compensation*” in this Offering Circular.

The Operating Advisor is required to be an Eligible Operating Advisor at all times that it is acting as Operating Advisor under the Trust and Servicing Agreement. As a result of the Operating Advisor’s experience and independence as described under “*Transaction Parties—The Operating Advisor*” in this Offering Circular, the representations and warranties being given by the Operating Advisor under the Trust and Servicing Agreement and satisfaction that no payments have been paid by any Special Servicer to the Operating Advisor of any fees, compensation or other remuneration (x) in respect of its obligations under the Trust and Servicing Agreement, or (y) for the appointment or recommendation for replacement of a successor Special Servicer to become the Special Servicer, the Operating Advisor qualifies as an Eligible Operating Advisor under the Trust and Servicing Agreement.

For additional information regarding the Operating Advisor, a description of how the Operating Advisor satisfies the requirements of an Eligible Operating Advisor, a description of the material terms of the Trust and Servicing Agreement with respect to the Operating Advisor’s obligations under the Trust and Servicing Agreement and any material conflicts of interest or material potential conflicts of interest between the Operating Advisor and another party to this securitization transaction, see “*Transaction Parties—The Operating Advisor*” and “*Description of the Trust and Servicing Agreement—The Operating Advisor*” in this Offering Circular.

For further information regarding the Operating Advisor, see “*Transaction Parties—The Operating Advisor*” and “*Description of the Trust and Servicing Agreement—The Operating Advisor*” in this Offering Circular.

Representations and Warranties

Each of the Mortgage Loan Sellers will make the representations and warranties identified on Annex D to this Offering Circular.

DESCRIPTION OF THE MORTGAGED PROPERTY

General

The information set forth in this section is based upon information provided by the Borrower or from third party sources. None of the Depositor, the Trustee, the Certificate Administrator, the Operating Advisor, the Servicer, the Special Servicer, the Initial Purchasers or any of their respective affiliates have made or will make any representation as to the accuracy or completeness of this information.

The collateral securing the Mortgage Loan consists primarily of a first priority mortgage lien on the Borrower’s leasehold interests in a full-service hospitality property located at 2552 Kalakaua Avenue and 155 Ohua Avenue, Honolulu, Hawaii (the “Mortgaged Property”). This section includes certain physical and financial information about the Mortgaged Property.

Ground Leases

The Mortgaged Property is subject to three Ground Leases. Under the terms of the Mortgage Loan, during the continuance of a Cash Sweep Period the Borrower is required to escrow 1/12th of the annual ground rent payable under the Ground Leases on a monthly basis to the extent that the ground rent is not either reserved for by Marriott under the

Management Agreement or otherwise timely paid for by Marriott (or an approved replacement manager) under the Management Agreement. See "*Description of the Mortgage Loan—Reserve Accounts—Ground Lease Reserve Fund*".

The Hotel Parcel Lease, the Bolte Parcel Lease and the Parking Parcel Lease are collectively referred to herein as the "Ground Leases".

Hotel Parcel Ground Lease

General

The largest Ground Lease (the "Hotel Parcel Lease"), encompassing the parcels upon which both the hotel and the parking garage are situated (the "Hotel Parcel"), has an effective date of November 15, 2000. The lessor of the Hotel Parcel is the Liliuokalani Trust (the trustees of the trust are Thomas K. Kaulukukui, Jr., Patrick K.S.L. Yim and Claire L. Asam) (the "Hotel Parcel Ground Lessor"). The lessee of the Hotel Parcel is the Borrower.

Terms and Payments

The Hotel Parcel Lease has a term that expires in 2080 and does not provide the Borrower with an option to extend the term of the Hotel Parcel Lease. The Hotel Parcel Lease commenced on November 15, 2000.

The ground rent under the Hotel Parcel Lease includes a minimum rent equal to \$6,504,585 (\$6,211,881 plus a 4.712% general excise tax). The minimum rent was last increased in 2014 and will increase every five years thereafter through December 31, 2044 by a CPI-based factor calculated by dividing the highest CPI level during the prior 5 year period by highest CPI level from the 5 year period that preceded it (the "CPI Factor"). Thereafter, minimum rent will be determined by a different formula set forth in the Hotel Parcel Lease. Percentage rent is also due and is equal to: (i) 3.5% of gross rooms revenue greater than \$78,101,039, 1.6% of gross food and beverage revenue located on land encumbered by the Hotel Parcel Lease greater than \$16,725,456 plus (ii) 10% of leased income for space leased on land encumbered by the Hotel Parcel Lease. The thresholds for the rooms revenue and food and beverage revenue in clause (i) and clause (ii) of the preceding sentence, respectively, increased in 2014 and will increase every five years thereafter by the CPI Factor. Except in certain circumstances, there is no percentage rent or percentage of leasehold income due after December 31, 2044.

Use, Maintenance, Repair and Redevelopment

Throughout the term of the Hotel Parcel Lease, the Borrower assumes the entire responsibility for all care, maintenance and repair whatsoever in and on the Hotel Parcel and to maintain the Hotel Parcel in good order, condition, maintenance and repair, ordinary wear and tear excepted. While the Hotel Parcel is operated as a hotel, the Borrower is required to operate the hotel in a manner substantially equivalent (or better) in quality, amenities and service to competitive Waikiki hotels. The Hotel Parcel may not be operated as a timeshare or condominium. Therefore, the Borrower will need to obtain the Hotel Parcel Ground Lessor's permission prior completing a Timeshare Transaction as described under "*Description of the Mortgage Loan—Release of the Mortgaged Property*" below. Annually, the Borrower must reserve 5% of gross revenues made from the Hotel Parcel for capital expenditures, FF&E additions and other expenditures. To the extent the Borrower spends more than 5% of gross revenues in any given year, such excess will be credited as payments on a going-forward basis.

Sale, Assignment, Mortgage or Transfer

Pursuant to the Hotel Parcel Ground Lease, the Borrower may not, without the prior written consent of the Hotel Parcel Ground Lessor, mortgage or assign the Hotel Parcel Ground Lease, except that the Borrower is permitted to (i) assign the Hotel Parcel Ground Lease to an affiliate (including in connection with a merger, consolidation or other corporate reorganization of the Borrower) or (ii) provide its interest in the Hotel Parcel Ground Lease as security for leasehold mortgage. The Borrower is also permitted to enter into agreements, licenses and subleases of the Hotel Parcel done in the ordinary course without obtaining the consent of the Hotel Parcel Ground Lessor provided that the term of any such sublease(s) does not exceed the term of the Hotel Parcel Lease.

The Mortgage Lender and any designated agent or trustee (each, a "Mortgagee") (and anyone whose title derives directly or indirectly from the Mortgage Lender or Mortgagee, including a purchaser at any foreclosure sale or assignment in lieu of foreclosure) may, without the Hotel Parcel Ground Lessor's consent, acquire the Borrower's interest in the Hotel Parcel Ground Lease and Hotel Parcel, through foreclosure or assignment in lieu of foreclosure. The Mortgage Lender, or its designee or nominee, may thereafter assign the Hotel Parcel Ground Lease to any party without any requirement for prior notice to or consent by the Hotel Parcel Ground Lessor.

Insurance; Casualty and Condemnation; Application of Proceeds

Pursuant to the Hotel Parcel Ground Lease, the Borrower, at its own cost and expense, is required to obtain and maintain (i) commercial property insurance with respect to the Hotel Parcel and the improvements located thereon in an amount equal to full replacement cost, (ii) commercial general liability coverage with minimum limits of not less than \$2,000,000 combined single limit per occurrence for bodily injury and property damage and a general aggregate policy limit of no less than \$2,000,000, with minimum limits of \$2,000,000 for products and completed operations liability in the aggregate per each policy year, with minimum limits of \$1,000,000 per occurrence for personal and advertising injury, and with minimum limits of \$250,000 per fire for fire legal liability, (iii) business income interruption insurance in an amount sufficient to insure payment of rent and fixed costs for a period of not less than 24 months and (iv) general umbrella liability coverage in an amount not less than \$50,000,000 per policy year.

If the Hotel Parcel is damaged or destroyed or rendered partially untenable for its accustomed use by fire or other casualty, the Borrower may either elect to (i) repair such damage or (ii) terminate the Hotel Parcel Ground Lease if such damage exceeds 30% of the replacement costs of all improvements existing on the Hotel Parcel immediately prior to such casualty. If the Borrower elects to repair such damage, the Borrower will be required to notify the Hotel Parcel Ground Lessor within 60 days after such casualty of its intent to do so and must commence repairs within a reasonable time thereafter and diligently proceed to restore the Hotel Parcel to substantially its condition prior to such casualty (at the latest, within four years from the date of the casualty). If the Borrower elects to terminate the Hotel Parcel Ground Lease, all insurance proceeds with respect to such fire or casualty will be paid first to the Mortgage Lender to pay the balance of the Mortgage Loan.

If any public authority takes the entire Hotel Parcel under the power of eminent domain, then the Hotel Parcel Ground Lease will terminate. All compensation and damages payable for or on account of the land will be payable to the Hotel Parcel Ground Lessor. All compensation and damages payable for or on account of the improvements will be payable to the Mortgage Lender. If the portion of the Hotel Parcel that is taken or condemned is (i) 30% or less of the area of the Hotel Parcel and (ii) does not materially impact the Hotel Parcel or the operation of business then on the premises, the lease will not be terminated and there will be no reduction in rent. Conversely, if the portion of the Hotel Parcel that is taken or condemned is (i) 30% or less of the area of the Hotel Parcel and (ii) does materially impair the Hotel Parcel or the operation of business then on the premises, rent will be reduced by the percentage of decrease in the market value of the Hotel Parcel following such taking or condemnation. If (i) more than 30% of the area of the Hotel Parcel is taken or condemned or (ii) the area taken or condemned render the remaining portion of the Hotel Parcel unsuitable for the Borrower's purposes, the Borrower may, by providing written notice within 60 days after losing possession of such taken or condemned land, surrender the Hotel Parcel Lease or cancel the portion of the Hotel Parcel Lease relating to the condemned premises. If the Borrower surrenders the Hotel Parcel Lease, all compensation and damages payable on account of the land and any improvements not taken or condemned will belong to the Hotel Parcel Ground Lessor, *provided, however,* that if the Borrower's share of the award for improvements actually taken is insufficient to fully satisfy the then-outstanding balances of the Mortgage Loan, the Borrower will be entitled to recover such deficiency out of any award for damages to the improvements not taken or condemned. If the Borrower partially cancels the Hotel Parcel Lease, (i) the rent for the remainder of the term will be reduced by a percentage equal to the reduction of the market value of the Hotel Parcel immediately following such condemnation or taking and (ii) any compensation and damages payable for or on account of the improvements constructed on the land will be paid first to the Mortgage Lender.

Default

In the event that the Borrower (i) defaults in the payment of any sum of money required to be paid pursuant to the Hotel Parcel Lease and such default continues for 30 days, (ii) defaults in the performance of any other provision, covenant or condition of the Hotel Parcel Lease on the part of the Borrower to be kept and performed and such default continues for 30 days after written notice thereof from the Hotel Parcel Ground Lessor to the Borrower, subject to certain exceptions, (iii) attempts to assign the Hotel Parcel Lease or sublet or part with possession of the whole or any part of the Hotel Parcel in violation of the Hotel Parcel Lease and such default continues for 30 days, (iv) vacates or abandons the Hotel Parcel or the Hotel Parcel Lease, (v) becomes bankrupt or insolvent, (vi) if the Borrower, outside the federal bankruptcy law, seeks an arrangement, composition, postponement or reduction of the Borrower's obligations or, without the Hotel Parcel Ground Lessor's prior written consent which consent the Hotel Parcel Ground Lessor may arbitrarily withhold, makes an assignment in lieu of foreclosure or otherwise for the benefit of creditors, (vii) if any mechanic's or materialmen's lien attaches to the Hotel Parcel or the Borrower's estate or interest therein and is not discharged or released or a bond for the payment of such lien is not issued within thirty (30) days after the entry of any judgment or order by a court of competent jurisdiction for the foreclosure or other enforcement of such lien or (viii) if the Borrower fails to operate the hotel in a manner substantially equivalent (or better) in quality, amenities and service to competitive Waikiki hotels, then the Hotel

Parcel Ground Lessor will have the right to terminate (upon at least thirty (30) prior written notice) the Hotel Parcel Lease, in addition to any other rights or remedies provided by the Hotel Parcel Lease or by law.

In the event the Borrower fails to cure a default under the Hotel Parcel Lease within the time permitted therein, the Mortgage Lender will be permitted to cure such default and the Hotel Parcel Ground Lessor will accept such cure as if the same had been made by the Borrower. The Mortgage Lender will have the same cure period afforded to the Borrower under the Hotel Parcel Lease plus an additional period of 15 days in the case of nonpayment of rent under the Hotel Parcel Lease and an additional 30 days in the case of all other defaults. If, in order to cure any such default, the Mortgage Lender needs possession or control of the Hotel Parcel, the Hotel Parcel Ground Lessor has agreed not to terminate the Hotel Parcel Lease until the Mortgage Lender has had a reasonable opportunity to foreclose or take other actions necessary or appropriate to acquire possession of and control over the Hotel Parcel, *provided* that the Mortgage Lender continues to make any rent payments due under the Hotel Parcel Lease.

Bolte Parcel Ground Lease

General

The Mortgaged Property is also subject to a ground lease (the “Bolte Parcel Lease”) with a group of individuals and trusts, as successors in interest to Bishop Trust Company, Limited, as trustee under a trust made by C. Bolte dated April 15, 1919 (collectively, the “Bolte Parcel Ground Lessor”) as successors in interest to Bishop Trust Company, Limited, as trustee under a trust made by C. Bolte dated April 15, 1919. The land subject to the Bolte Parcel Lease (the “Bolte Parcel”) is located at the corner of Kalakaua Avenue and Ohua Avenue. An affiliate of the Borrower has acquired a non-controlling interest in the Bolte Parcel Ground Lessor under the Bolte Parcel Lease. The lessee of the Bolte Parcel is the Borrower.

Terms and Payments

The Bolte Parcel Lease commenced April 1, 1968 and expires on December 31, 2050, with no extension options.

Rent due for the Bolte Parcel Lease is equal to the greater of (i) minimum rent and (ii) percentage rent (15% of the gross sales from the Bolte Parcel if such outlet is operated by the Borrower, 40% of gross annual sublease and concession rentals received by the Borrower from the first floor of any building located on the Bolte Parcel, 25% of the gross annual sublease and concession rentals received by the Borrower from the second floor of any building located on the Bolte Parcel and 20% of gross annual sublease and concession rentals received by the Borrower on all other floors of any building located on the Bolte Parcel) less the amount of minimum rent. The Borrower is required to make quarterly payments in the amount of 25% of the estimated percentage rent for the calendar year. The minimum rent through December 31, 2017 was \$37,500 per month (\$450,000 per year). Under the Bolte Parcel Lease, on January 1, 2018 negotiations between the Borrower and the Bolte Parcel Ground Lessor commenced to agree upon minimum rent for the period of January 1, 2018 through January 1, 2028. However, the Borrower and the Bolte Parcel Ground Lessor are still negotiating the new minimum rent. In connection with such ground rent reset, the Mortgage Loan Agreement provides that the Mortgage Lender will be deemed to have approved such ground rent reset so long as such rental rate is not more than \$1,245,000 *per annum*. See “*Risk Factors—Risks Related to the Ground Leases*”.

Use, Maintenance and Repair

The Borrower is not permitted to make an improper or offensive use of the Bolte Parcel and must not cause any waste. The Borrower may not use the Bolte Parcel for the unlawful storage, sale, keeping for sale or barter of any intoxicating liquor or narcotics. The Borrower is responsible for keeping the Bolte Parcel, including the sewers, sidewalks, drains, water and gas plumbing, piping and fixtures, electric wiring and fixtures, and all other fixtures in good order and repair, reasonable wear and tear excepted. The Borrower may not move, damage, deface or tear down any building or other improvement now or hereafter placed upon the Bolte Parcel, or make any building alterations or additions without the prior written consent of the Bolte Parcel Ground Lessor; *provided* that the Borrower may make such replacements and repairs as may be necessitated by wear and tear, and may make alterations or additions not costing in excess of \$5,000 without obtaining the prior written consent of the Bolte Parcel Ground Lessor.

Sale, Assignment, Mortgage or Transfer

Pursuant to the Bolte Parcel Lease, the Borrower may not, without the prior written consent of the Bolte Parcel Ground Lessor, mortgage or assign the Bolte Parcel Lease or sublet any portion of or the entire Bolte Parcel, *provided* that the Bolte Parcel Ground Lessor will consent to a mortgage for the purpose of financing the construction of the buildings required by the Bolte Parcel Lease. The Bolte Parcel Ground Lessor has consented in writing to the Mortgage Loan encumbering the

Bolte Parcel. The Borrower is also permitted to sublease portions of the Bolte Parcel in the ordinary course and conduct of the Borrower's business on the demised premises without obtaining the consent of the Bolte Parcel Ground Lessor.

The Mortgage Lender and any Mortgagee may, without the Bolte Parcel Ground Lessor's consent, acquire the Borrower's interest in the Bolte Parcel Lease and the Bolte Parcel, in any lawful way. The Mortgage Lender may then sell or assign the Bolte Parcel Lease and the portion of the Mortgaged Property thereon, or may sublet the Bolte Parcel in whole, with the Bolte Parcel Ground Lessor's consent.

Insurance; Casualty and Condemnation; Application of Proceeds

The Borrower, at its own cost and expense, is required to obtain and maintain comprehensive general liability insurance with respect to the Bolte Parcel with (i) minimum limits of not less than \$500,000 for personal injury and (ii) minimum limits of not less than \$50,000 for injury to property. The Bolte Parcel Lease also requires that fire coverage be maintained for the full insurable value of the improvements on the Bolte Parcel.

Unless the buildings and improvements on the Bolte Parcel are damaged or destroyed during the last ten years of the term on the Bolte Parcel Lease, the Borrower must rebuild or replace and repair said buildings and improvements. If, following any damage to or destruction of the buildings or improvements on the Bolte Parcel, the Borrower is unable to rebuild, reinstate, replace or repair said buildings or improvements or the Borrower surrenders the Bolte Parcel Lease for any reason, the Mortgage Lender may apply any insurance proceeds towards the balance of the Mortgage Loan.

In the event the entire Bolte Parcel is taken or condemned, the interest of the Borrower in the Bolte Parcel will cease and the Borrower will not be entitled to any claim against the Bolte Parcel Ground Lessor for compensation or indemnity for the taking of any land or improvements thereon other than for any buildings erected after the Bolte Parcel Lease was executed, and all compensation payable will be payable to and be the sole property of Bolte Parcel Ground Lessor. The Borrower can make a separate claim to the condemning authority for compensation for the condemnation of the leasehold interest and for any damages to its business on the Bolte Parcel or for any cost or loss to Borrower in altering any improvements or removing equipment and fixtures by reason of the taking, so long as such action or payment of compensation does not affect or diminish the compensation payable to Bolte Parcel Ground Lessor. In the event of a partial condemnation that does not render the remaining portion of the Bolte Parcel unfit for the Borrower's purposes, the rent under the Bolte Parcel Lease will be reduced in proportion to the percent of land area taken.

Default

In the event that (a) the Borrower fails to pay rent within 15 days after the same becomes due, (b) the Borrower fails to observe or perform faithfully any other covenant or agreement set forth in the Bolte Parcel Lease and such default continues for 30 days after the mailing of a notice of default, (c) the Borrower becomes bankrupt or insolvent, makes an assignment for the benefit of creditors or takes similar action, or (d) the Borrower abandons the Bolte Parcel or suffers the Bolte Parcel Lease or any estate or interest thereunder to be taken under any writ of execution unless, within 30 days from the issuance thereof, but in any event prior to any sale thereto, the Borrower either (i) causes such writ to be removed or (ii) posts a bond and obtains a stay thereof (and promptly upon the expiration of the effectiveness of such stay, causes such writ to be removed), then the Bolte Parcel Ground Lessor will have the right to terminate the Bolte Parcel Lease, in addition to any other rights or remedies provided by the Bolte Parcel Lease or by law.

The Mortgage Lender will have two months from receipt of the notice of default to cure such default (and, with respect to non-monetary defaults, the Mortgage Lender will have such additional time as needed to take possession of the Bolte Parcel so long as the Mortgage Lender proceeds promptly with due diligence to remedy the default). The Bolte Parcel Ground Lessor will accept such cure as if the same had been made by the Borrower.

Parking Parcel Ground Lease

General

The third Ground Lease dated April 1, 1976 (as amended, the "Parking Parcel Lease") is also leased by the Lili'uokalani Trust (the "Parking Parcel Ground Lessor") and covers the Parking Parcel that includes the hotel's surface parking lot located across Ohua Avenue from the lobby (the "Parking Parcel"). The lessee of the Parking Parcel is the Borrower.

Terms and Payments

The Parking Parcel Lease expires on December 31, 2028, but the Hotel Parcel Lease includes an option for the Parking Parcel to be added to the Hotel Parcel Lease upon such termination, subject to a readjustment in rent under the Hotel Parcel Lease and certain other terms. Under the terms of the Mortgage Loan Agreement, the Borrower is required to exercise its option to include the Parking Parcel as part of the Hotel Parcel Lease.

Rent due for the Parking Parcel Lease was equal to \$785,340 (\$750,000 plus a 4.712% general excise tax) per year until November 30, 2018. Thereafter, rent will be determined by mutual agreement of the parties or, if the parties are unable to agree, by an arbitration board consisting of three impartial real estate appraisers; *provided* that, in no event, will rent be less than the fair market value of the Parking Parcel based on the highest and best use of the Parking Parcel permitted from time to time under applicable zoning laws and regulations, multiplied by the then-prevailing rate of return on similar property in the community (but no less than 6%). In addition, rent will not be less than \$90,000 per annum or less than the rent for the immediately preceding period (which, for the avoidance of doubt is currently equal to \$750,000 per year (exclusive of the 4.712% general excise tax)). The Parking Parcel Ground Lessor and the Borrower are currently negotiating ground rent for the period from December 1, 2018 to December 1, 2028. In connection with such ground rent reset, the Mortgage Loan Agreement provides that the Mortgage Lender will be deemed to have approved such ground rent reset so long as such rental rate is not more than \$2,400,000 *per annum*. See "*Risk Factors—Risks Related to the Ground Leases*". See also "*Risk Factors—Increased Operating Expenses Can Adversely Affect the Availability of Property Revenues Sufficient for Timely Payment of the Mortgage Loan*".

Use, Maintenance and Repair

Throughout the term of the Parking Parcel Lease, the Borrower is not permitted to make or suffer any waste or strip or unlawful, improper or offensive use of the Parking Parcel, or any part thereof, including improvements. The Borrower may not move, damage, deface or tear down any building or other improvement now or hereafter placed upon the premises, or make any building alterations or additions, interior or exterior, without the prior written consent of the Parking Parcel Ground Lessor; provided that the Borrower may make such replacements of and repair to the same as may be necessitated by wear and tear, and may make alterations or additions not costing in excess of \$10,000 without obtaining the prior written consent of the Parking Parcel Ground Lessor.

Sale, Assignment, Mortgage or Transfer

Pursuant to the Parking Parcel Ground Lease, the Borrower may not, without the prior written consent of the Parking Parcel Ground Lessor, mortgage or assign the Parking Parcel Lease or sublet the whole or any portion of the Parking Parcel; *provided* that the Parking Parcel Ground Lessor will consent to a mortgage or mortgages for the purposes of financing the construction of the building or other improvements to responsible financial institutions. The Parking Parcel Ground Lessor has consented in writing to the Mortgage Loan encumbering the Parking Parcel. The Borrower is also permitted to sublease portions of the Parking Parcel in the ordinary course and conduct of the Borrower's business on the demised premises without obtaining the consent of the Parking Parcel Ground Lessor.

The Mortgage Lender and any Mortgagee (and anyone whose title derives directly or indirectly from the Mortgage Lender or Mortgagee, including a purchaser at any foreclosure sale or assignment in lieu of foreclosure) may, without the Parking Parcel Ground Lessor's consent, acquire the Borrower's interest in the Parking Parcel Ground Lease and Parking Parcel, in any lawful way. The Mortgage Lender may then sell or assign the Parking Parcel Ground Lease and the portion of the Mortgaged Property thereon, or may sublet the Parking Parcel in whole, with the Parking Parcel Ground Lessor's consent, which may not be unreasonably or arbitrarily withheld.

Insurance; Casualty and Condemnation; Application of Proceeds

Pursuant to the Parking Parcel Lease, the Borrower, at its own cost and expense, is required to obtain and maintain comprehensive general liability insurance with respect to the Parking Parcel commercial general liability coverage (i) with minimum limits of not less than \$500,000 combined single limit per occurrence for bodily injury and personal injury and (ii) with minimum limits of not less than \$50,000 for injury to property. The Parking Parcel Lease also requires that fire coverage be maintained for the replacement cost of any buildings or other improvements on the Parking Parcel.

Unless the buildings and improvements on the Parking Parcel are damaged or destroyed during the last ten (10) years of the term on the Parking Parcel Lease, the Borrower must rebuild or replace and repair said buildings and improvements. If following any damage to or destruction of the buildings or improvements on the Parking Parcel, for any reason the

Borrower is unable to rebuild, reinstate, replace or repair said buildings or improvements or the Borrower surrenders the Parking Parcel Lease, the Mortgage Lender may apply any insurance proceeds towards the balance of the Mortgage Loan.

In the event the whole of the Parking Parcel is taken or condemned, the interest of the Borrower in the Parking Parcel will cease and the Borrower will not be entitled to any claim against the Parking Parcel Ground Lessor for compensation or indemnity for the taking of any land or improvements thereon other than for any buildings erected after the date of the Parking Parcel Ground Lease, and all compensation payable will be payable to and be the sole property of Parking Parcel Ground Lessor, provided that the Borrower has the right to claim and recover from the condemning authority, but not from Parking Parcel Ground Lessor, such compensation as may be separately recoverable by the Borrower in its own right for any damages to its business on the Parking Parcel or for any cost or loss to the Borrower in altering any improvements or removing equipment and fixtures by reason of the taking, so long as such action or payment of compensation does not affect or diminish the compensation payable to Parking Parcel Ground Lessor. In the event of a partial condemnation that does not render the remaining portion of the Parking Parcel unfit for the Borrower's purposes, the rent under the Parking Parcel Lease will be reduced to the extent that the value of the property for the purposes of the Parking Parcel Lease is diminished.

Default

In the event that (a) the Borrower fails to pay rent within 15 days after the same becomes due, (b) the Borrower fails to observe or perform faithfully any other covenant or agreement set forth in the Parking Parcel Lease and such default continues for 30 days after the mailing of a notice of default, (c) the Borrower becomes bankrupt or insolvent, makes an assignment for the benefit of creditors or takes similar action, or (d) the Borrower abandons the Parking Parcel or suffer the Parking Parcel Lease or any estate or interest thereunder to be taken under any writ of execution unless, within 30 days from the issuance thereof, but in any event prior to any sale thereto, the Borrower either causes such writ to be removed or posts a bond and obtains a stay thereof (and promptly upon the expiration of the effectiveness of such stay, causes such writ to be removed, then the Parking Parcel Ground Lessor will have the right to terminate the Parking Parcel Lease, in addition to any other rights or remedies provided by the Parking Parcel Lease or by law.

In the event the Borrower fails to cure a default under the Parking Parcel Lease within the time permitted therein, the Mortgage Lender will have ninety (90) days from receipt of the notice of default to cure such default (and, with respect to non-monetary defaults, the Mortgage Lender will have such additional time as needed to take possession of the Parking Parcel so long as the Mortgage Lender proceeds promptly with due diligence to remedy the default). The Parking Parcel Ground Lessor will accept such cure as if the same had been made by the Borrower.

Third Party Reports

Appraisal: Cushman & Wakefield Western, Inc. prepared an appraisal with respect to the Mortgaged Property that determined a "market value as-is" for the Mortgaged Property of \$700,700,000. The Appraisal was prepared in accordance with the Uniform Standards of Professional Appraisal Practice and the Financial Institutions Reform, Recovery and Enforcement Act and is based on estimates, assumptions and other limiting factors. The appraisal does not rely on hypothetical conditions but does include the value of the Parking Parcel. The appraisal determined a "market value as-is" for the Mortgaged Property excluding the Parking Parcel of \$696,200,000. The appraisal's as-of date with respect to the Mortgaged Property is October 3, 2018. You are encouraged to review the appraisal report in its entirety. See "*Risk Factors—Appraisals and Inspections Are Not Guarantees of the Value or Condition of the Mortgaged Property*" in this Offering Circular.

Engineering Report: EMG Corporation prepared a property condition assessment dated November 1, 2018 with respect to the Mortgaged Property. No significant problems with the conditions of the Mortgaged Property were reported. You are encouraged to review the engineering report in its entirety. See "*Risk Factors—Appraisals and Inspections Are Not Guarantees of the Value or Condition of the Mortgaged Property*" in this Offering Circular.

Environmental Assessment: EMG Corporation prepared an ESA dated October 25, 2018 with respect to the Mortgaged Property. The ESA did not note any recognized environmental conditions, nor did it make any recommendation for further action. You are encouraged to review the environmental report in its entirety. See "*Risk Factors—Appraisals and Inspections Are Not Guarantees of the Value or Condition of the Mortgaged Property*" in this Offering Circular.

Copies of Third Party Reports: A copy of the appraisal, the property condition report and the environmental report for the Mortgaged Property will be made available for review on the Depositor's website at www.intralinks.com until February 20, 2019. Following such date, you may contact your Initial Purchasers' sales representative to obtain access to the appraisal. Investors are encouraged to review the Third Party Reports in their entirety.

The appraisal, the property condition report and the environmental report for the Mortgaged Property (the “Third Party Reports”) were prepared prior to the date of this Offering Circular. Accordingly, the information included in the Third Party Reports may not reflect the current economic, competitive, market and other conditions with respect to the Mortgaged Property. In addition, the information in the Third Party Reports has not been independently verified by the Depositor, the Mortgage Loan Sellers, the Initial Purchasers, the Servicer, the Special Servicer, the Operating Advisor, the Certificate Administrator or the Trustee, and none of them makes any representations or warranties about such information. Investors are responsible for performing their own due diligence and investigation with respect to the information contained in the Third Party Reports. The Third Party Reports do not appear elsewhere in paper form in this Offering Circular and must be reviewed and considered together with the information contained elsewhere in this Offering Circular. All of the information contained in the Third Party Reports is subject to the same limitations and qualifications contained in this Offering Circular.

For additional information with respect to the Mortgaged Property see Annex G to this Offering Circular.

For a description of the Mortgaged Property, the related markets, sources and uses with respect to the Mortgage Loan see Annex G to this Offering Circular.

Certain Definitions and Column Headings

Certain characteristics of the Mortgage Loan and Property, in each case, as of the Cut-off Date unless otherwise indicated, are set forth on Annex A and on the tables in this Offering Circular. The statistics and other data in Annex A and in such tables were derived from information primarily provided by the Borrower, the Borrower Sponsor, the Property Manager and the appraiser, which information may have been obtained without independent verification. For purposes of this Offering Circular:

“ADR” means average daily rate.

“Annual Debt Service” means the aggregate interest payments scheduled to be due on the Mortgage Loan Payment Date following the Cut-off Date and the 11 Mortgage Loan Payment Dates thereafter.

“Annual Mortgage Loan Debt Service” means the annual debt service amount calculated based on a floating interest rate of LIBOR plus 2.0500% *per annum*.

“Appraised Value” means the appraised value of the Mortgaged Property as set forth in the appraisal prepared by the Appraiser for the Property, dated November 9, 2018, which value is based on certain assumptions set forth in the appraisal, which may include future events. The Appraised Value reflects the “as-is” value as of October 3, 2018. The appraisal does not rely on hypothetical conditions but does include the value of the Parking Parcel. The appraisal determined a “market value as-is” for the Mortgaged Property excluding the Parking Parcel of \$696,200,000. See “*Risk Factors—Appraisals and Inspections Are Not Guarantees of the Value or Condition of the Mortgaged Property*” in this Offering Circular. Investors should review the appraisal, a copy of which is available in electronic format on the Depositor’s website at www.intralinks.com.

“ADR” means average daily rate.

“Appraiser” means Cushman & Wakefield Western, Inc.

“CapEx” means capital expenditures.

“Cut-off Date Balance” means the unpaid principal balance of the Mortgage Loan, as of the Cut-off Date, after application of all payments due on or before that date, whether or not received.

“FF&E” means repair and/or replacement of the furnishings, fixtures, equipment and other items, underwritten to 4% of Gross Revenues as required by the Management Agreement.

“GAAP” means United States generally accepted accounting principles, as may be in effect from time to time.

“Net Operating Income” means, for any given period (ending on the “NOI Date”), the total operating revenues derived from a Mortgaged Property during that period, minus the total operating expenses incurred in respect of that Mortgaged Property during that period other than:

- non-cash items such as depreciation and amortization,
- capital expenditures, and
- debt service on the related Mortgage Loan

“RevPAR” means revenue per available room.

“Underwritten NCF Debt Yield” or “Cut-off Date UW NCF Debt Yield” means the Underwritten Net Cash Flow divided by the Cut-off Date Balance of the Mortgage Loan.

“Underwritten Net Cash Flow” or “UW NCF” means the Mortgage Loan Sellers’ estimation of cash flow available for debt service, equal to \$31,942,292 calculated based on the various underwriting assumptions. See “*Annex G—Additional Information Regarding the Property*” “*Risk Factors—Risks Relating to Underwritten Net Cash Flow and Underwritten Net Operating Income*” in this Offering Circular.

“Underwritten Net Cash Flow Debt Service Coverage Ratio” or “UW NCF DSCR” means the ratio of the Underwritten Net Cash Flow for the Mortgaged Property to the Annual Debt Service as shown on Annex A to this Offering Circular. The Underwritten Net Cash Flow Debt Service Coverage Ratio for the Mortgage Loan was calculated based on the sum of the first 12 interest payments that will be due following the Cut-off Date.

“Underwritten Net Operating Income” or “UW NOI” means the Mortgage Loan Sellers’ estimation of effective gross income less total expenses, calculated based on the various underwriting assumptions. See “*Annex G—Additional Information Regarding the Property*” and “*Risk Factors—Risks Relating to Underwritten Net Cash Flow and Underwritten Net Operating Income*” in this Offering Circular.

“Underwritten NOI Debt Yield” or “Cut-off Date UW NOI Debt Yield” means the Underwritten Net Operating Income divided by the Cut-off Date Balance of the Mortgage Loan.

DESCRIPTION OF THE BORROWER AND RELATED PARTIES

General

The organizational structure of the Borrower as of the Origination Date is set forth on “*Annex H—Organizational Structure of the Borrower*” in this Offering Circular.

Borrower and Borrower Sponsor

W2005 WKI Realty, LLC, a Delaware limited liability company (the “Borrower”) is a special purpose entity that is indirectly owned and controlled by Atrium WKI Holding LLC (the “Borrower Sponsor”) (an affiliate of Atrium Holding Company).

The Borrower is organized for the primary purpose of (a) performing its obligations under the Ground Lease and engaging in the transactions contemplated by the Ground Lease, (b) acquiring, holding, maintaining, operating, entitling, improving, developing, rehabilitating, constructing vertical improvements on, exchanging, leasing, selling and otherwise using the Mortgaged Property for profit, (c) borrowing money and issuing evidence of indebtedness in furtherance of any of the foregoing objections, and (d) doing any and all other acts that are incidental or necessary to accomplish the foregoing. The Borrower will not have significant assets other than the Mortgaged Property that it owns.

Atrium Holding Company (“Atrium”) and its affiliates are owners and operators of full-service hotels in the United States. With offices in New York, Phoenix and Atlanta, Atrium owns, among other hospitality and real estate interests, 74 hotels located in 29 states and containing approximately 19,400 keys. Atrium Hospitality LP, Atrium’s affiliated hotel management company, directly manages 73 of these hotels. Atrium’s hotel portfolio includes hotels branded under Hilton, Marriott, and IHG. Atrium’s principals, Jonathan Eilian and Ron Brown, have experience as hotel owners and managers. Mr. Eilian was an original partner of Starwood Capital Group during the formation and growth of Starwood Hotels and Resorts Worldwide, Inc. Mr. Brown was the CFO of Starwood Hotels for nine years, and prior to that, President of Doubletree Hotels.

Neither the Mortgage Loan nor the Certificates represent indebtedness or obligations of Atrium, the Borrower, the Borrower Sponsor, the Mortgage Loan Sellers, the Initial Purchasers or the Depositor.

DESCRIPTION OF THE MANAGEMENT AGREEMENT AND ASSIGNMENT OF MANAGEMENT AGREEMENT

General

Under the terms of the Management Agreement, the Property Manager is required to manage the Mortgaged Property according to the written specifications, standards and requirements set forth in the operating manual issued from time to time by the Property Manager or its affiliates setting out the Property Manager's services and the policies, practices and standards of convention hotels for hotel operations, identification, advertising and accounting (the "Brand Standards").

Compensation

The Property Manager receives the following management fees:

- (a) a management fee equal to (i) 3.0% of the gross revenues (as calculated under the Management Agreement) from operation of the Mortgaged Property for each fiscal year during the term of the Management Agreement less (ii) 1.0% of the total amount of rent received by the Property Manager from retail or restaurant spaces in excess of the Rental Revenue Threshold (the "Base Fee"); and
- (b) an incentive fee, equal to 15% of operating profit in excess of the Owner's Priority (the "Incentive Fee").

The operating profit will be distributed to the Borrower and the Property Manager in the following order of priority: (i) the Borrower will receive an amount equal to the Owner's Priority, (ii) the Property Manager will receive an amount equal to the Incentive Fee and (iii) any remaining balance will be paid to the Borrower. There is no minimum amount for the Base Fee or Incentive Fee.

In connection with the Required Renovation Work, the Management Agreement allows the Borrower to deduct a portion of the Borrower's capital invested into the Manager FF&E Account (defined below) against operating profit for purposes of the calculation of the Incentive Fee. See "Renovation" below.

"Rental Revenue Threshold" means, an amount calculated for each fiscal year, as adjusted for inflation in accordance with the terms of the Management Agreement. The initial Rental Revenue Threshold value in July 2001 was \$2,100,000.

"Owner's Priority" means, an amount, calculated for each full fiscal year (and prorated for any partial fiscal year), equal to the sum of (i) \$24,000,000 plus (ii) 11.5% of certain capital expenditures for the fiscal year.

In addition to the management fees described above, the Property Manager is required to be reimbursed for costs and expenses it incurred in connection with its operation of the Mortgaged Property including employment costs of hotel personnel.

Accounting Matters

If there is an operating loss for any given accounting period, the Borrower must provide additional funds to cover the amount of the loss within 30 days of receiving written notice of the operating loss from the Property Manager. Should the Borrower fail to fund the operating loss within such 30 day period, the Property Manager may withdraw an amount to cover the loss from future distributions of funds due to the Borrower, so long as the Property Manager notifies the Owner of such an intent in writing.

Casualty and Condemnation

If the Mortgaged Property is substantially damaged (defined as the total cost of repairing or replacing the damaged portion of the Mortgaged Property to its original condition being in excess or equal to the Major Casualty Threshold Amount) by fire or other casualty, the Management Agreement may be terminated by the Borrower or Property Manager upon 90 days' written notice given within 30 days after such substantial damage. If the Mortgaged Property is minimally damaged (as defined as the cost of repairing or replacing the damaged portion of the Mortgaged Property not exceeding the Minor Casualty Threshold Amount) the Property Manager is required to process all claims with applicable insurers and to organize the repair of the damaged portion of the Mortgaged Property. If the Mortgaged Property is damaged in excess

of the Minor Casualty Threshold Amount but less than the Major Casualty Threshold Amount then the Borrower is obligated to repair the Mortgaged Property to the extent of available insurance proceeds (plus the amount of any applicable deductibles). Subject to certain conditions in the Management Agreement, the Borrower failing to promptly commence and complete such repairs is an event of default under the Management Agreement.

“Major Casualty Threshold Amount” means, 30% of the total replacement cost of the Mortgaged Property.

“Minor Casualty Threshold Amount” means, an amount calculated for each fiscal year, as adjusted for inflation in accordance with the terms of the Management Agreement. The initial Minor Casualty Threshold Amount value in July 2001 was \$10,000,000.

If, on a permanent basis, (i) all or substantially all of the Mortgaged Property is taken through the exercise of the power of eminent domain, condemnation, compulsory acquisition or similar proceeding or (ii) a portion of the Mortgaged Property is so taken and it would be unreasonable to continue to operate the Mortgaged Property in accordance with the Management Agreement, then the Management Agreement will be terminated.

Termination

The initial term of the Management Agreement will expire on December 31, 2027. The Management Agreement will subsequently automatically renew for five ten-year terms (each, a “Renewal Term”), unless, with respect to any such Renewal Term, the Property Manager provides at least one year written notice of its intention not to renew the Management Agreement. The Borrower has the right to terminate the Management Agreement if, with respect to any two consecutive fiscal years, (a) Operating Profit (as adjusted in accordance with the terms of the Management Agreement) is less than the applicable Performance Termination Threshold (provided that, for purposes of the foregoing calculation the amount of impositions deducted to calculate Operating Profit must not exceed \$2,380,000, as adjusted for inflation in accordance with the Management Agreement), (b) the Revenue Index of the Mortgaged Property for each of such fiscal years is less than the Revenue Index Threshold and (c) the fact that the Mortgaged Property has not met the tests under clauses (a) and (b) is not the direct result of (x) force majeure, (y) any major renovation of the Mortgaged Property or (z) any default of the Borrower under the Management Agreement. The Property Manager has the right, upon the Borrower’s written notice to terminate the Property Manager in connection with failure to meet the test described in the preceding sentence, within 45 days of receipt of such notice to avoid such termination by payment of the amount by which the Operating Profit in each of the fiscal years in question was less than the Performance Termination Threshold for such fiscal years (the “Cure Payment”). The Property Manager may only exercise the right to make a Cure Payment three times during the initial term of the Management Agreement and twice during each of the Renewal Terms. The Borrower has no right to terminate the Property Manager if the Property Manager, or any of its affiliates, (i) are providing, or are liable under, any credit enhancement, loan or other funding with respect to the Mortgaged Property or (ii) maintain an equity interest in the Borrower or its parent.

The Borrower and the Property Manager have the right to terminate the Management Agreement by written notice to the defaulting party upon the occurrence of certain conditions or events constituting defaults under the Management Agreement (the “Property Management Agreement Events of Default”) if such Property Management Agreement Events of Default have a material adverse impact on the non-defaulting party. Property Management Agreement Events of Default include: (a) the filing of a voluntary petition of bankruptcy or insolvency or a petition for reorganization under any bankruptcy law by either party, or the admission by either party that it is unable to pay its debts as they become due, (b) the consent to an involuntary petition in bankruptcy or the failure to vacate, within 90 days from the date of entry thereof, an order approving an involuntary petition by either party, (c) the entering of an order, judgment or decree by any court of competent jurisdiction, on the application of a creditor, adjudicating either party as bankrupt or insolvent or approving a petition seeking reorganization or appointing a receiver, trustee, or liquidator of all or a substantial part of such party’s assets, and such order, judgement or decree’s continuing unstayed and in effect for an aggregate of 60 days (whether or not consecutive), (d) the failure of either party to make any payment required to be made in accordance with the terms of the Management Agreement, as of the due date as specified in the Management Agreement, (e) the failure of either party to perform, keep or fulfill any of the other covenants, undertakings, obligations or conditions set forth in the Management Agreement, and the continuance of such failure for a period of 30 days after the defaulting party’s receipt of written notice from the non-defaulting party of said failure and (f) the failure either party to maintain the insurance required to be maintained by such party pursuant to the Management Agreement.

The Property Manager has the right to terminate the Management Agreement, upon 120 days written notice in the event a legal requirement, including an order, judgment or directive by a court or administrative body, is issued in connection with any litigation involving the Borrower that materially and adversely restricts or prevents the Property Manager from operating the Mortgaged Property in accordance with the Brand Standards.

“Performance Termination Threshold” means, an amount, calculated per full fiscal year, equal to 9.5% of the sum of (i) the \$215,000,000 plus (ii) the amount of all capital expenditures funded by the Borrower pursuant to the Management Agreement.

“Revenue Index” means, a fraction equal to (i) the revenue per available room for the Mortgaged Property, divided by (ii) the average revenue per available room for the hotels in the competitive set identified in the Management Agreement.

“Revenue Index Threshold” means, 85/100 (subject to adjustments made by the mutual consent of the Borrower and the Property Manager should a new hotel’s entrance into the competitive set identified in the Management Agreement cause significant variations in the Revenue Index).

Assignment of the Management Agreement

The Property Manager may not assign its interest in the Management Agreement without the prior written consent of the Borrower except to (a) any affiliate of the Property Manager, (b) assign its interest in the Management Agreement in connection with a merger or consolidation or a sale of all or substantially all of the assets of the Property Manager or Marriott International, Inc. and (c) assign its interest in the Management Agreement in connection with a merger or consolidation or a sale of all or substantially all of the assets operated under the Marriott brand owned by the Property Manager, Marriott International, Inc. or any affiliate thereof. The prohibition on assignment of the Property Manager’s interest in the Management Agreement does not apply to the Property Manager leasing shops or concessions at the Mortgaged Property so long as the terms for such leases do not exceed the term of the Management Agreement.

Management Services

The Property Manager has the sole and exclusive right and obligation to manage and operate the Mortgaged Property pursuant to the terms of the Management Agreement and the Property Manager agreed to manage and operate the Mortgaged Property in accordance with the Brand Standards. In connection therewith, the Property Manager will have the authority and responsibility, subject to the provisions of the Management Agreement, to, among other things, (i) recruit, employ, supervise, direct and discharge employees at the Mortgaged Property, (ii) establish prices, rates and charges for service provided at the Mortgaged Property, including room and parking rates, (iii) establish and revised policies and procedures for the control of revenue, expenditures, purchasing supplies and services, control of credit and scheduling maintenance, (iv) make payments on accounts payable and handle collections on accounts receivable, (v) arrange for and supervise public relations, advertising, marketing and guest loyalty programs, (vi) procure supplies and enter into equipment leases, (vii) prepare and deliver accounting statements, (viii) plan, execute and supervise repairs and maintenance, (ix) provide risk management services relating to the types of insurance required to be obtained or provided by the Property Manager under the Management Agreement, (x) obtain and keep in force various licenses and permits, (xi) arrange for the leasing of commercial space at the Mortgaged Property, and (xii) provide services that are furnished on a central or system-wide basis to other hotels operated under the Marriott flag (e.g. training services for personnel, reservation system, etc.).

Personnel

All employees at the Mortgaged Property are required to be employees of the Property Manager (or an affiliate thereof), and all compensation of such employees is required to be paid by the Property Manager, and the amount of such payments will be reimbursed to the Property Manager in accordance with the Management Agreement. Accordingly, the Property Manager is required to establish appropriate payroll accounts covering all such employees at the Mortgaged Property. The Property Manager is required to provide the Borrower with the opportunity to approve any replacements of the Mortgaged Property’s general manager. If the Borrower disapproves of three candidates for such position the Property Manager will appoint one of the three candidates it presented to the Borrower. The Property Manager is required to notify the Borrower of the commencement, and is required to keep the Borrower reasonably apprised concerning the progress, of any union organizing activities that the Property Manager is aware and any negotiation undertaken by the Property Manager concerning union agreements or labor contracts affecting the employees at the Mortgaged Property. The Property Manager is required to use best commercially reasonable efforts to comply with the terms of any collective bargaining agreement affecting the Mortgaged Property.

Business Plan

During the term of the Management Agreement, at least 30 days prior to the beginning of each fiscal year the Property Manager will be required to deliver to the Borrower a draft business plan showing the estimated gross revenues, departmental profits, expenses, deductions and Operating Profit for the forthcoming fiscal year along with a comparison

against to the forecasts for the current fiscal year (the “Business Plan”). The Property Manager is required to prepare the Business Plan in accordance with Brand Standards. The Borrower will have 30 days after receipt of the Business Plan to review and approve such Business Plan and, in the event that the Borrower disapproves any category in the Business Plan, the Borrower is required to provide the Property Manager, in writing, the specific reasons for its disapproval, by category within such 30 day period. If the Borrower fails to provide any objection within the 30 day period, the Business Plan as submitted by the Property Manager is deemed approved. The Borrower and Property Manager are required to attempt to resolve in good faith any objections by the Borrower within 25 days following the Property Manager’s receipt of the Borrower’s disapproval. The Borrower is not permitted to withhold approval of the Business Plan based on its objection to: (i) the Property Manager’s reasonable projections either gross revenues or the components thereof, (ii) projected costs and expenses that are (x) generally uniform throughout hotels operated under the Marriott flag or (y) generally prevailing at other resort hotels operated by the Property Manager under the Marriott flag, (iii) costs and expenses that are not within the control of the Borrower and/or the Property Manager and (iv) increases in projected costs and expense of operating the Mortgaged Property, which increases are primarily caused by projected increases in gross revenues. In the event that the Property Manager and the Borrower are unable to resolve all or some of the Borrower’s objections, such disputed objects are required to be resolved by an expert (or experts) in accordance with the terms of the Management Agreement. Pending determinations by such expert (or experts), the Property Manager is required to operate the Mortgaged Property in accordance with the previous fiscal year’s Business Plan (as adjusted for inflation and anticipated changes in gross revenues in accordance with the terms of the Management Agreement). The Property Manager is required to diligently operate the Mortgaged Property in accordance with the Business Plan. In the event that the Property Manager determines that circumstances require that there be material changes in the Business Plan, the Property Manager is required to notify the Borrower as soon as practically possible of the need for such changes.

Renovation

The Borrower and Property Manager agreed to the Required Renovation Work that consists of (a) full soft and case goods renovations (including, but not limited to, upgrades to the hard surface entry, carpet, wall vinyl, decorative lighting, artwork, window treatment, mattresses and adding lighting, soft seating elements and USB ports) to the guest rooms, (b) bathroom renovations (including, but not limited to, reconfiguration of the bathroom to allow for barn door at entry and glass wall cut out to the hallway or guest room, conversion of tubs to showers (though not in all rooms), new tile floors, new wall vinyl and artwork), and (c) full soft and case good renovations to the guest corridors and elevator lobbies (including, but not limited to, new carpet, vinyl, decorative lighting and guest room signage and replacing entry locks). The Required Renovation Work is expected to be completed by March 31, 2020 (and is required by the Mortgage Loan Agreement to be completed by June 30, 2020, subject to any extension(s) approved by the Property Manager) and is further described under Annex G to this Offering Circular. The costs and expenses of the Required Renovation Work will be funded from the following sources and in the following order of priority: (i) first, from the Manager FF&E Account (defined below) to the extent funds in the Manager FF&E Account are sufficient at the time payment is required, (ii) second, from the Borrower spending its own money, up to \$48,000,000, to the extent funds in the Manager FF&E Account are not sufficient at the time payment is required (the “Borrower’s Contribution”), (iii) third, from the Borrower spending its own money, up to an additional \$7,000,000 (the “Incremental Borrower’s Contribution”) and (iv) fourth, to the extent additional funds are required and the Borrower’s Contribution and the Incremental Borrower’s Contribution have been exhausted, from the Borrower spending its own money, to the extent necessary to complete the renovation (the “Additional Borrower’s Contribution”). No contributions made to the Manager FF&E Account after March 31, 2020 may be used to fund the renovation. The Borrower’s Contribution and the Additional Borrower’s Contribution, upon the substantial completion of the renovation, will be offset against gross revenues in equal installments over thirty-nine (39) months for the purposes of calculating the Incentive Fee. If funds are unavailable to repay the Borrower for the Borrower’s Contribution or the Additional Borrower’s Contribution, the amount of such contributions that could not be reimbursed will be reimbursed in the following month. Commencing in the 3rd month following the substantial completion of the renovation, the Borrower will be entitled to recover from the Manager FF&E Account the amount of any Incremental Borrower’s Contribution; provided, however, in any fiscal year, the amount of such recovery will not be less than 2.0% nor more than 3.0% of gross revenues for such fiscal year, which percentage will be determined in the Property Manager’s reasonable discretion based on the Mortgaged Property’s capital expenditure needs and taking into account Borrower’s objective to recover such amounts as soon as possible. See “*Risk Factors– Risks Related to Construction, Redevelopment, Renovation and Repairs at or near the Mortgaged Property*”.

FF&E and Capital Expenditures

The Property Manager is required to transfer 4.0% of gross revenues for each fiscal year into a reserve (the “Manager FF&E Account”) to cover expenses including (but not limited to): (i) replacements, renewals and additions to the FF&E at the Mortgaged Property, (ii) routine capital expenditures and (iii) such capital expenditures agreed to by the Borrower and

the Property Manager. At the same time the Property Manager delivers to the Borrower the Business Plan the Property Manager is required to deliver an estimate (the “FF&E Estimate”) of the FF&E expenditures for the fiscal year and the estimated time schedule for making such replacements, renewals and additions. The Property Manager is required to consider in good faith any comments the Borrower has to the FF&E Estimate, provided Borrower’s comments are consistent with maintaining the Brand Standards. The Property Manager may make FF&E expenditures up to the balance of the Manager FF&E Account. The Property Manager is not permitted to make FF&E expenditures that exceed the balance of the Manager FF&E Account without the approval of the Borrower. After September 30, 2043, if, in the Property Manager’s discretion, the 4.0% of gross revenues contribution level is insufficient to fund ongoing FF&E or capital expenditure needs, the Property Manager may increase the Manager FF&E Account contribution percentage to an amount that is satisfactory to meet such needs; provided, that (i) the Manager FF&E Account contribution percentage will not be increased until ten years after completion of the renovation and (ii) the Manager FF&E Account contribution percentage will not exceed 5.0% of gross revenues.

The Property Manager is required to prepare an annual estimate of all capital expenditures (the “Capital Expenditure Estimate”) and submit it to the Borrower along with the Business Plan. The Borrower has 30 days after receipt of such estimate to review and approve the Property Manager’s Capital Expenditure Estimate. The Borrower is not permitted to disapprove such estimate with respect to capital expenditures that are required, in the Property Manager’s reasonable judgement, to keep the Mortgaged Property in a first-class, competitive, efficient and economical operating condition in account with the Brand Standards or otherwise required for the continued safe and orderly operation of the Mortgaged Property. In the event the Borrower disapproves of the Capital Expenditure Estimate, the Borrower will provide the Property Manager, in writing, the specific reasons for its disapproval within such 30 day period. The Borrower and Property Manager are required to attempt to resolve in good faith any objections by the Borrower within 25 days following the Property Manager’s receipt of the Borrower’s disapproval. In the event that the Property Manager and the Borrower are unable to resolve all or some of the Borrower’s objections, such disputed objects shall be resolved by an expert (or experts) in accordance with the terms of the Management Agreement. The cost of capital expenditures are required to be borne by the Borrower, and are not to be paid out of gross revenues or the Manager FF&E Account.

DESCRIPTION OF THE MORTGAGE LOAN

The following is a summary of the principal provisions of the Mortgage Loan. The Mortgage Loan is evidenced by the mortgage loan agreement made on December 5, 2018 (the “Origination Date”), among the Borrower and the Mortgage Lender (the “Mortgage Loan Agreement”), and the Notes which evidence the Mortgage Loan and which are secured by that certain Leasehold Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing (the “Mortgage”) creating a first priority mortgage lien on the Mortgaged Property and the other documents executed and/or delivered by the Borrower or by HLB Funding LLC, a Delaware limited liability company and Atrium Leveraged Loan Fund, LLC, a Delaware limited liability company (jointly and severally, the “Guarantors”) with respect to the collateral and entered into in connection with the origination of the Mortgage Loan (collectively, the “Mortgage Loan Documents”), copies of which may be obtained upon request from the Depositor. On the Closing Date, each Mortgage Loan Seller will assign its respective right, title and interest in, to and under the Mortgage Loan and the Mortgage Loan Documents to the Depositor (including all interest that accrues on the Mortgage Loan from and after the Closing Date), which will in turn assign its right, title and interest in, to and under the Mortgage Loan and the Mortgage Loan Documents to the Trust. On or after the Origination Date, all rights of the Mortgage Lender under the Mortgage Loan will be exercised by the Servicer or the Special Servicer (or in certain limited cases, the Trustee), as the case may be, pursuant to the terms of the Trust and Servicing Agreement.

Certain defined terms used in this “*Description of the Mortgage Loan*” section reflect defined terms used in the Mortgage Loan Documents for the purpose of determining the occurrence of certain events or compliance with certain covenants in the Mortgage Loan Documents. The results of calculations used to make such determinations will differ, and may differ substantially, from similar numerical information and statistics regarding the Mortgaged Property and the Mortgage Loan presented elsewhere in this Offering Circular including those based upon the assumptions and the definitions set forth under “*Description of the Mortgaged Property*” in this Offering Circular.

General

The Mortgage Loan is evidenced by three componentized promissory notes in the original aggregate principal amount of \$336,500,000 (split into seven components), including (i) the Promissory Note A-1, dated the Origination Date, in the original principal amount of \$201,900,000, made by the Borrower in favor of WFB (“Note A-1”), (ii) the Promissory Note A-2, dated the Origination Date, in the original principal amount of \$67,300,000, made by the Borrower in favor of JPMCB (“Note A-2”) and (iii) the Promissory Note A-3, dated the Origination Date, in the original principal amount of

\$67,300,000, made by the Borrower in favor of GSAC (“Note A-3”, together with Note A-1 and Note A-2, collectively, the “Notes”), and is secured by, among other things, the Mortgage on the Borrower’s interests in the Mortgaged Property, consisting of leasehold interests in the Mortgaged Property. The Mortgage Loan is a two-year, floating rate, interest-only loan with an initial maturity date of December 9, 2020 (the “Initial Maturity Date”), subject to five successive one-year extension options (as extended, each extended Maturity Date, an “Extended Maturity Date”). The principal balance of the Mortgage Loan as of the Closing Date is expected to be \$336,500,000. The Mortgage Loan and the Notes are secured by a first priority lien on the Mortgaged Property, and the other collateral under the Mortgage and other Mortgage Loan Documents.

Pursuant to the Mortgage Loan Documents, the obligations arising thereunder will be governed by, and construed in accordance with the laws of the State of New York applicable to contracts made and performed in New York (without regard to principles of conflicts of laws) and any applicable law of the United States of America, except that at all times the provisions for the creation, perfection, and enforcement of the lien and security interests created pursuant to the Mortgage and the other Mortgage Loan Documents will be governed and construed according to the law of the state in which the Property is located.

“Maturity Date” means the Initial Maturity Date, as same may be extended to the applicable Extended Maturity Date in accordance with “—*Extension Options*” below or such other date on which the outstanding principal balance of the Mortgage Loan becomes due and payable, whether by declaration of acceleration, or otherwise.

Principal and Interest

Payments on the Mortgage Loan are required to be made on the ninth (9th) day of each month (or if such date is not a Business Day, the preceding Business Day) (each, a “Mortgage Loan Payment Date”). The Borrower is obligated to pay on each Mortgage Loan Payment Date, commencing January 9, 2019, a monthly interest payment on the Mortgage Loan in the amount of interest accrued on the Components for the related Mortgage Loan Interest Accrual Period (the “Monthly Payment”) on the principal balance of the related Component until the Maturity Date on which date the remaining outstanding principal balance of the Mortgage Loan, together with all accrued and unpaid interest on such principal balance through the end of the applicable Mortgage Loan Interest Accrual Period and all other amounts then due under the Mortgage Loan Documents will be due and payable.

The amount of interest payable on each Mortgage Loan Payment Date with respect to each Component of the Mortgage Loan will be equal to the interest that is scheduled to accrue on the unpaid principal balance of such Component during the period commencing on and including the ninth (9th) day of the prior calendar month and ending on and including the eighth (8th) day of the calendar month in which such Mortgage Loan Payment Date occurs (the “Mortgage Loan Interest Accrual Period”).

For purposes of calculating interest and other amounts payable on the Mortgage Loan, the Mortgage Loan is divided into seven components (each, a “Component”), each corresponding to a Class of Certificates. Interest will be payable on the Mortgage Loan at a floating rate, on the basis of a 360 day year based on the actual number of days. The initial principal balance and initial spread of the Components is as follows:

<u>Component</u>	<u>Initial Principal Balance</u>	<u>Initial Component Spread to LIBOR⁽¹⁾</u>
Component A.....	\$ 112,200,000	1.0690%
Component B.....	36,800,000	1.2490%
Component C.....	27,300,000	1.4990%
Component D.....	36,100,000	2.0490%
Component E.....	56,900,000	2.6990%
Component F.....	50,375,000	3.1008%
Component HRR.....	16,825,000	5.8990%
Total/Wtd. Avg.....	\$ 336,500,000	2.0500%

(1) The Component Spread for each Component will be increased by 0.250% upon the commencement of the fourth Extension Option and continue for each Mortgage Loan Interest Accrual Period thereafter.

The “Component Spread” with respect to each Component will be the rate set forth above, which amount will be increased by 0.250% for the period beginning with the Mortgage Loan Interest Accrual Period following the commencement of the fourth Extension Term (if any), through (and including) the Mortgage Loan Interest Accrual Period for the Maturity Date. The initial *per annum* weighted average Component Spread will be equal to approximately 2.0500%.

Upon the occurrence and during the continuance of a Mortgage Loan Event of Default, payments of interest, principal and any other amounts required to be paid by the Borrower will accrue interest at a default rate of interest *per annum* (the “Default Rate”) equal to the lesser of (a) the maximum amount permitted by law or (b) 3.0% in excess of the applicable Component Rate.

“Business Day” means (i) with respect to any references to “Business Day”, any day other than a Saturday, Sunday or any other day on which any of the following institutions are not open for business: (a) national banks in New York, New York, (b) in the place of business or any principal servicing office of the Trustee, the Certificate Administrator, the Servicer, the Special Servicer or the financial institution that maintains the Collection Account, the REO Account or any Reserve Funds or (c) the New York Stock Exchange or the Federal Reserve Bank of New York and (ii) with respect to any references to “Business Day” regarding an Interest Determination Date, “Business Day” means a day on which banks are open for dealing in foreign currency and exchange in London.

“Component Rate” means, with respect to each Component, the *per annum* Interest Rate at which interest accrues on such Component without giving effect to the Default Rate.

“Interest Determination Date” means, with respect to any Mortgage Loan Interest Accrual Period and any related Certificate Interest Accrual Period, the second Business Day prior to the 15th day of the calendar month which occurs immediately prior to the related Mortgage Loan Payment Date.

“Interest Rate” with respect to each Component means a rate *per annum* equal to the sum of the Component Spread plus the greater of (a) zero and (b) LIBOR, determined as of the Interest Determination Date for the related Mortgage Loan Interest Accrual Period (except that at any time that the Mortgage Loan is an Alternate Rate Loan, such rate *per annum* will be the sum of the Alternate Rate Spread plus the greater of (i) zero and (ii) the Alternate Index, determined as of the Interest Determination Date for the related Mortgage Loan Interest Accrual Period).

“LIBOR” means, with respect to each Mortgage Loan Interest Accrual Period and Certificate Interest Accrual Period, the rate (expressed as a percentage *per annum* and rounded upwards to the next highest 1/1000 of 1%) for deposits in United States dollars for a one-month period which appears as the London interbank offered rate on the display designated as “LIBOR01” on the Reuters Screen (or such other page as may replace that page on that service, or such page or replacement therefor on any successor service) as the London interbank offered rate as of 11:00 a.m., London time, on such date. If no such rate appears as the London interbank offered rate on “LIBOR01” on the Reuters Screen (or such other page as may replace that page on that service, or such page or replacement therefor on any successor service) as described above, LIBOR for the applicable period will be determined on the basis of the rates at which deposits in United States dollars are offered by four major banks in the London interbank market selected by the Mortgage Lender at approximately 11:00 a.m., London time, on such date to prime banks in the London interbank market for a one-month period (each a “Reference Bank Rate”). The Mortgage Lender (or the Servicer or Certificate Administrator, on the Mortgage Lender’s behalf) will be required to request the principal London office of each of the Reference Banks to provide a quotation of its Reference Bank Rate. If at least two such quotations are provided, LIBOR for such period will be the arithmetic mean of such quotations. If fewer than two quotations are provided, LIBOR for such period will be the arithmetic mean of the rates quoted by major banks in New York City, selected by the Mortgage Lender (or the Servicer or Certificate Administrator, on the Mortgage Lender’s behalf), at approximately 11:00 a.m., New York City time, on such date for loans in United States dollars to leading European banks for a one-month period. In no event will LIBOR be less than zero. With respect to the Mortgage Loan and each Mortgage Loan Interest Accrual Period, LIBOR for the Component Rates on the Mortgage Loan will be determined by the Servicer. With respect to each Class of Certificates and each Certificate Interest Accrual Period, LIBOR for the Pass-Through Rates on the Certificates will be determined by the Certificate Administrator. In the event of a discrepancy for any Certificate Interest Accrual Period in any LIBOR determination made by the Certificate Administrator and any LIBOR determination made by the Servicer for the corresponding Mortgage Loan Interest Accrual Period, the Certificate Administrator and the Servicer will use reasonable efforts to reconcile their determinations so that LIBOR as calculated under the Mortgage Loan Agreement and as calculated under the Trust and Servicing Agreement are equivalent values; *provided*, however, the Servicer’s calculation pursuant to the Mortgage Loan Agreement will control.

“Reserve Funds” means, collectively, the Tax and Insurance Escrow Fund, the Ground Lease Reserve Fund, the Replacements Reserve Fund, the Required Renovation Reserve Fund, the Excess Cash Flow Reserve Fund and any other escrow fund established by the Mortgage Loan Documents.

If at any time the Mortgage Loan is outstanding and the Mortgage Lender has determined in good faith that LIBOR either (A) cannot be determined in accordance with the definition thereof or (B) has been replaced in the market for commercial mortgage-backed securities financing transactions by an Alternate Index (an “Alternate Index Determination”), then the Mortgage Loan will be converted to an Alternate Rate Loan. In connection with any such

conversion, the Mortgage Lender may require (i) an opinion of nationally recognized REMIC counsel as to the compliance of such conversion with applicable REMIC requirements as determined under the Code, the regulations, revenue rulings, revenue procedures and other administrative, legislative and judicial guidance relating to the tax treatment of REMIC trusts (which such opinion is required to be, in form and substance and from a provider, in each case, reasonably acceptable to the Mortgage Lender in its sole discretion and acceptable to the Rating Agencies) and (ii) a Rating Agency Confirmation in connection with such conversion. The condition in clause (i) above may be satisfied with the issuance of a general guidance, ruling, bulletin or decision by the Internal Revenue Service reasonably acceptable to the Mortgage Lender that conversion from LIBOR to the Alternate Index will not cause the Mortgage Loan to fail to remain a “qualified mortgage” within the meaning of the REMIC provisions of the Code. The Mortgage Lender is required to provide the Borrower with written notice of such conversion promptly following the making of an Alternate Index Determination. If any portion of the Mortgage Loan has been converted to an Alternate Rate Loan and the Mortgage Lender thereafter determines that the events or circumstances that resulted in such conversion are no longer applicable, the Mortgage Loan is required to be converted into a LIBOR Loan effective as of the commencement of the first day of the Mortgage Loan Interest Accrual Period following the date of such determination, and the Mortgage Lender is required to provide advance written notice thereof to the Borrower prior to the applicable Interest Determination Date. The Borrower is required to pay to the Mortgage Lender, promptly following demand, any additional amounts necessary to compensate the Mortgage Lender for any reasonable out-of-pocket costs incurred by the Mortgage Lender in making any conversion in accordance with this paragraph. Upon any conversion of the Mortgage Loan described above, the interest rates applicable to such Notes or Components are required to be proportionately adjusted to reflect such conversion.

In addition, in no event will the Alternate Index for any Component plus the related Alternate Rate Spread on any date of determination be less than the Component Spread for such Component as of the Origination Date.

“Alternate Index” means (1) a floating rate index (a) that, in Mortgage Lender’s good faith and reasonable determination, is commonly accepted by market participants in commercial mortgage backed securities financing transactions as an alternative to LIBOR, (b) that is publicly recognized by ISDA as an alternative to LIBOR and (c) for which ISDA has approved an amendment to, or protocol which has the effect of amending or replacing, pre-existing ISDA-based hedge agreements, generally providing such floating rate index as a standard alternative to LIBOR, such index to be reasonably determined by the Mortgage Lender by reference to a generally accepted reporting service for such index such as Bloomberg or a similar service; or (2) if the Mortgage Lender determines in good faith that a floating rate index described in clause (1) of this definition cannot be determined in accordance with the foregoing, then for so long as such floating rate index cannot be determined, the “prime rate” published in the “Money Rates” section of the Wall Street Journal (if the Wall Street Journal ceases to publish the “prime rate,” then the Mortgage Lender will select an equivalent publication that publishes such “prime rate”); *provided, however*, if at any point after the “prime rate” becomes the Alternate Index, a floating rate index described in clause (1) of this definition can be determined in accordance with the foregoing, then such floating rate index will become the Alternate Index.

“Alternate Rate Loan” means the Mortgage Loan at such time as interest accrues on each Component thereof at a rate of interest equal to the Alternate Index plus the applicable Alternate Rate Spread.

“Alternate Rate Spread” means, in connection with any conversion of the Mortgage Loan to an Alternate Rate Loan, with respect to each Component, the amount obtained by subtracting (a) the Alternate Index from (b) the *per annum* Interest Rate of such Component payable under the Mortgage Loan Agreement in respect of a LIBOR Loan, in each case determined as of the most recent Interest Determination Date for which the Mortgage Loan was a LIBOR Loan; *provided, however*, that if the amount so obtained is a negative number, then the Alternate Rate Spread will be zero. If the Mortgage Loan is converted from a LIBOR Loan to an Alternate Rate Loan prior to the commencement of the fourth Extension Term, then commencing on the first day of the fourth Extension Term, the Alternate Rate Spread will be increased by 25 basis points (0.25%). Notwithstanding the foregoing in no event will the Alternate Index plus Alternate Rate Spread for any Component be less than the Component Spread as of the Origination Date.

“LIBOR Loan” means the Mortgage Loan at such time as interest thereon accrues at a rate of interest based upon LIBOR.

Prepayment

The Mortgage Loan may be voluntarily prepaid in whole or in part at any time. The Mortgage Loan is also prepayable in part (a) in connection with a release of individual Hotel Rooms and in connection with the release of the Parking Parcel (as described under “*—Release of the Mortgaged Property*” below) or (b) to achieve the Debt Yield necessary to permit a Debt Yield Cure (as described under “*—Debt Yield Cure Payments*” below). Any voluntary prepayments are subject to satisfaction of all the conditions in the Mortgage Loan Documents including without limitation (i) no Mortgage Loan

Event of Default then exists and is continuing, except the Borrower may make a voluntary prepayment of the Mortgage Loan in whole during the continuance of a Mortgage Loan Event of Default; *provided*, that in addition to the amounts the Borrower is required to pay as described in clause (iv) below, the Borrower is required to pay to the Mortgage Lender interest at the Default Rate with respect to any prepayments made during the continuance of a Mortgage Loan Event of Default, (i) the Borrower submits a notice to the Mortgage Lender setting forth the projected date of prepayment, which date may not be less than ten (10) Business Days from the date of such notice and (ii) the Borrower pays to the Mortgage Lender (A) the outstanding principal amount of the Notes to be prepaid (or, for partial prepayments, the partial amount being prepaid), (B) interest on the amount so prepaid under the Notes through and including the end of the Mortgage Loan Interest Accrual Period related to the Mortgage Loan Payment Date next occurring following the date of such prepayment, or if such prepayment occurs on a Mortgage Loan Payment Date, through and including the last day of the Mortgage Loan Interest Accrual Period related to such Mortgage Loan Payment Date, (C) all other sums due under the Notes, the Mortgage Loan Agreement and the other Mortgage Loan Documents, and (D) if such prepayment occurs prior to the Spread Maintenance End Date, the Spread Maintenance Premium. In the event the prepayment date occurs after a Payment Date but prior to the occurrence of the applicable Interest Determination Date, for purposes of the foregoing clause (B), the Borrower will make a payment equal to one hundred twenty-five percent (125%) of the interest that would accrue for the related Mortgage Loan Interest Accrual Period assuming that LIBOR (or the Alternate Index) is the same as the immediately preceding Interest Determination Date (such amount of the payment, the “Estimated Interest”). If the Estimated Interest is greater than the actual amount of interest to be paid by the Borrower pursuant to clause (B), then the Mortgage Lender will, within two (2) Business Days, remit the amount of such excess to the Borrower following the Interest Determination Date. If the Estimated Interest is less than the actual amount of interest to be paid by the Borrower pursuant to clause (B), the Borrower will pay the amount of such deficiency to the Mortgage Lender within two (2) Business Days of the Interest Determination Date. Following any such prepayment, the Borrower may release or transfer, free and clear of the lien of the Mortgage Loan Documents, a portion of the notional amount of the Interest Rate Cap Agreement equal to the amount of such prepayment. Following any such prepayment, the Borrower may release or transfer, free and clear of the lien of the Mortgage Loan Documents, a portion of the notional amount of the Interest Rate Cap Agreement equal to the amount of such prepayment.

On the next occurring Mortgage Loan Payment Date following the date on which the Mortgage Lender receives insurance proceeds or condemnation awards in connection with a casualty or condemnation, if the Mortgage Lender is not obligated to make the proceeds of such casualty or condemnation available to the Borrower as described in “—Casualty and Condemnation” below, the Borrower is required to prepay the Mortgage Loan in an amount equal to 100% of such proceeds or awards. No Spread Maintenance Premium or other prepayment premium will be payable by the Borrower in connection with such mandatory prepayment.

If the Borrower tenders a payment of principal or the Mortgage Lender otherwise recovers any amounts due under the Mortgage Loan Agreement and the Notes (the “Debt”) during the continuance of a Mortgage Loan Event of Default, (a) the Borrower will be required to pay interest at the applicable Default Rate on the outstanding principal amount of the Mortgage Loan from the date of such Mortgage Loan Event of Default through the last calendar day of the Mortgage Loan Interest Accrual Period within which such tender or recovery occurs, and (b) such payment will be deemed a voluntary prepayment by the Borrower and is in all instances required to include (i) an amount equal to the Spread Maintenance Premium if such tender or recovery occurs on or before the Spread Maintenance End Date, (ii) without duplication, all interest that would have accrued on the amount of the Mortgage Loan to be paid through and including the end of the Mortgage Loan Interest Accrual Period related to the Mortgage Loan Payment Date next occurring following the date of such prepayment, or if such prepayment occurs on a Mortgage Loan Payment Date, through and including the last day of the Mortgage Loan Interest Accrual Period related to such Mortgage Loan Payment Date, and (iii) if Mortgage Lender has initiated foreclosure proceedings or any other remedies permitted by the Mortgage Loan Agreement or the other Mortgage Loan Documents, the Borrower will have reimbursed the Mortgage Lender for all out-of-pocket costs and expenses (including attorney’s fees and disbursements) incurred in connection with Mortgage Lender’s exercise of such remedies. After the occurrence and during the continuance of a Mortgage Loan Event of Default, the Mortgage Lender may apply such payment to the Debt (until paid in full) in any order of priority in its sole discretion.

“Debt Yield” means, as of any date of determination, the percentage obtained by dividing: (a) the net operating income for the immediately preceding twelve full calendar month period for the Mortgaged Property as of the date of determination, to be determined using the quarterly statements required to be delivered by Borrower under the Mortgage Loan Documents; by (b) the outstanding principal balance of the Mortgage Loan.

“Spread Maintenance End Date” means June 9, 2020.

“Spread Maintenance Premium” means, in connection with any prepayment or repayment of the outstanding principal amount of any Component being prepaid prior to the Spread Maintenance End Date, an amount equal to the product of (a)

the related Component Spread, (b) the principal balance prepaid on such Component, (c) a fraction, (i) the numerator of which is the number of days following (but not including) the date through which interest on the prepaid amount has been paid to (but excluding) the Spread Maintenance End Date and (ii) the denominator of which is 360.

Extension Options

The Borrower has five successive options to extend the scheduled Maturity Date of the Mortgage Loan to the ninth day of December in the immediately succeeding year (the period of each such extension, an "Extension Term"), *provided* that as a condition to each Extension Term, (i) the Borrower is required to deliver to the Mortgage Lender written notice of such extension at least 10 Business Days prior to the Maturity Date then in effect; (ii) no Mortgage Loan Event of Default is continuing on either the date of such notice or the Maturity Date then in effect; (iii) the Borrower has obtained an Interest Rate Cap Agreement for the applicable Extension Term in form and substance acceptable to the Mortgage Lender (including, without limitation, at a strike rate equal to or less than the Strike Price) and collaterally assigned such Interest Rate Cap Agreement to Mortgage Lender pursuant to an assignment of Interest Rate Cap Agreement; (iv) (A) with respect to the fourth Extension Term (if any), Debt Yield calculated as of the most recently ended fiscal quarter is no less than 8.0% and (B) with respect to the fifth Extension Term (if any), the Debt Yield calculated as of the most recently ended fiscal quarter is no less than 8.5%, subject to, in each case, the Borrower's right to prepay the Mortgage Loan (by an amount necessary to meet the required Debt Yield in the manner described under "*Prepayment*" above), *provided*, that Borrower has the right to deliver a letter of credit to Mortgage Lender in accordance with the terms of the Mortgage Loan Documents in a face amount such that, if such letter of credit were applied to pay down the principal balance of the Mortgage Loan it would result in the Debt Yield required as described in clause (iv) of this paragraph; and (v) the Borrower has reimbursed the Mortgage Lender for all reasonable out-of-pocket expenses incurred by Mortgage Lender in connection with such extension. If the Borrower fails to exercise any extension option in accordance with the provisions of the Mortgage Loan Agreement, such extension option, and any subsequent extension option thereunder, will automatically cease and terminate.

Interest Rate Cap Agreement

On or prior to the Origination Date, the Borrower is required to obtain, and to thereafter maintain in effect, an Interest Rate Cap Agreement, which is coterminous with the initial term of the Mortgage Loan and has a notional amount equal to the amount of the Mortgage Loan. Subject to the Borrower's right to purchase an Interest Rate Cap Agreement with an Alternate Strike Price as described below, the initial Interest Rate Cap Agreement is required to have a strike price equal to or less than the Strike Price. Within five (5) Business Days following the date on which the Mortgage Loan is converted to an Alternate Rate Loan, the Borrower is required to obtain and thereafter maintain an Interest Rate Cap Agreement with respect to the applicable Alternate Index, and otherwise complying with the requirements of the Mortgage Loan Documents. If either (x) the Mortgage Loan has been converted to an Alternate Rate Loan, or (y) the Borrower is unable to obtain an Interest Rate Cap Agreement due to the unavailability or uncertainty in the continuing availability of LIBOR as a reference rate, then the Borrower may deliver to the Mortgage Lender one or more replacement interest rate cap agreements from an Acceptable Counterparty that, in the reasonable judgement of the Mortgage Lender, either provide the reasonably equivalent protection to the Mortgage Lender, or are otherwise in form and substance reasonably acceptable to the Mortgage Lender, and with respect to which the Mortgage Lender has received Rating Agency Confirmation.

If the Borrower exercises any of its options to extend the term of the Mortgage Loan pursuant to "*Extension Options*" above on or prior to the commencement of the applicable Extension Term, then the Borrower must obtain, and thereafter maintain in effect, an Interest Rate Cap Agreement having (i) a term coterminous with such Extension Term, (ii) a notional amount at least equal to the outstanding principal balance of the Mortgage Loan as of the first day of such Extension Term, and (iii) subject to the Borrower's right to purchase an Interest Rate Cap Agreement with an Alternate Strike Price as described below, a strike price equal to or less than the Strike Price; *provided, however*, that if either (A) the Mortgage Loan has been converted to an Alternate Rate Loan, or (B) the Borrower is unable to obtain a an Interest Rate Cap Agreement due to the unavailability or uncertainty in the continuing availability of LIBOR as a reference rate, then the Borrower may deliver to the Mortgage Lender one or more replacement interest rate cap agreements from an Acceptable Counterparty that, in the reasonable judgement of the Mortgage Lender, either provide the reasonably equivalent protection to the Mortgage Lender as is otherwise contemplated by this "*Interest Rate Cap Agreement*" section, or are otherwise in form and substance reasonably acceptable to the Mortgage Lender, and is approved in writing by the Approved Rating Agency.

The Borrower is required to collaterally assign to the Mortgage Lender pursuant to an assignment of Interest Rate Cap Agreement all of its right, title and interest in any and all payments under each Interest Rate Cap Agreement and is required to deliver to the Mortgage Lender an executed counterpart of such Interest Rate Cap Agreement and obtain the consent of the Acceptable Counterparty to such collateral assignment (as evidenced by the Acceptable Counterparty's execution of such assignment of Interest Rate Cap Agreement).

The Borrower is required to comply with all of its obligations under the terms and provisions of each Interest Rate Cap Agreement in all material respects. All amounts paid under an Interest Rate Cap Agreement are required to be deposited directly into the Lockbox Account. The Borrower is required to take all actions reasonably requested by Mortgage Lender to enforce Mortgage Lender's rights under the Interest Rate Cap Agreement in the event of a default by the counterparty thereunder and may not waive, amend or otherwise modify any of its rights thereunder.

If, at any time during the term of the Mortgage Loan, the counterparty to the Interest Rate Cap Agreement then in effect ceases to be an Acceptable Counterparty and thereafter fails to abide by the requirements set forth in such Interest Rate Cap Agreement with respect to ratings downgrades, then the Borrower must promptly (but in no event longer than thirty (30) days thereafter) obtain a replacement Interest Rate Cap Agreement satisfying the requirements set forth above, as applicable, with a counterparty that is an Acceptable Counterparty.

On the Origination Date and at any time that the Borrower obtains a replacement Interest Rate Cap Agreement, the Borrower must deliver to the Mortgage Lender a legal opinion or opinions from counsel to the applicable Acceptable Counterparty (which counsel may be internal counsel) in form and substance reasonably satisfactory to Mortgage Lender.

Notwithstanding anything to the contrary contained in this section, the Borrower has the right to purchase an Interest Rate Cap Agreement with a strike price higher than the Strike Price (the "Alternate Strike Price"; the difference between such Alternate Strike Price and the Strike Price being the "Strike Price Delta"), *provided* that, as a condition thereto, the Borrower is required deposit with Mortgage Lender as additional collateral for the Mortgage Loan an amount equal to the product of (i) the Strike Price Delta applicable to, as applicable, the initial term of the Mortgage Loan or the applicable Extension Term, times (ii) the then-outstanding principal balance of the Mortgage Loan, times (iii) a fraction, the numerator of which is the number of days covered by the applicable Interest Rate Cap Agreement and the denominator of which is 360 (such amount, the "Rate Cap Reserve Amount"). At any time that LIBOR exceeds the Strike Price, Mortgage Lender will have the right to apply to the payment of interest due and payable under the Mortgage Loan a portion of the Rate Cap Reserve Amount equal to the difference between the amount payable under the applicable Interest Rate Cap Agreement at the Alternate Strike Price and the amount that would have been payable under such Interest Rate Cap Agreement had its strike price been the Strike Price; *provided, however*, for the avoidance of doubt, in no event will Mortgage Lender be required to nor, so long as the Mortgage Lender has not completed a foreclosure on the Mortgaged Property (or accepted a deed-in-lieu of foreclosure), will the Mortgage Lender apply any portion of the Rate Cap Reserve Amount to the payment of any interest payable under the Mortgage Loan Agreement at a rate that exceeds the sum of the Component Spread and the Alternate Strike Price.

Acceptable Counterparty means any counterparty to an Interest Rate Cap Agreement that has and maintains (a) a long-term unsecured debt rating or counterparty rating of "A-" or higher from S&P and (b) a long-term unsecured debt rating of "A3" or higher from Moody's. Notwithstanding the foregoing, SMBC Capital Markets, Inc. will be an Acceptable Counterparty, so long as its obligations are guaranteed by an affiliate meeting the foregoing requirements.

Interest Rate Cap Agreement means an interest rate cap confirmation between an Acceptable Counterparty and the Borrower, relating to the initial term of the Mortgage Loan or the Extension Term, as applicable, which complies with the provisions of the Mortgage Loan Agreement (together with an interest rate cap agreement and schedules relating thereto, which are consistent in form and substance with the terms set forth in such confirmation in all material respects).

Strike Price means (a) for the initial term of the Mortgage Loan, 4.50% and (b) with respect to each Extension Term, the rate that, when added to the weighted average Component Spread or Alternate Rate Spread, as applicable, would achieve a debt service coverage ratio of not less than 1.10x.

Debt Yield Cure Payments

In order to achieve the Debt Yield required to effect a Debt Yield Cure (the "Required Cure Debt Yield"), the Borrower may (a) prepay a portion of the outstanding principal balance of the Mortgage Loan in the amount necessary to cause the Debt Yield to equal or exceed the Required Cure Debt Yield (a "Debt Yield Cure Payment") or (b) deliver a letter of credit to Mortgage Lender in accordance with the terms of the Mortgage Loan Agreement in a face amount such that, if such letter of credit were applied to pay down the principal balance of the Mortgage Loan would result in a Required Cure Debt Yield, *provided*, in each case, that (i) the Borrower gives the Mortgage Lender not less than five Business Days prior written notice, and (ii) the Borrower pays to the Mortgage Lender (A) the principal amount of the Mortgage Loan to be prepaid to effect the Required Cure Debt Yield, (B) all interest accrued and unpaid on the principal balance of the Notes being prepaid to and including the end of the Mortgage Loan Interest Accrual Period related to the Mortgage Loan Payment Date next occurring following the date of such prepayment, or if such prepayment occurs on a Mortgage Loan Payment Date, the interest that would accrue through the end of the related Mortgage Loan Interest Accrual Period immediately preceding

such Mortgage Loan Payment Date, (C) all other sums due under the Notes and the other Mortgage Loan Documents, including, but not limited to, all of the Mortgage Lender's actual out-of-pocket costs and expenses (including reasonable attorney's fees and disbursements) incurred by the Mortgage Lender in connection with such prepayment, and (D) if such prepayment occurs prior to the Spread Maintenance End Date, the Spread Maintenance Premium.

Non-Recourse Provisions and Exceptions

Recourse on the Mortgage Loan generally may be had only against the collateral and other assets that have been pledged to secure the Mortgage Loan. In limited circumstances, recourse may be had against the Guarantors pursuant to the guaranty agreement, the Completion Guaranty, and the Third Floor Completion Guaranty, each as described further below.

Subject to the qualifications below, the Mortgage Lender will not enforce the liability and obligations of the Borrower to perform the obligations in the Mortgage Loan Documents by any action for a monetary judgment, except that the Mortgage Lender may bring a foreclosure action, an action for specific performance or any other appropriate action to enforce its interests under the Mortgage Loan Documents, or in the collateral; *provided, however,* that, except as specifically provided in the Mortgage Loan Agreement, any judgment in any such action or proceeding will be enforceable against the Borrower only to the extent of the Borrower's respective interest in the Mortgaged Property or other collateral given to the Mortgage Lender, and the Mortgage Lender agrees that they will not sue for, seek or demand any deficiency judgment against the Borrower in any such action or proceeding under or by reason of or in connection with the Mortgage Loan Documents. The provisions below are not intended to waive, release or impair any obligations evidenced or secured by the Mortgage Loan Documents, impair the right of the Mortgage Lender to name the Borrower in a judicial foreclosure action, affect the validity or enforceability of any guaranty made in connection with the Mortgage Loan, impair the right of the Mortgage Lender to appoint a receiver, impair the enforcement of any assignment of any leases, impair the right of the Mortgage Lender to obtain a deficiency judgment or other judgment against the Borrower in order to fully realize the security granted by the Mortgage. Nothing in the Mortgage Loan Agreement will in any manner or way release, affect or impair the right of the Mortgage Lender to recover, and the Borrower will be fully and personally liable and subject to legal action, for any loss, cost, expense, damage, claim or other obligation (including without limitation reasonable and out-of-pocket attorneys' fees and court costs, but excluding certain taxes and consequential, punitive, special or exemplary damages) actually incurred or suffered by the Mortgage Lender arising out of or in connection with the following:

- (i) fraud or willful misconduct of the Borrower, the Principal or the Guarantors, or any of their respective affiliates, relating to the Mortgage Loan;
- (ii) willful misconduct that results in physical waste by the Borrower, the Principal or the Guarantors, or any of their respective affiliates, to the Mortgaged Property but exclusive of any such acts resulting from an insufficiency of revenue from the Mortgaged Property to pay expenses (so long as such insufficiency does not arise from the intentional misappropriation or conversion of revenues which such actions are more particularly described in clause (iv) below with respect to the Mortgaged Property) or Mortgage Lender's failure or refusal to allow the Borrower to utilize revenue for such purposes;
- (iii) material and willful misrepresentation by the Borrower, the Principal or the Guarantors, or any of their respective affiliates, in connection with the Mortgage Loan;
- (iv) the misappropriation, misapplication or conversion by the Borrower, the Principal or the Guarantors, or any of their respective affiliates, of (A) any insurance proceeds paid by reason of a Casualty, (B) any awards received in connection with a condemnation of all or a portion of the Mortgaged Property, (C) any rents or security deposits during the continuance of a Mortgage Loan Event of Default, or (D) any rents paid more than one month in advance;
- (v) any voluntary cancellation, surrender, termination or modification of any Ground Lease by the Borrower without Mortgage Lender's prior written consent other than as permitted by the Mortgage Loan Documents;
- (vi) any voluntary termination, cancellation or surrender of the Management Agreement by the Borrower without Mortgage Lender's prior written consent other than as permitted by the Mortgage Loan Documents (except for a termination by the Property Manager as a result of the Borrower having insufficient revenue from the Mortgaged Property (so long as such insufficiency does not arise from the intentional misappropriation or conversion of revenues which such actions are more particularly described in clause (iv) above with respect to the Mortgaged Property) to satisfy the obligations of the Borrower thereunder);

(vii) a material breach of any special purpose entity covenant or separateness covenant made in the Mortgage Loan Agreement (provided, however (A) the Borrower will have no liability as described in this clause (vii) with respect to failures to pay unsecured trade payables or other operational debt incurred in the ordinary course of business if there is insufficient cash flow from the Mortgaged Property (so long as such insufficiency does not arise from the intentional misappropriation or conversion of revenues which such actions are more particularly described in clause (iv) above with respect to the Mortgaged Property) (or if Reserve Funds held by Mortgage Lender and specifically allocated for such amount have not been made available to the Borrower by Mortgage Lender to pay such outstanding amounts) and (B) the Borrower's equityholders will not be obligated to fund any additional capital or make any loans to the Borrower); or

(viii) to the extent required by the Mortgage Loan Documents, failure to obtain Mortgage Lender's prior written consent to any voluntary lien encumbering the Mortgaged Property.

The events set forth in clauses (i) through (viii) above are referred to in this Offering Circular as "Limited Recourse Events".

The Debt will be fully recourse to the Borrower in the event of any of the following:

(i) the Borrower or the Principal files a voluntary petition under the Bankruptcy Code or any other Federal or state bankruptcy or insolvency law;

(ii) the filing of an involuntary petition against the Borrower or the Principal under the Bankruptcy Code in which the Borrower, the Principal or the Guarantors, or any affiliate thereof, colludes with, or otherwise assists such person, or solicits or causes to be solicited petitioning creditors for any involuntary petition against the Borrower or the Principal from any person;

(iii) the Borrower or the Principal filing an answer consenting to or otherwise acquiescing in or joining in any involuntary petition filed against it, by any other person under the Bankruptcy Code (provided that there will be no liability under the Mortgage Loan Agreement for the Borrower or the Principal failing to file an objection to any such filing if (A) the Borrower, acting in good faith with advice of counsel, determines that it has no legal basis for doing so, or (B) the Borrower is not permitted by law to so file an objection);

(iv) the Borrower, the Principal, the Guarantors, or any affiliates of the Borrower, the Principal or the Guarantors or controlled by the Guarantors consenting to or acquiescing in or joining in an application for the appointment of a custodian, receiver, trustee, or examiner for the Borrower or the Principal or any portion of the Property (other than an application initiated by the Mortgage Lender or its designated agent) (provided that there will be no liability under the Mortgage Loan Agreement for the Borrower or the Principal failing to file an objection to any such filing if (A) the Borrower, acting in good faith with advice of counsel, determines that it has no legal basis for doing so, or (B) the Borrower is not permitted by law to so file an objection);

(v) if the Borrower or the Principal intentionally makes or consent in writing to an assignment for the benefit of creditors; or

(vi) if the Borrower fails to obtain the Mortgage Lender's prior written consent to any transfer, sale or pledge of the Mortgaged Property (or any portion thereof) or a transfer, sale or pledge of an ownership interest in a Mortgage Loan Restricted Party, in each case to the extent required by the Mortgage Loan Documents (and excluding Permitted Transfers, Permitted Encumbrances and other liens expressly permitted under the Mortgage Loan Documents).

"Bankruptcy Code" means Title 11 of the United States Code, 11 U.S.C. §101, et seq., as the same may be amended from time to time, and any successor statute or statutes and all rules and regulations from time to time promulgated thereunder, and any comparable foreign laws relating to bankruptcy, insolvency or creditors' rights or any other federal, state, local or foreign bankruptcy or insolvency law.

Notwithstanding the foregoing, Guarantor's (or JDE, JDE Replacement Guarantor or replacement guarantors affiliated with certain other sponsors identified in the Mortgage Loan Documents) liability with respect to clauses (i) through (v) will under no circumstances exceed 15% of the then-outstanding principal balance of the Mortgage Loan, or 25% of the then outstanding principal balance of the Mortgage Loan with respects to certain replacement Guarantors.

The events set forth in clauses (i) through (vi) above are referred to in this Offering Circular as “Full Recourse Events”, and together with Limited Recourse Events, the “Guaranteed Obligations”. The Guarantors executed a guaranty (the “Guaranty”), guaranteeing the obligations and liabilities of the Borrower to the Mortgage Lender for any loss, out of pocket cost, expense, damage or claim to the extent actually incurred by the Mortgage Lender from any Limited Recourse Event and the full amount of the Mortgage Loan in connection with a Full Recourse Event. Notwithstanding anything to the contrary in the Guaranty, the Mortgage Lender has the right under the Bankruptcy Code to file a claim for the full amount of the indebtedness secured by the collateral or to require that all collateral will continue to secure all of the debt owing to the Mortgage Lender in accordance with the Mortgage Loan Documents.

The Guarantors also executed the Completion Guaranty and the Third Floor Completion Guaranty, guaranteeing certain obligations and liabilities of the Borrower to the Mortgage Lender with respect to the Required Renovation Work and Third Floor Renovation Work, respectively.

The obligations guaranteed by the Completion Guaranty include the payment of (a) the cost to complete the Required Renovation Work less (b) the sum of (i) funds on deposit in the Required Renovation Reserve Account upon the Mortgage Lender’s acquisition of the Mortgaged Property through foreclosure or otherwise, (ii) funds on deposit in the Manager FF&E Account upon the Mortgage Lender’s acquisition of the Mortgaged Property through foreclosure or otherwise, to the extent the Property Manager has confirmed that such amounts are available and permitted to be used to pay for Required Renovation Work, and (iii) amounts which are to be deposited into the Manager FF&E Account (to the extent the same are permitted to be used to pay for Required Renovation Work pursuant to the Management Agreement) for the 12-month period following Mortgage Lender’s acquisition of the Mortgaged Property through foreclosure or otherwise as if the Mortgage Loan had remained in good standing. The maximum obligation of the Guarantors will not exceed \$6,800,000 and the Management Agreement permits the Borrower to use the funds on deposit in the Manager FF&E Account to pay for Required Renovation Work through March 31, 2020.

The obligations guaranteed by the Third Floor Completion Guaranty include the payment of the cost to complete the Third Floor Renovation Work, less (i) out-of-pocket costs incurred by the Borrower from the Origination Date toward the Third Floor Renovation Work, (ii) funds on deposit in the Manager FF&E Account upon the Mortgage Lender’s acquisition of the Mortgaged Property through foreclosure or otherwise, to the extent permitted to be used to pay for Third Floor Renovation Work and not intended or required to be used for the Required Renovation Work pursuant to the Management Agreement, and (iii) amounts which are then estimated to be deposited into the Manager FF&E Account (to the extent permitted to be used to pay for Third Floor Renovation Work and not intended or required to be used for the Required Renovation Work pursuant to the Management Agreement) for the 12-month period following the Mortgage Lender’s acquisition of the Mortgaged Property through foreclosure or otherwise as if the Mortgage Loan had remained in good standing and are not intended or required to be used for the Required Renovation Work. The maximum obligation of Guarantors will not exceed an amount equal to (a) \$5,000,000 less (b) the sum of the amounts described in clause (i), clause (ii) and clause (iii) of this paragraph.

“Approved Rating Agency” means S&P, Moody’s Investors Service, Inc. (“Moody’s”), Fitch Ratings, Inc. (“Fitch”), DBRS, Inc. (“DBRS”), Kroll Bond Rating Agency, Inc. (“KBRA”), Morningstar Credit Ratings, LLC (“Morningstar”) or any other nationally-recognized statistical rating agency which, in each case, has been approved by the Mortgage Lender and designated by the Mortgage Lender to assign a rating to the Certificates.

“Approved Replacement Manager” means any Qualified Manager that is not an affiliate of the Borrower, which is reasonably acceptable to the Mortgage Lender. The Mortgage Lender has agreed certain managers will be deemed to be Approved Replacement Managers.

“Approved Replacement Management Agreement” means a Replacement Management Agreement with an Approved Replacement Manager.

“Completion Guaranty” means that certain Completion Guaranty Agreement, dated as of the Origination Date, executed and delivered by the Guarantors in connection with the Mortgage Loan to and for the benefit of the Mortgage Lender with respect to the Required Renovation Work, as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time.

“JDE” means Jonathan D. Eilian, an individual.

“JDE Replacement Guarantor” means JDE or any other Person, which JDE controls and owns (directly or indirectly) not less than 10% of the interests therein.

“Principal” means the Special Purpose Entity that is the general partner of the Borrower, if the Borrower is a limited partnership, or managing member of the Borrower, if the Borrower is a limited liability company other than a single-member Delaware limited liability company.

“Property Manager” means Marriott Hotel Services, Inc., a Delaware corporation, or, if the context requires, a Qualified Manager who is managing the Mortgaged Property in accordance with the terms and provisions of the Mortgage Loan Agreement pursuant to a Replacement Management Agreement.

“Management Agreement” means that certain Management Agreement by and between Marriott Hotel Services, Inc., a Delaware corporation, and the Borrower, dated as of July 25, 2001, as previously amended.

“Qualified Franchisor” means (a) Marriott; (b) any of the following franchisors: Hilton Worldwide Inc., InterContinental Hotels Group, Hyatt Hotels Corporation, Loews Hotels, Inc., Four Seasons or AccorHotels (with respect to InterContinental Hotels Group or Accorhotels (so long as the chosen brand (but only with respect to such brand) is within a STR Chain Scale category that is higher than the category in which the Mortgaged Property’s brand is listed at the time of determination); (c) any franchisor of any brand (but only respect to such brand) within a STR Chain Scale category that is higher than the category in which the Property’s brand is listed at the time of determination; or (d) a reputable and experienced franchisor possessing experience in flagging hotel properties similar in size, scope, use and value as the Mortgaged Property that is reasonably acceptable to the Mortgage Lender, *provided*, that (i) if such franchisor is an affiliate of the Borrower, if required by the Mortgage Lender, the Borrower is required to have obtained an additional insolvency opinion and (ii) with respect to clause (d) above, if required by the Mortgage Lender following a securitization, the Borrower is required to have obtained a Rating Agency Confirmation with respect to the licensing of the Mortgaged Property by such person.

“Qualified Manager” means either (a) Property Manager; (b) any of the following management companies: Hilton Worldwide Inc., InterContinental Hotels Group, Hyatt Hotels Corporation, Loews Hotels, Inc., Four Seasons, Interstate or AccorHotels (with respect to Interstate or Accorhotels (so long as the chosen brand (but only with respect to such brand) is within a STR Chain Scale category that is higher than the category in which the Mortgaged Property’s brand is listed at the time of determination); (c) Atrium Hospitality, LP; or (d) a reputable and experienced management organization (which may be an affiliate of the Borrower) possessing experience in managing properties similar in size, scope, use and value as the Mortgaged Property that is reasonably acceptable to the Mortgage Lender, *provided*, that, (i) in the case of clauses (c) and (d) above, if required by the Mortgage Lender, the Borrower is required to have obtained a Rating Agency Confirmation from the Rating Agency with respect to such Property Manager and its management of the Mortgaged Property, and (ii) in the case of clauses (b), (c) and (d) above, if such entity is an affiliate of the Borrower, the Borrower is required to have obtained an additional insolvency opinion, and (iii) in each case, the Mortgaged Property must be flagged and branded by a Qualified Franchisor (which may be the same person as the Qualified Manager if the Qualified Manager is an Approved Replacement Manager) pursuant to a replacement franchise agreement or an Approved Replacement Management Agreement.

“Release Price” means with respect to the first one hundred ten (110) hotel rooms released or subleased pursuant to the Mortgage Loan Agreement, the product of (i) the Allocated Loan Amount for the related Hotel Room and (ii) 110%, (b) with respect to the second one hundred ten (110) hotel rooms (e.g., rooms numbered 111 through 220) released or subleased pursuant to the Mortgage Loan Agreement, the product of (i) the Allocated Loan Amount for the related Hotel Room and (ii) 115%, and (c) with respect to the final eighty-eight (88) hotel rooms (e.g., rooms numbered 221 through 308) released or subleased pursuant to the Mortgage Loan Agreement, the product of (i) the Allocated Loan Amount for the related Hotel Room and (ii) 120%.

“Replacement Management Agreement” means either (a) a management agreement with a Qualified Manager substantially in the same form and substance as the Management Agreement or (b) a management agreement with a Qualified Manager, which management agreement is reasonably acceptable to the Mortgage Lender in form and substance; *provided*, with respect to clause (b), the Mortgage Lender, at its option, may require that the Borrower has obtained a Rating Agency Confirmation from the Rating Agency with respect to such Property Manager and its management of the Mortgaged Property, *provided, further*, that such Replacement Management Agreement must provide that rents and other amounts from the Mortgaged Property be applied by the Approved Replacement Manager in a manner similar to the Management Agreement prior to being deposited into the Lockbox Account and is subject to an assignment of management agreement and subordination of management fees substantially in the same form then used by the Mortgage Lender or substantially in the form of the Assignment of Management Agreement (or in such other form and substance reasonably acceptable to the Mortgage Lender), executed and delivered to the Mortgage Lender by the Borrower and such Qualified Manager at the Borrower’s expense.

"Third Floor Completion Guaranty" means that certain Third Floor Completion Guaranty Agreement, dated as of the Origination Date, executed and delivered by the Guarantors in connection with the Mortgage Loan to and for the benefit of the Mortgage Lender with respect to the renovations to be completed on the third floor of the Hotel, as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time.

Lockbox Account

Prior to the Origination Date, the Borrower has established and is required to maintain an account (the "**Lockbox Account**") with Lockbox bank in trust and for the benefit of the Mortgage Lender, which account will be under the sole dominion and control of the Mortgage Lender. The Lockbox Agreement will provide that the Lockbox bank is required to transfer to the Cash Management Account in immediately available funds by federal wire transfer all amounts on deposit in the Lockbox Account (less any required minimum peg balance) once every Business Day during any period that a Cash Sweep Period is then continuing during the term of the Mortgage Loan.

At any time the Mortgaged Property is subject to the Management Agreement (or any Approved Replacement Management Agreement), the Borrower is required to, and is required to cause the Property Manager (or an Approved Replacement Manager) to, deposit all amounts to be paid to the Borrower under the Management Agreement (or an Approved Replacement Management Agreement) into the Lockbox Account. At any time the Mortgaged Property is not subject to the Management Agreement (or any Approved Replacement Management Agreement), the Borrower is required to cause the delivery of irrevocable (so long as any portion of the Debt is outstanding) written instructions to each of the credit card companies or credit card clearing banks with which the Borrower or the Property Manager have entered into (or in the future enter into) merchant's agreements to deliver all receipts payable with respect to the Mortgaged Property directly to the Lockbox Account. In the event any such amounts are mistakenly delivered directly to the Borrower, the Borrower is required to deliver such amounts to the Lockbox Account within two Business Days of receipt thereof.

"Cash Sweep Event" means the occurrence of: (a) a Mortgage Loan Event of Default; (b) any bankruptcy action of the Borrower, the Principal or an affiliated Property Manager; (c) a Debt Yield Trigger Event; or (d) the occurrence of the Required Renovation Trigger.

"Cash Sweep Event Cure" means (a) if the Cash Sweep Event is caused solely by the occurrence of a Debt Yield Trigger Event, the achievement of a Debt Yield Cure, (b) if the Cash Sweep Event is caused solely by a Mortgage Loan Event of Default, the acceptance by the Mortgage Lender of a cure of such Mortgage Loan Event of Default (which cure the Mortgage Lender is not obligated to accept and may reject or accept in its sole and absolute discretion), (c) if the Cash Sweep Event is caused solely by a bankruptcy action of an affiliated Property Manager, if (i) the Borrower replaces the affiliated Property Manager with a Qualified Manager under a Replacement Management Agreement within 90 days or (ii) such bankruptcy action is involuntary and not consented to by such affiliated Property Manager, and such bankruptcy action is discharged or dismissed within 90 days, or (d) if the Cash Sweep Event is caused by a Required Renovation Trigger, the occurrence of the Required Renovation Cure; provided, however, that, a Cash Sweep Event Cure described in this definition is subject to the following conditions, (i) no Mortgage Loan Event of Default will have occurred and is then continuing under the Mortgage Loan Agreement or any of the other Mortgage Loan Documents and (ii) the Borrower has paid all of the Mortgage Lender's reasonable and actual out-of-pocket expenses incurred in connection with such Cash Sweep Event Cure, including reasonable and out-of-pocket attorney's fees and expenses.

"Cash Sweep Period" means each period commencing on the occurrence of a Cash Sweep Event and continuing until the earlier of (a) the date of the related Cash Sweep Event Cure, or (b) until payment in full of the Debt.

"Debt Yield Cure" means the achievement of a Debt Yield of at least the Debt Yield Trigger Level as of the end of the calendar quarter immediately preceding the applicable Mortgage Loan Payment Date, which may at the Borrower's election be accomplished by (a) making a voluntary prepayment of the Mortgage Loan as described in "*Prepayment*" above, that, after giving effect thereto, results in a Debt Yield of at least the applicable Debt Yield Trigger Level or (b) delivering a letter of credit to Mortgage Lender in accordance with the terms of the Mortgage Loan Agreement in a face amount such that, if such letter of credit were applied to pay down the principal balance of the Mortgage Loan would result in a Debt Yield of at least the applicable Debt Yield Trigger Level.

"Debt Yield Trigger Event" means a Debt Yield on any date of determination, based upon the trailing 12-month period immediately preceding the end of the calendar quarter immediately preceding such date of determination, as determined by the Mortgage Lender using the quarterly statements required to be delivered pursuant to the Mortgage Loan Agreement, of less than the Debt Yield Trigger Level.

“Debt Yield Trigger Level” means (i) prior to the date which is twelve (12) months after the completion of the Required Renovation Work in accordance with the Completion Guaranty (but in no event longer than thirty (30) months from the commencement of the Required Renovation Work), 6.50%, and (ii) thereafter, 7.00%.

“Guarantor Financial Covenants” means those minimum net worth covenants of the Guarantors as set forth in the Guaranty.

“Required Renovation Trigger” means that the funds on deposit in the Required Renovation Reserve Account and the Replacements Reserve Account, to the extent such funds the Property Manager has confirmed are available and permitted to be used for the payment of costs related to the Required Renovation Work, in the aggregate, are less than 90% of the estimated cost to substantially complete the Required Renovation Work, as reasonably determined based on an officer’s certificate of the Borrower stating (A) that the representations and warranties of the Borrower set forth in the Mortgage Loan Agreement are true and correct as of the date of such certificate and (B) the remaining cost (including costs incurred but not paid as of such date) to substantially complete the Required Renovation Work. For purposes of the foregoing, any determination made during the first 12 months of the Mortgage Loan will assume that any amounts scheduled to be deposited into the Required Renovation Reserve Account and the Replacement Reserve Account during such 12-month period have been made, provided that the foregoing amounts cannot be inconsistent with then in-place Approved Annual Budget.

“Required Renovation Work” means renovations required to be completed under the Management Agreement, subject to any changes agreed to by the Borrower and the Property Manager done in accordance with the Mortgage Loan Agreement.

“Required Renovation Cure” means the date on which the funds on deposit in the Required Renovation Reserve Account and the Replacement Reserve Account, to the extent such funds the Property Manager has confirmed are available and permitted to be used for the payment of costs related to the Required Renovation Work, in the aggregate, are equal to or greater than 90% of the estimated cost to substantially complete the Required Renovation Work, as determined based on an officer’s certificate of the Borrower. For purposes of the foregoing, any determination made during the first 12 months of the Mortgage Loan will assume that any amounts scheduled to be deposited into the Required Renovation Reserve Account and the Replacement Reserve Account during such 12-month period have been made, provided that the foregoing amounts cannot be inconsistent with then in-place Approved Annual Budget.

“Third Floor Renovation Work” means a renovation of the third floor space of the Mortgaged Property, which renovation will cause such space to function substantially consistent with the plans set forth in the Mortgage Loan Agreement.

Cash Management Account

Upon the first occurrence of a Cash Sweep Event, the Borrower is required to establish and maintain a segregated account in the name of the Borrower for the benefit of the Mortgage Lender as the secured party (a “Cash Management Account”). The Borrower will, upon the opening of the Cash Management Account, grant the Mortgage Lender a first priority security interest in the Cash Management Account and all deposits at any time contained therein and the proceeds thereof and will take all actions reasonably necessary to maintain in favor of Mortgage Lender a perfected first priority security interest in the Cash Management Account. Upon prior written notice to the Borrower and to the extent the bank holding the Cash Management Account or the account no longer meet the eligibility requirements under the Mortgage Loan Documents, the Mortgage Lender has the right to change the eligible institution at which the Cash Management Account is maintained from time to time.

All amounts in the Lockbox Account are required to be disbursed from the Lockbox Account to the Cash Management Account on each Business Day during the continuance of a Cash Sweep Period and will be applied as described below.

Notwithstanding anything in the Mortgage Loan Documents to the contrary, the Mortgage Lender has agreed that notwithstanding the existence of a Mortgage Loan Event of Default, at all times prior to a Priority Payment Cessation Event, Wells Fargo Bank, N.A. (collectively with its successors, the “Agent”) is required to apply all funds on deposit in the Cash Management Account in the following order of priority:

- (a) first, funds, if any, sufficient to pay the monthly deposit to the Tax and Insurance Escrow Fund in the amount required under the Mortgage Loan Documents if such a deposit is then required pursuant to the terms and provisions of the Mortgage Loan Documents, which amounts will be deposited in the tax and insurance escrow subaccount;

(b) then, funds sufficient to pay the monthly deposit to the Ground Lease Reserve Account due pursuant to the Mortgage Loan Documents if such a deposit is then required pursuant to the terms and provisions of the Mortgage Loan Documents, which amounts will be deposited into the ground lease reserve subaccount;

(c) then, funds sufficient to pay the Agent fees then due and payable, which amount will be deposited into the Agent subaccount;

(d) then, funds sufficient to pay any hotel taxes and custodial funds then due and payable, which amount will be deposited into the hotel taxes and custodial funds subaccount;

(e) then, funds sufficient to pay the monthly debt service under the Mortgage Loan due and payable on the next Mortgage Loan Payment Date and any other amounts then due under the Mortgage Loan Documents (other than the payment of the outstanding principal amount of the Mortgage Loan on the Maturity Date, which amount will be deposited into the debt service subaccount);

(f) then, during a Cash Sweep Period, payments for monthly operating expenses for the applicable period in accordance with the related Approved Annual Budget provided that so long as the Management Agreement (or an Approved Replacement Management Agreement) is in full force and effect, the amount required to be deposited to pay such operating expenses will be waived so long as the payment for such operating expenses for the applicable period must be paid by the Property Manager in accordance with the Management Agreement (or an Approved Replacement Manager in accordance with the Approved Replacement Management Agreement), which amount will be deposited into the operating expense subaccount;

(g) then, funds sufficient to pay the Replacements Monthly Deposit in the amount required under the Mortgage Loan Documents if such a deposit is then required pursuant to the Mortgage Loan Documents, which amounts will be deposited into the replacements reserve subaccount;

(h) then, funds sufficient to pay the Required Renovations Monthly Deposit if such a deposit is then required under the Mortgage Loan Documents, which amounts will be deposited into the Required Renovation reserve subaccount;

(i) then, during a Cash Sweep Period, payments for extraordinary expenses for the applicable period approved by Mortgage Lender or which do not require the approval of Mortgage Lender under the Mortgage Loan Documents, if any, will be deposited into the extraordinary expense subaccount; and

(j) then, during a Cash Sweep Period, all amounts then remaining in the Cash Management Account after payment of items described in (a) through (i) (the "Excess Cash Flow"), to be deposited into (A) the Required Renovation reserve subaccount to the extent that a Required Renovation Trigger Event has occurred and is continuing (notwithstanding the existence of other Cash Sweep Events) or (B) otherwise, the Excess Cash Flow subaccount and to be held and applied in accordance with the Mortgage Loan Documents;

During a Cash Sweep Period triggered solely by (i) a Mortgage Loan Event of Default or (ii) a bankruptcy action of the Borrower, commencing on the first Business Day following the date of such Mortgage Loan Event of Default or bankruptcy action of the Borrower and on each Business Day thereafter, until the occurrence of the related Cash Sweep Event Cure, Agent is required to apply all funds on deposit in the Cash Management Account as follows:

(x) if a Priority Payment Cessation Event has not occurred, (i) *first*, funds sufficient to pay any hotel taxes and custodial funds, taxes, insurance premiums and ground rent then due and payable, which Mortgage Lender may elect to pay directly to the applicable taxing authority or person entitled thereto; *provided*, that the Borrower must deliver to the Mortgage Lender the bill, statement or estimate procured from such taxing authority or other evidence of such required payment as may be reasonably required by Mortgage Lender, (ii) *second*, funds sufficient to pay the Replacements Monthly Deposit in the amount required under the Mortgage Loan Documents if such deposit is then required under the Mortgage Loan Documents, which amounts will be deposited in the Replacements Reserve Account; (iii) *third*, funds sufficient to pay the Required Renovations Monthly Deposit if such deposit is then required under the Mortgage Loan Documents, which amounts will be deposited into the Required Renovation reserve subaccount; (iv) *fourth*, provided that (1) a receiver has not been appointed, (2) a bankruptcy action of the Borrower does not exist, (3) a bankruptcy action of Property Manager does not exist and (4) a Mortgage Loan Event of Default relating to fraud or Property Manager negligence does not exist, funds sufficient to pay any operating expenses for the applicable period in accordance with the related Approved Annual Budget, which are required to be paid directly by Mortgage Lender and funds sufficient to pay any operating expenses for the applicable period which the Property

Manager is permitted to expend pursuant to the Management Agreement without the Borrower's consent; provided, however, for avoidance of doubt, no incentive management fees will be paid to the Property Manager under the Management Agreement and no fees will be paid to Asset Manager under the Asset Management Agreement; (v) fifth, costs for legal and required reporting audits and tax preparation, not to exceed \$150,000 in the aggregate (vi) sixth, extraordinary expenses approved by the Mortgage Lender or otherwise permitted to be incurred under the Mortgage Loan Documents, which will be paid directly by the Mortgage Lender; (vii) seventh, emergency repairs and/or life safety issues (including any capital expenditures) at the Mortgaged Property, which will be paid directly by the Mortgage Lender; (viii) eighth, costs associated with the Leases or any new leases with immaterial tenants, which costs must be approved by the Mortgage Lender; (ix) ninth, such other costs which are reasonably approved by the Mortgage Lender; and (x) tenth, then, all funds are required to be deposited into the Excess Cash Flow Reserve Account; and

(y) if a Priority Payment Cessation Event has occurred, Mortgage Lender will have the right to apply all amounts in the Cash Management Account and any subaccount to the repayment of the Debt or components thereof and/or the payment of Property expenses, in each case, in such order as the Mortgage Lender determines in its sole discretion; provided, however, upon the occurrence of a Priority Payment Cessation Event, the Mortgage Lender is required to distribute to the Borrower funds sufficient to pay any hotel taxes and custodial funds then due and payable and attributable to the Borrower's ownership of the Property, which Mortgage Lender may elect to pay directly to the applicable taxing authority or person entitled thereto.

"Priority Payment Cessation Event" means (a) the conclusion of judicial or non-judicial foreclosure proceedings relating to all or a material portion of the Property, so long as no bankruptcy action of the Borrower or the Principal has occurred and (b) the satisfaction or other termination of the Mortgage Loan.

Reserve Accounts

Tax and Insurance Escrow Fund

Upon the occurrence and during the continuance of a Cash Sweep Period, the Borrower will be required to fund a reserve fund (the "Tax and Insurance Escrow Fund") for taxes and other charges, and insurance premiums payable with respect to the Mortgaged Property. The Borrower is required to deposit into the Tax and Insurance Escrow Fund on each Mortgage Loan Payment Date occurring during the continuance of a Cash Sweep Period (A) one-twelfth (1/12) of the annual Taxes and other charges that the Mortgage Lender estimates to be payable with respect to the Mortgaged Property during the next 12 months in order to accumulate sufficient funds to pay all such Taxes and other charges at least 30 days prior to their respective due dates and (B) one-twelfth (1/12) of the annual insurance premiums that the Mortgage Lender estimates will be payable for the renewal of the coverage under policies required under the Mortgage Loan Documents on the expiration thereof in order to accumulate with the Mortgage Lender sufficient funds to pay such premiums at least thirty (30) days prior to the expiration of such policies; provided that, to the extent Taxes, other charges and/or insurance premiums for the Mortgaged Property are reserved for in the Manager Reserve Account maintained by the Property Manager pursuant to the Management Agreement (or an Approved Replacement Manager pursuant to an Approved Replacement Management Agreement) and the Borrower delivers to the Mortgage Lender evidence reasonably acceptable to the Mortgage Lender that such Property Manager is holding such funds, the Borrower will not be required to deposit amounts described under this paragraph for the Tax and Insurance Escrow Fund for such month, so long as (x) the monthly amounts being deposited into the Manager Reserve Account are equal to or greater than the amount required to be deposited into the Tax and Insurance Escrow Fund for such month or (y) the Mortgage Lender receives reasonably satisfactory evidence that the Property Manager is paying such amounts for taxes, other charges or insurance premiums, as applicable, on a current basis (or, with respect to taxes, the Property Manager is disbursing such amounts to the Borrower to pay taxes directly).

If at any time (A) the Borrower is required to make monthly deposits into the Tax and Insurance Escrow Fund and (B) the Mortgage Lender reasonably determines that the funds on deposit in the Tax and Insurance Escrow Fund will not be sufficient to pay amounts set forth in clauses (A) and (B) above, the Borrower will be required to increase its monthly payments by the amount that the Mortgage Lender reasonably estimate will be sufficient to make up the deficiency at least 30 days prior to the due date for the taxes and other charges and/or 30 days prior to the expiration of the Policies, as the case may be.

Any amount remaining in the Tax and Insurance Escrow Fund after the Debt has been paid in full is required to be disbursed in accordance with the Mortgage Loan Agreement.

Notwithstanding anything in the Mortgage Loan Agreement to the contrary, (i) to the extent that the Borrower is required to make monthly deposits into the Tax and Insurance Escrow Fund and has provided the Mortgage Lender with evidence reasonably satisfactory to the Mortgage Lender that (A) any insurance required to be maintained by the Borrower under the Mortgage Loan Documents is effected under a blanket policy reasonably acceptable to the Mortgage Lender insuring substantially all of the real property owned, directly or indirectly, by the Guarantors and (B) upon request of the Mortgage Lender, the Borrower provides to the Mortgage Lender reasonably acceptable evidence of the renewal of the related blanket policy and timely paid premiums related thereto, the Borrower is not required to make deposits into the Tax and Insurance Escrow Fund with respect to insurance premiums and (ii) to the extent that taxes are timely paid by the Borrower or the Property Manager, as applicable, prior to the date that such taxes are delinquent and the Borrower delivers to the Mortgage Lender evidence reasonably acceptable to the Mortgage Lender that taxes have been paid prior to the date that such taxes would be delinquent, the Borrower will not be required to make deposits into the Tax and Insurance Escrow Fund with respect to taxes.

Required Renovation Reserve Fund

On the Origination Date, the Borrower funded an upfront renovations reserve fund (the “Required Renovations Reserve Fund”) in the amount of \$43,141,456 for the payment of the Required Renovation Work into an account held or controlled by Mortgage Lender (such account, the “Required Renovations Reserve Account”).

The Borrower must pay to the Mortgage Lender on each Mortgage Loan Payment Date, an amount equal to (i) the Required Renovations Reserve Monthly Deposit until such time that the amount deposited into the Required Renovations Reserve Account as described in this sentence equals or exceed \$9,000,000 and (ii) the amounts deposited pursuant to the Cash Management Agreement after the occurrence of a Required Renovation Trigger Event as described under “–*Cash Management Account*” above. The Mortgage Lender will make disbursements from the Required Renovation Reserve Account only for the payment or reimbursement of costs (including, without limitation, payment for deposits of goods and work included in the Required Renovation Work) of the Required Renovation Work in accordance with the Required Renovation Budget and only to the extent that funds on deposit in the Replacements Reserve Account and the Manager FF&E Account are insufficient to pay the same. The Mortgage Lender will disburse amounts from the Required Renovation Reserve Account in accordance with the provisions set forth in the Mortgage Loan Agreement relating to disbursements of Replacements (described in “–*Replacements Reserve Funds*” below). Upon the occurrence and during the continuance of a Mortgage Loan Event of Default or a Cash Sweep Period, the Mortgage Lender will permit the Borrower to continue to perform the Required Renovation Work and receive disbursements from the Required Renovation Reserve Account for such Required Renovation Work pursuant to the Mortgage Loan Agreement.

During the continuance of a Mortgage Loan Event of Default, and so long as the Borrower and the Guarantors have defaulted in their obligations in connection with the Required Renovation Work as expressly set forth in the Mortgage Loan Agreement and the Completion Guaranty (as applicable, a “Required Renovation Default”) in order to facilitate the Mortgage Lender’s completion or performance of such Required Renovation Work, the Mortgage Lender may enter onto the Mortgaged Property and perform any and all work and labor necessary to complete such Required Renovation Work and/or employ watchmen to protect the Mortgaged Property from damage, in each case, subject to the Management Agreement. All sums so expended by the Mortgage Lender, to the extent not from the Required Renovation Reserve Fund will be deemed to have been advanced under the Mortgage Loan to the Borrower and secured by the Mortgage.

Upon completion of the Required Renovation Work, the Borrower is required to provide the Mortgage Lender evidence of completion of the Required Renovation Work satisfactory to Mortgage Lender in its reasonable discretion (which requirement may be satisfied by a notice of completion from the Property Manager upon which the Mortgage Lender may rely), the Mortgage Lender is required to promptly disburse any funds then remaining on deposit in the Required Renovation Reserve Fund.

The Mortgage Lender is not permitted to apply the Required Renovation Reserve Funds to the payment of the Debt unless and until the Mortgage Lender has accelerated the Mortgage Loan and completed foreclosure on the Mortgaged Property (or accepted a deed-in-lieu of foreclosure); *provided, however, upon the occurrence and during the continuance of a Mortgage Loan Event of Default, (i) the Mortgage Lender may, but will not be required to (unless the Mortgage Lender elects to cause the completion of the Required Renovation Work in accordance with the Mortgage Loan Agreement, use the Required Renovation Reserve Funds) for completion of Required Renovation Work as provided in the Mortgage Loan Agreement and/or (ii) at the Mortgage Lender’s sole discretion, permit the Borrower to continue to perform the Required Renovation Work and receive reimbursements from the Required Renovation Reserve Account for such Required Renovation Work pursuant to the terms hereof.*

The insufficiency of any balance in the Required Renovation Reserve Account will not relieve the Borrower from its obligation to complete the Required Renovation Work in accordance with the Mortgage Loan Agreement.

All interest in the Required Renovation Reserve Fund will be added to and become part thereof and disbursed therefrom in accordance with the Mortgage Loan Documents.

“Required Closing Date Deposit” means: (a) with respect to the deposit into the Required Renovation Reserve Account pursuant to the Mortgage Loan Agreement, the amount of \$43,141,456; and (b) with respect to the deposit into the Replacements Reserve Account pursuant to the Mortgage Loan Agreement, the amount of \$0.

“Required Renovation Budget” means the budget attached as an exhibit to the Mortgage Loan Agreement, as the same may be amended or modified from time to time in accordance with the Mortgage Loan Agreement.

“Required Renovations Reserve Monthly Deposit” means \$750,000.

Replacements Reserve Fund

On each Mortgage Loan Payment Date, the Borrower is required to pay to the Mortgage Lender an amount equal to the Replacements Monthly Deposit in order to fund a replacement reserve fund (the “Replacements Reserve Fund”); provided that the Borrower will receive a credit to the extent a portion of the Replacements Monthly Deposit is held in the Manager FF&E Account. The account in which the Replacements Reserve Funds are held is the “Replacements Reserve Account”. However, the Borrower may deposit an amount in excess of the Replacements Monthly Deposit in any month (or, for the avoidance of doubt, spend amounts for Replacements described in this “–Replacements Reserve Fund” section in excess of the Replacements Monthly Deposit), and any such documented excess amount spent or so deposited may, provided no Mortgage Loan Event of Default is continuing, be applied by the Borrower at any time as a credit against each Replacements Monthly Deposit required thereafter, until fully credited. All interest in the Replacements Reserve Fund will be added to and become part thereof and disbursed therefrom in accordance with the Mortgage Loan Documents.

So long as the Management Agreement (or an Approved Replacement Management Agreement) is in full force and effect with respect to the Mortgaged Property, and the Property Manager (or an Approved Replacement Manager pursuant to an Approved Replacement Management Agreement) is making deposits into the Manager FF&E Account for the Mortgaged Property for the payment of Replacements in accordance with the provisions of the Management Agreement (or an Approved Replacement Management Agreement), which monthly deposit amounts equal or exceed the Replacements Monthly Deposit for such month, and the Borrower delivers to the Mortgage Lender evidence reasonably acceptable to the Mortgage Lender that the Property Manager (or an Approved Replacement Manager) is holding such funds, which evidence may include, a monthly report delivered to the Mortgage Lender in accordance with the Mortgage Loan Agreement that confirms the amounts being held in the Manager FF&E Account and that the required monthly deposits are being made into the Manager FF&E Account, the Borrower will not be required to make the Replacements Monthly Deposit for such month; provided, however, in the event that (i) the Property Manager (or an Approved Replacement Manager) is no longer making deposits into the Manager FF&E Account for the payment of Replacements in accordance with the provisions of the Management Agreement (or an Approved Replacement Management Agreement), or (ii) if such reserve account maintained by the Property Manager (or an Approved Replacement Manager) is not an Eligible Account subject to a control agreement in favor of the Mortgage Lender then the Borrower must immediately commence making deposits of Replacements Reserve funds in accordance with the provisions of the Mortgage Loan Agreement. In the event that the Property Manager has been replaced by an Approved Replacement Manager in accordance with the Mortgage Loan Agreement and the Approved Replacement Manager maintains the Manager FF&E Account, the Borrower will grant to the Mortgage Lender a security interest in the Borrower’s right, title and interest in and to such Manager FF&E Account and to cause the Property Manager (or the Approved Replacement Manager) to cause the Eligible Institution holding such accounts to acknowledge such security interest of the Mortgage Lender, pursuant to deposit account control agreements in form and substance similar to the existing agreements with respect to the Mortgaged Property and otherwise reasonably acceptable to the Mortgage Lender, the Borrower, Approved Replacement Manager and such Eligible Institution.

The Mortgage Lender is required to make disbursements from the Replacements Reserve Account only for the payment or reimbursement of costs of (i) the Required Renovation Work and (ii) all renovations, refurbishing, replacements of, or additions to, FF&E during the calendar year as set forth on the Approved Annual Budget (collectively, the “Replacements”) (which, for the avoidance of doubt, may be in amounts in excess of the Replacements Monthly Deposit).

If (i) the cost of any Required Renovation Work or Replacements exceeds \$250,000 and (ii) the contractor performing such Required Renovation Work or Replacements requires periodic payments pursuant to terms of a written contract, a request for reimbursement from the Required Renovation Work or Replacements Reserve Account may be made after completion of a portion of the work under such contract, provided (A) such contract requires payment upon completion of such portion of the work, (B) the materials for which the request is made are on site at the Mortgaged Property and are properly secured or have been installed in the Mortgaged Property, (C) all other conditions in the Mortgage Loan Agreement applicable to such disbursement have been satisfied, and (D) funds remaining in the Replacements Reserve Account are, in the Mortgage Lender's reasonable judgment, sufficient to complete such Required Renovation Work or Replacements and other Required Renovation Work and Replacements when required.

Any amount remaining in Replacements Reserve Fund after the Debt has been paid in full is required to be disbursed in accordance with the terms of the Mortgage Loan Agreement.

The Borrower is required to perform Replacements when required in order to keep the Mortgaged Property in condition and repair consistent with requirements of the Management Agreement and with other comparable properties in the same market segment in the metropolitan area in which the Mortgaged Property is located, and to keep the Mortgaged Property or any portion thereof from deteriorating. The Borrower is required to complete all Required Renovation Work and Replacements in a good and workmanlike manner as soon as practicable following the commencement of performance thereof, but in the case of Required Renovation Work, in any event, prior to any deadline set forth in the Management Agreement.

In the event the Mortgage Lender determines in its reasonable discretion that any Required Renovation Work or Replacement is not being performed in a workmanlike or timely manner or that any Required Renovation Work or Replacement has not been completed in a workmanlike or timely manner, and the Property Manager has indicated in writing that such failure to so perform or complete may result in an event of default under the Management Agreement, upon three Business Days written notice to the Borrower, the Mortgage Lender will have the option to withhold disbursement for such unsatisfactory Required Renovation Work or Replacements until so performed or completed and upon the occurrence and during the continuation of a Mortgage Loan Event of Default, to proceed under existing contracts or to contract with third parties to complete such Required Renovation Work or Replacements and if a Mortgage Loan Event of Default is continuing (or with respect to the Required Renovation Work, a Required Renovation Default is also continuing), to apply the Required Renovation Reserve Fund and Replacements Reserve Fund toward the labor and materials necessary to complete such Required Renovation Work and/or Replacements, without providing any notice to the Borrower and to exercise any and all other remedies available to the Mortgage Lender upon a Mortgage Loan Event of Default.

During the continuance of a Mortgage Loan Event of Default, in order to facilitate the Mortgage Lender's completion or performance of such Required Renovation Work or Replacements pursuant to the terms of the Mortgage Loan Agreement, subject to the rights of the tenants under the leases and the Property Manager under the Management Agreement, the Mortgage Lender may enter onto the Mortgaged Property and perform any and all work and labor necessary to complete such Required Work or Replacements and/or employ watchmen to protect the Mortgaged Property from damage, in each case, subject to the Management Agreement.

The Borrower is required to permit the Mortgage Lender and the Mortgage Lender's agents and representatives (including, without limitation, the Mortgage Lender's engineer, architect, or inspector) or third parties performing Required Renovation Work or Replacements pursuant to the terms of the Mortgage Loan Agreement to enter onto the Mortgaged Property during normal business hours and upon reasonable prior notice (subject to the rights of the tenants under their leases and the Property Manager under the Management Agreement) to inspect the progress of any Required Renovation Work or Replacements that costs in excess of \$3,500,000 and all materials being used in connection with such Required Renovation Work, and to examine all plans and shop drawings relating to any Required Renovation Work or Replacements made pursuant to the terms of the Mortgage Loan Agreement. The Borrower is required to use commercially reasonable efforts to cause all contractors and subcontractors to cooperate with the Mortgage Lender or the Mortgage Lender's representatives or such other persons described above in connection with inspections described in this section or the completion of Required Renovation Work or Replacements pursuant to the terms of the Mortgage Loan Agreement.

The Required Renovation Work, Replacements and all materials, equipment, fixtures, or any other item comprising a part of any Required Renovation Work or Replacements must be constructed, installed or completed, as applicable, free and clear of all mechanic's, materialmen's or other liens (except for liens permitted pursuant to the Mortgage Loan Agreement, including those liens existing on the date of the Mortgage Loan Agreement which have been approved in writing by the Mortgage Lender), in each case subject to the Borrower's right to contest the same in accordance with certain contest procedures set forth in the Mortgage Loan Agreement.

The Mortgage Lender may, but is not obligated to, apply all or any portion of the Replacements Reserve Fund during the continuance of a Mortgage Loan Event of Default to perform the Required Renovation Work as provided under the terms of the Mortgage Loan Agreement or to payment of taxes, ground rent, other charges and/or insurance premiums or to payment of the Debt; *provided* that Mortgage Lender is not permitted to apply the Replacements Reserve Fund to the payment of the Debt unless and until Mortgage Lender has accelerated the Mortgage Loan and completed foreclosure on the Mortgaged Property.

The insufficiency of any balance in the Replacements Reserve Account will not relieve the Borrower from its obligation to complete the Required Renovation Work and/or Replacements as required by the Mortgage Loan Documents. For the avoidance of doubt, the disbursement conditions related to “—Required Renovation Reserve Fund” do not apply to the Manager FF&E Account.

“FF&E” means, collectively, furnishings, fixtures and equipment.

“Manager FF&E Account” means, collectively, (a) the Manager Reserve Account for FF&E at the Mortgaged Property being held by Manager, pursuant to the terms of the Management Agreement, in an account held at Wells Fargo Bank, National Association and (b) all assets from time to time held therein and such account as of the Closing Date.

“Manager Reserve Account” means the Eligible Account maintained by the Manager (or an Approved Replacement Manager) under the Management Agreement (or an Approved Replacement Management Agreement) in the name of, or for the benefit of, the Borrower in accordance with the terms of the Management Agreement (or the Approved Replacement Management Agreement).

“Replacements Monthly Deposit” means an amount equal to (a) for the first twelve (12) Mortgage Loan Payment Dates occurring during term of the Mortgage Loan, the greater of (i) four percent (4%) of gross income from operations from the Mortgaged Property for the calendar month that is two (2) calendar months prior to the calendar month in which the Mortgage Loan Payment Date occurs (without taking into account the preceding Business Day convention) on which such deposit is required and (ii) \$416,667 and (b) thereafter, four percent (4%) of gross income from operations from the Mortgaged Property for the calendar month that is two (2) calendar months prior to the calendar month in which the Mortgage Loan Payment Date occurs (without taking into account the preceding Business Day convention) on which such deposit is required.

Ground Lease Reserve Fund

On each Mortgage Loan Payment Date during the continuance of a Cash Sweep Period, the Borrower must pay to the Mortgage Lender one-twelfth of the rents (including both base and additional rents) and other charges due under each Ground Lease that the Mortgage Lender estimates will be payable by the Borrower as lessee under the related Ground Lease (the account into which such funds are deposited, the “Ground Lease Reserve Account”) during the ensuing twelve (12) months in order to accumulate with the Mortgage Lender sufficient funds to pay all such ground rent at least thirty (30) days prior to the respective due dates, *provided* that, to the extent ground rent is reserved for in the Manager Reserve Account maintained by the Property Manager pursuant to the Management Agreement (or an Approved Replacement Manager pursuant to an Approved Replacement Management Agreement) or is timely paid by the Property Manager pursuant to the Management Agreement (or an Approved Replacement Manager pursuant to an Approved Replacement Management Agreement) and the Borrower delivers to the Mortgage Lender evidence reasonably acceptable to the Mortgage Lender that such Property Manager is holding such funds and making the required payments of ground rent in accordance with the Ground Leases (which evidence may include, a monthly report delivered to the Mortgage Lender in accordance with the Mortgage Loan Agreement that confirms the amounts being held in the Manager Reserve Account and that the required monthly ground rent has been paid) and there is then no event of default continuing under the Management Agreement, the Borrower will not be required to deposit amounts required hereunder for the Ground Lease Reserve Fund hereunder for such month. In the event the Parking Parcel is released from the lien of the Mortgage in accordance with the terms of the Mortgage Loan Agreement (as described under “—Release of the Mortgaged Property” below), upon such release of the Parking Parcel, ground rent will not include rent and other charges payable under the Parking Parcel Lease.

The Mortgage Lender is required to apply amounts in the Ground Lease Reserve Fund to the payment of the applicable ground rent. In the event that the Borrower does not deliver evidence reasonably acceptable to Mortgage Lender that the required payment of ground rent with respect to any Ground Lease has been paid in accordance with such Ground Lease, the Mortgage Lender will make disbursements on each Mortgage Loan Payment Date for the ground rent from the Ground Lease Reserve Fund to the applicable ground lessor, or at the Mortgage Lender’s discretion, to the Borrower to be paid to the applicable ground lessor in the amount of the applicable ground rent due on the next monthly

due date under the applicable Ground Lease following such Mortgage Loan Payment Date. In making any payment relating to ground rent, the Mortgage Lender may do so according to any bill, statement or estimate procured from any ground lessor under a Ground Lease, without inquiry into the accuracy of such bill, statement or estimate. If the amount of Ground Lease Reserve Funds exceeds the amounts due for ground rent under each Ground Lease for the immediately succeeding 12 months as reasonably determined by the Mortgage Lender, the Mortgage Lender, in its sole discretion, will return any excess to the Borrower or credit such excess against future payments to be made to the Ground Lease Reserve Fund. Subject to the above paragraph, if at any time the Mortgage Lender reasonably determines that the Ground Lease Reserve Fund is not or will not be sufficient to pay the ground rent under each Ground Lease by the dates set forth above, the Mortgage Lender is required to notify the Borrower of such determination and the Borrower is required to increase the monthly payments to the Mortgage Lender by the amount that the Mortgage Lender estimates is sufficient to make up the deficiency at least 30 days prior to the due date of the ground rent for each Ground Lease.

Excess Cash Flow Reserve Fund

During a Cash Sweep Period, all funds in the Excess Cash Flow subaccount will be deposited with the Mortgage Lender in accordance with the Cash Management Agreement, which is required to be held in a reserve account as security for the Mortgage Loan (such excess cash flow, the “Excess Cash Flow Reserve Fund” and the account into which it is deposited the “Excess Cash Flow Reserve Account”).

During a Cash Sweep Period caused solely by a Cash Sweep Event described in clause (b), (c), or (d) of the definition thereof, so long as no Mortgage Loan Event of Default has occurred and is continuing, upon written request of the Borrower, the Mortgage Lender is required to disburse within five Business Days of the Borrower’s request and no more frequently than monthly, Excess Cash Flow Reserve Funds for (i) payment of any (A) operating expenses (including, without limitation, property management fees, franchise fees, ground rent and tax and insurance premiums (after application of amounts (if any) then on deposit in the Reserve Funds designated for such purposes pursuant to the Mortgage Loan Agreement)) not paid by the Property Manager (or an Approved Replacement Manager) or (B) extraordinary expenses approved by the Mortgage Lender or otherwise permitted to be incurred pursuant the Mortgage Loan Agreement, (ii) emergency repairs and/or life safety issues (including any capital expenditures) at the Mortgaged Property, (iii) capital expenditures (in accordance with the Approved Annual Budget), Replacements (in accordance with the Approved Annual Budget) and Required Renovation Work (as described under “—Required Renovation Reserve Fund” above) (after application of amounts then on deposit in the Reserve Funds designated for such purposes pursuant to the Mortgage Loan Agreement), (iv) hotel taxes and custodial funds not paid by the Property Manager (or an Approved Replacement Manager), (v) asset management fees, (vi) voluntary prepayment of the Mortgage Loan in full, but not in part, under the Mortgage Loan Agreement, (vii) legal fees arising in connection with the Mortgaged Property or the Borrower’s ownership and operation of the Mortgaged Property not to exceed \$150,000 in the aggregate annual when aggregated with amounts disbursed pursuant to clause (viii) below; provided that Excess Cash Flow may not be used for legal fees in connection with (A) the enforcement of the Borrower’s rights under the Mortgage Loan Documents or (B) any defense of any enforcement by the Mortgage Lender of its rights under the Mortgage Loan Documents, (viii) audit, accounting and tax expenses arising in connection with the Mortgaged Property or the Borrower’s ownership and operation of the Mortgaged Property not to exceed \$100,000 annually, (ix) costs of Restoration in excess of available net amount of insurance proceeds received as a result of damage or destruction, (x) Mortgage Loan debt service, (xi) any fees and costs payable by the Borrower, including to the Mortgage Lender, subject to and in compliance with the Mortgage Loan Documents, (xii) costs associated with existing leases or any new leases entered into pursuant to the terms of the Mortgage Loan Agreement, (xiii) payment of shortfalls in the required deposits into the reserve accounts (in each case, to the extent required in the Mortgage Loan Agreement and the Cash Management Agreement), (xiv) payments under any Ground Lease; (xv) if REIT restructuring has occurred, REIT distributions in the minimum amount necessary to preserve REIT status (and the Borrower must deliver to the Mortgage Lender an accountant’s letter confirming the calculation of such amount) but in no event in excess of \$250,000 per annum, and (xvi) such other items as reasonably approved by the Mortgage Lender.

Upon the occurrence of a Cash Sweep Event Cure, all Excess Cash Flow Reserve Funds then on deposit in the Excess Cash Flow Reserve Account are required to be deposited into the Cash Management Account to be disbursed in accordance with the Cash Management Agreement. Any Excess Cash Flow Reserve Funds remaining after the Debt has been paid in full are required to be disbursed in accordance with the Mortgage Loan Agreement. Notwithstanding the foregoing, during the continuance of a Mortgage Loan Event of Default, the Mortgage Lender is required to disburse within five Business Days of the Borrower’s request and no more frequently than monthly, Excess Cash Flow Reserve Funds for (u) legal, audit, accounting and tax expenses arising in connection with the Mortgaged Property or the Borrower’s ownership and operation of the Mortgaged Property not to exceed \$150,000 annually in the aggregate during the continuance of such Mortgage Loan Event of Default, provided that Excess Cash Flow shall not be used for legal fees in connection with (1) the enforcement of any of the Borrower’s rights under the Mortgage Loan Documents or (2) any

defense of any enforcement by the Mortgage Lender of its rights under the Mortgage Loan Documents, (v) payment of any (1) operating expenses (including, without limitation, property management fees, franchise fees, ground rent and Tax and Insurance Premiums (after application of amounts (if any) then on deposit in the Reserve Funds designated for such purposes pursuant to this Agreement)) pursuant to the Approved Annual Budget (*provided* that no fees will be paid to Asset Manager under the Asset Management Agreement) and (2) operating expenses as Property Manager (or an Approved Replacement Manager) is permitted to expend under the Management Agreement (or an Approved Replacement Management Agreement) without the consent of the Borrower, (w) Extraordinary Expenses approved by the Mortgage Lender or otherwise permitted to be incurred pursuant to Mortgage Loan Agreement, (x) emergency repairs and/or life safety issues at the Mortgaged Property, (y) costs associated with existing Leases or non-Major Leases, and (z) such other items as may be reasonably approved by the Mortgage Lender.

Following the occurrence of a Debt Yield Trigger Event and until the occurrence of a Debt Yield Cure, if the amount on deposit in the Excess Cash Flow Reserve Account equals or exceeds the amount that if applied to prepay a portion of the outstanding principal balance of the Mortgage Loan would result in a Debt Yield that equals or exceeds the Debt Yield Trigger Level (the “Debt Yield Cure Deposit Amount”), then a Debt Yield Cure will be deemed to have occurred for so long as the amount on deposit in the Excess Cash Flow Reserve Account continues to equal or exceed the Debt Yield Cure Deposit Amount; provided, that (a) no Event of Default has occurred and is continuing, and (b) no Bankruptcy Action of Borrower has occurred. Thereafter, provided no Event of Default or Cash Sweep Period is continuing (taking into account the deemed cure of the Debt Yield Cure), all Excess Cash Flow Reserve Funds then on deposit in the Excess Cash Flow Reserve Account that exceed the sum of the Debt Yield Cure Deposit Amount will be deposited into the Cash Management Account to be disbursed in accordance with the Cash Management Agreement.

Upon the occurrence of a Cash Sweep Event Cure, all Excess Cash Flow Reserve Funds then on deposit in the Excess Cash Flow Reserve Account will be disbursed to the Borrower. Any Excess Cash Flow Reserve Funds remaining after the debt has been paid in full shall be disbursed in accordance with the Mortgage Loan Agreement.

“Cash Management Agreement” means that certain Cash Management Agreement, dated as of the Origination Date, by the Borrower, the Mortgage Lender and Agent, as the same may be modified from time to time.

Subject to the Mortgage Loan Agreement, all funds on deposit in the Cash Management Account (including the Excess Cash Flow Reserve Account) following the occurrence and during the continuance of a Mortgage Loan Event of Default may be applied by Mortgage Lender to pay down the Debt in such order and priority as Mortgage Lender determines.

Representations and Warranties

The Mortgage Loan Agreement contains certain representations and warranties by the Borrower that are customary in transactions similar to the Mortgage Loan, including, without limitation, representations as to the due formation of the Borrower; the authority of the Borrower to enter into and to perform under the Mortgage Loan Documents; the authority of the Borrower to conduct its businesses and its qualification to do business in all states where such qualification is required; the due authorization and execution of the Mortgage Loan Documents and other related documents by the Borrower; compliance in all material respects with applicable laws (including building and zoning ordinances and codes); the absence of material defaults by the Borrower under other agreements; the payment of all filing and recording taxes; the absence of material litigation; each of the Borrower’s and each Principal’s status as special purpose entities, as described under “—*Certain Special Purpose Entity Mortgage Loan Covenants*” below; and the maintenance of all material permits and licenses and the maintenance of all required insurance.

The representation and warranties of the Borrower provided in the Mortgage Loan Agreement are attached as Annex E to this Offering Circular.

Certain Special Purpose Entity Mortgage Loan Covenants

The Borrower has represented and warranted as of the Origination Date and covenanted that, until the debt due under the Mortgage Loan and the Mortgage Loan Documents has been paid in full, the Borrower and the Principal are and will continue to be a corporation, limited partnership or limited liability company (each such entity, a “Special Purpose Entity”) that, since the date of its formation and at all times on and after the date of its formation, has complied with, and at all times will comply with the following requirements that each Special Purpose Entity, unless it has received: (i) prior consent to do otherwise from the Mortgage Lender or Servicer, (ii) confirmation from the Rating Agency that any noncompliance would not result in the qualification, withdrawal, or downgrade of the ratings of the Certificates, and (iii) an additional insolvency opinion:

(i) is and will be organized solely for the purpose of (i) in the case of the Borrower, acquiring, developing, holding, selling, leasing, transferring, exchanging, managing and operating the Mortgaged Property, entering into and performing its obligations under the Mortgage Loan Documents with the Mortgage Lender, refinancing the Mortgaged Property in connection with a permitted repayment or prepayment of the Mortgage Loan, transacting lawful business that is incident, necessary and appropriate to accomplish the foregoing and (ii) in the case of the Principal, acting as a general partner of the limited partnership that leases the Mortgaged Property or as member of the limited liability company that leases the related Mortgaged Property, and transacting lawful business that is incident, necessary and appropriate to accomplish the foregoing, holding, leasing, managing and operating the Mortgaged property, entering into and performing its obligations under the Mortgage Loan Documents with the Mortgage Lender, refinancing the Mortgaged Property in connection with a permitted repayment or prepayment of the Mortgage Loan, and transacting lawful business that is incident, necessary and appropriate to accomplish the foregoing;

(ii) will not engage in any business unrelated to the activities described in clause (i) above;

(iii) does not own or lease any real property other than in the case of the Borrower, the Mortgaged Property;

(iv) does not have and will not have any assets other than (i) in the case of the Borrower, the Mortgaged Property, rights under the Management Agreement, the leases, the Management Agreement and other contracts and agreements related to the Mortgaged Property and personal property necessary or incidental to its ownership (or leasehold interest in) and operation of the Mortgaged Property and (ii) in the case of the Principal, acting as a general partner of the limited partnership that owns the Mortgaged Property or as a member of the limited liability company that owns the Mortgaged Property and transacting lawful business that is incident, necessary and appropriate to accomplish the foregoing;

(v) will not engage in, seek, consent to or permit (i) any dissolution or winding up, liquidation, consolidation, division into two or more limited liability companies or other legal entities or merger, (ii) any sale or other transfer of all or substantially all of its assets or any sale of assets outside the ordinary course of its business, except as permitted by the Mortgage Loan Documents or (iii) in the case of each Principal, any transfer of its partnership or membership interest;

(vi) will not cause, consent to or permit any amendment of its limited partnership agreement, articles of incorporation, articles of organization, certificate of formation, operating agreement or other formation document or organizational document, as applicable, with respect to the matters set forth in this definition;

(vii) if such entity is a limited partnership, (i) it is and will be a Delaware limited partnership, (ii) has and will have at least one general partner and has and will have, as its only general partners, Special Purpose Entities, each of which (A) is a corporation or single-member Delaware limited liability company, (B) has two independent directors, and (C) holds a direct interest as general partner in the limited partnership of not less than 0.1%;

(viii) if such entity is a corporation, such corporation will be treated as REIT, S-Corporation or other form of pass-through entity for income tax purposes, has and will have at least two independent directors, will not cause or permit the board of directors of such entity to take any bankruptcy action with respect to itself and will otherwise be in compliance with the then-applicable Rating Agencies requirements with respect to its status as a corporation;

(ix) if such entity is a limited liability company (other than a limited liability company meeting all of the requirements applicable to a single-member limited liability company set forth in the Mortgage Loan Agreement definition of "Special Purpose Entity"), (i) is and will be a Delaware limited liability company and (ii) has and will have at least one member that is a Special Purpose Entity, that is a corporation or a single-member Delaware limited liability company, that has at least two independent directors and that directly owns at least 0.1% of the equity of the limited liability company;

(x) if such entity is a single-member limited liability company, (i) is and will be a Delaware limited liability company, (ii) has and will have at least two independent directors serving as managers of such company, (iii) will not take any action requiring the unanimous affirmative vote of the managing member and the independent directors and will not cause or permit the members or managing member of such entity to take any action requiring the unanimous affirmative vote of the managing member and the independent directors, either with respect to itself or, if the company is a Principal, with respect to the Borrower, in each case, unless two independent directors then serving as managers of the company have consented in writing to such action and

(iv) has and will have either (1) a member which owns no economic interest in the company that has signed the company's limited liability company agreement and has no obligation to make capital contributions to the company, or (2) two natural persons or one entity that is not a member of the company that has signed its limited liability company agreement and that, under the terms of such limited liability company agreement, becomes a member of the company immediately prior to the withdrawal or dissolution of the last remaining member of the company;

(xi) will not (and, if such entity is (i) a limited liability company, has and will have a limited liability agreement or an operating agreement, as applicable, (ii) a limited partnership, has a limited partnership agreement, or (iii) a corporation, has a certificate of incorporation or articles that, in each case, provide that such entity will not) (A) dissolve, merge, liquidate, consolidate; (B) sell all or substantially all of its assets except as permitted by the Mortgage Loan Documents; (C) amend its organizational documents with respect to the matters set forth in the definition of Special Purpose Entity in the Mortgage Loan Agreement without the consent of the Mortgage Lender or (D) without the affirmative vote of two independent directors of itself or, the consent of a Principal that is a member or general partner in it (including such Principal's independent directors), take any bankruptcy action;

(xii) will at all times intend to remain solvent and intend to pay its debts and liabilities (including, a fairly-allocated portion of any personnel and overhead expenses that it shares with any affiliate) from its assets prior to the date on which the same becomes delinquent, and intends to maintain adequate capital for the normal obligations reasonably foreseeable in a business of its size and character and in light of its contemplated business operations, *provided that nothing in this clause (xii) requires any direct or indirect owner of the Borrower to make any capital or other contributions to the Borrower*;

(xiii) will not fail to correct any known misunderstanding regarding the separate identity of such entity and will not identify itself as a division of any other person;

(xiv) will maintain its bank accounts, books of account, books and records separate from those of any other person and, to the extent that it is required to file tax returns under applicable law, has filed and will file its own tax returns, except the Borrower may file (or cause to be filed) or be part of a consolidated federal tax return of an affiliate of the Borrower;

(xv) will maintain its own records, books, resolutions and agreements;

(xvi) will not commingle its funds or assets with those of any other person, *provided that (i) funds and assets of the Borrower and of its respective direct or indirect owners may be paid as distributions to their respective equity owners (with respect to the Borrower in accordance with the Mortgage Loan Documents) and (ii) its respective owners may make capital contributions to the Borrower or the Guarantors*;

(xvii) will hold its assets in its own name;

(xviii) will conduct its business in its name or in a name franchised or licensed to it by an entity other than any of its affiliates or of the Borrower, except for business conducted on behalf of itself by another person under a management agreement including, without limitation, Property Manager under the Management Agreement and Asset Manager under the Asset Management Agreement;

(xix) (i) will maintain its financial statements, accounting records and other entity documents separate from those of any other person; (ii) has shown and will show, in its financial statements, its asset and liabilities separate and apart from those of any other person and (iii) has not permitted and will not permit its assets to be listed as assets on the financial statement of any of its affiliates except as required by the Uniform System of Accounts or other sound accounting practices reasonably acceptable to the Mortgage Lender as of the Origination Date; *provided, however, that (A) any such consolidated financial statement contains a note indicating that the Special Purpose Entity's separate assets and credit are not available to pay the debts of such affiliate and that the Special Purpose Entity's liabilities do not constitute obligations of the consolidated entity and (B) such assets will also be noted on the Borrower's own balance sheet*;

(xx) will pay its own liabilities and expenses, including the salaries of its own employees (if any), out of its own funds and assets (if any), and will maintain a sufficient number of employees (if any) in light of its contemplated business operations;

(xxi) has observed and will observe all partnership, corporate or limited liability company formalities, as applicable;

(xxii) will not have any indebtedness other than (i) in the case of the Borrower, (A) the Mortgage Loan (including any unpaid interest accrued thereon pursuant to the Mortgage Loan Documents), (B) liabilities incurred in the ordinary course of business relating to the ownership and operation of the Mortgaged Property and the routine administration of the Borrower, in amounts not to exceed 3% of the original principal amount of the Mortgage Loan which liabilities are paid within 60 days following the later of (x) the date on which such amount is incurred or (y) to the extent the Borrower has received an invoice from the applicable payee, the date invoiced, are not evidenced by a note, and which amounts are normal and reasonable under the circumstances, (C) customary and reasonable environmental indemnities incurred in connection with a prior financing which has been paid in full as of the Origination Date and (D) such other liabilities not evidenced by a note that are permitted pursuant to the Mortgage Loan Agreement, including, without limitation, ground rent, operating rent, liabilities incurred in connection with alterations, capital expenditures, Replacements, Restorations, leases, Required Renovation Work, in each case, which are incurred in accordance with the terms of the Mortgage Loan Agreement and paid within 60 days following the later of (x) the date on which such liability occurred or (y) to the extent the Borrower has received an invoice from the applicable payee, the date invoiced (*provided* that, for the avoidance of doubt, the Borrower will not incur any PACE Debt); and (ii) the Principal is required to not have any indebtedness other than, liabilities incurred in the ordinary course of business relating to the ownership of the Borrower and the routine administration of the Borrower, in amounts not to exceed \$25,000 and which liabilities, are not evidenced by a note and are paid when due and within 60 days following the later of (A) the date on which such amount is incurred or (B) to the extent the Borrower has received an invoice from the applicable payee, the date invoiced and which amounts are normal and reasonable under the circumstances, in each case, subject to the Borrower's right to contest the same in accordance with certain contest procedures set forth in the Mortgage Loan Agreement;

(xxiii) will not assume or guarantee or become obligated for the debts of any other person, will not hold out its credit as being available to satisfy the obligations of any other person and will not pledge its assets to secure the obligations of any other person, with respect to Principal as required by legal requirements with respect to the liabilities of the partnership of which the Principal is a general partner;

(xxiv) will not acquire obligations or securities of its partners, members or shareholders or any other owner or affiliate;

(xxv) will allocate fairly and reasonably any overhead expenses that are shared with any of its affiliates, constituents, or owners, or any guarantors of any of their respective obligations, including, but not limited to, paying for shared office space and for services performed by any employee of an affiliate;

(xxvi) will maintain and use separate stationery, invoices and checks bearing its name and not bearing the name of any other entity unless such entity is clearly designated as being the Special Purpose Entity's agent or such entity is the Property Manager under the Management Agreement;

(xxvii) will hold itself out and identify itself as a separate and distinct entity under its own name or in a name franchised or licensed to it by an entity other than any of its affiliates or in the name of Property Manager pursuant to the Management Agreement and not as a division or part of any other person, except to the extent that it has held itself out and identified itself as an entity disregarded from its tax owner under applicable law;

(xxviii) will maintain its assets in such a manner that it will not be costly or difficult to segregate, ascertain or identify its individual assets from those of any other person;

(xxix) will not make loans to any person and will not hold evidence of indebtedness issued by any other person (other than cash and investment-grade securities issued by an entity that is not an affiliate of or subject to common ownership with such entity);

(xxx) will not identify its partners, members or shareholders, or any affiliate of any of them, as a division or part of it, and will not identify itself as a division of any other person;

(xxxi) other than capital contributions and distributions permitted under the terms of its organizational documents (including, upon a release of the Parking Parcel in accordance with the Mortgage Loan Agreement to an indirect owner of the Borrower and the contribution of such Parking Parcel by such indirect owner to a

subsidiary which is an affiliate of the Borrower, each made in accordance with the applicable organizational documents), will not enter into or be a party to any transaction with any of its partners, members, shareholders or affiliates except in the ordinary course of its business and on terms which are commercially reasonable terms comparable to those of an arm's-length transaction with an unrelated third party;

(xxxii) will not have any obligation to and will not indemnify its partners, officers, directors or members, as the case may be, in each case unless such an obligation or indemnification is fully subordinated to the Debt and will not constitute a claim against it in the event that its cash flow is insufficient to pay the Debt;

(xxxiii) will not have any of its obligations guaranteed by any affiliate except as provided by the Mortgage Loan Documents with respect to (A) the Guaranty, the Environmental Guaranty, the Completion Guaranty, the Third Floor Completion Guaranty, any replacement Guaranty or any Alterations Guaranty, (B) in connection with the Management Agreements or (C) in connection with any "first dollar" guaranties entered into in accordance with the Mortgage Loan Agreement;

(xxxiv) will not form, acquire or hold any subsidiary;

(xxxv) will comply with all of the terms and provisions contained in its organizational documents necessary to maintain its separate existence (*provided*, that the Borrower may be an entity disregarded as separate from its tax owner under applicable tax law);

(xxxvi) other than the Asset Manager in its capacity as agent of the Borrower in accordance with the Asset Management Agreement, will not permit any affiliate or constituent party independent access to its bank accounts; and

(xxxvii) will continue to be duly formed, validly existing, and in good standing in the state of its incorporation or formation and in all other jurisdictions where it is qualified to do business.

"Asset Management Agreement" means that certain Asset Management Agreement by and among the Borrower and Asset Manager dated as of the Origination Date, as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time in accordance with the terms of the Mortgage Loan Agreement.

"Asset Manager" means Atrium Holding Company, a Delaware corporation.

"PACE Debt" means any amounts owed in respect of energy retrofit lending programs, commonly known as "PACE loans". For the avoidance of doubt, liens securing PACE Debt are not Permitted Encumbrances.

"Permitted Encumbrances" mean, with respect to the Mortgaged Property, individually or collectively as the context may require, (a) the liens and security interests created by the Mortgage Loan Documents, (b) all liens, encumbrances and other matters disclosed in the title insurance policy, (c) liens, if any, for Taxes or other charges imposed by any governmental authority not yet due or delinquent, (d) liens that are being contested in good faith and by appropriate proceedings in accordance with the applicable provisions of the Mortgage Loan Agreement and the other Mortgage Loan Documents, (e) liens securing permitted equipment leases, (f) all easements, rights-of-way, restrictions and other similar non-monetary encumbrances recorded against and affecting the Mortgaged Property that do not or would not have a Material Adverse Effect, (g) rights of tenants as tenants only, (h) the Management Agreement for the Mortgaged Property and (i) such other title and survey exceptions as Mortgage Lender has approved or may approve in writing in Mortgage Lender's sole discretion.

Release of the Mortgaged Property

Partial Release of Certain Hotel Rooms

Mortgage Lender will either (x) release from the lien of the Mortgage and the other Mortgage Loan Documents (a "Release Transaction") or (y) subordinate the lien of its Mortgage to a lease to a third-party Marriott brand timeshare operator (a "Sublease Transaction"; together with a Release Transaction, a "Timeshare Transaction"), of up to 308 hotel rooms in the Mortgaged Property (each, a "Hotel Room"), upon satisfaction of the following conditions by the Borrower:

(a) Not less than 30 calendar days prior to the date of the Timeshare Transaction, the Borrower delivers a notice (which Borrower will have the right to revoke, modify or extend from time to time, *provided* that if such notice is revoked by the Borrower, the Borrower will pay all of the Mortgage Lender's actual out-of-pocket costs and expenses

incurred in connection with such revocation within five Business Days of the Mortgage Lender's demand therefor) to Mortgage Lender setting forth the date of the proposed Timeshare Transaction and identifying the Timeshare Transaction as a Sublease Transaction or Release Transaction, as applicable, *provided, that* once the Borrower elects to pursue either a Sublease Transaction or Release Transaction, any subsequent release must be accomplished by a consistent method (e.g., the Borrower may not release a Hotel Room by a Release Transaction and then subsequently engage in a Sublease Transaction).

(b) Such Timeshare Transaction must consist of all Hotel Rooms on one or more floors of the Mortgaged Property and in no event will partial floor Timeshare Transactions be permitted.

(c) The Borrower pays to the Mortgage Lender at the closing of each Timeshare Transaction an amount not less than the Release Price for each related Hotel Room and such prepayment will be deemed a voluntary prepayment for all purposes under the Mortgage Loan Agreement and the requirements of "*Prepayment*" will be satisfied, including, without limitation, the payment of the applicable Spread Maintenance Premium, if any.

(d) As of the closing of the Timeshare Transaction, no Mortgage Loan Event of Default is continuing.

(e) The Borrower must deliver to the Mortgage Lender a certificate executed by the Borrower which provides that the Borrower has complied with any requirements applicable to the Timeshare Transaction, as applicable, in the leases, the Management Agreement, the Ground Leases, and Permitted Encumbrances and that the release or subleasing, as applicable, does not violate any of the provisions of such documents and that any such release or subleasing, as applicable, of a Hotel Room will not result in any right in favor of a third party of offset, abatement or reduction of rent payable to the Borrower or any right in favor of a third party of termination, cancellation or surrender under any leases, reciprocal easement agreements or other material agreement by which the Borrower or the Mortgaged Property is bound or encumbered and the surrender of which would have a Material Adverse Effect on the Borrower or the Mortgaged Property.

(f) The Debt Yield immediately prior to giving effect to the Timeshare Transaction is no less than (i) with respect to the first one hundred and ten (110) Hotel Rooms released, or subleased, 8.91% and thereafter (ii) 9.41% (collectively, the "Release Debt Yield"); *provided, however,* (i) in connection with the release or sublease of the first one hundred and ten (110) Hotel Rooms, satisfaction of the Release Debt Yield test will be waived if the Borrower pays a Release Price for the related Hotel Rooms equal to the applicable Allocated Loan Amounts multiplied by 120% and (ii) the Borrower will have the right to partially prepay the Mortgage Loan in accordance with "*Prepayments*" above in order to satisfy the Release Debt Yield (other than the requirement to provide thirty (30) days' notice to Mortgage Lender).

(g) The Borrower must deliver to the Mortgage Lender any other information and documents of a ministerial or administrative nature which would be required by a prudent lender acting reasonably relating to the release or sublease, as applicable, of the Hotel Room.

(h) The Borrower must reimburse the Mortgage Lender and Servicer, if any, for any actual third party costs and expenses arising from such release (including reasonable attorneys' fees and expenses) and the Borrower must pay, in connection with such release, (i) all recording charges, filing fees, similar taxes or other expenses payable in connection therewith, (ii) all out-of-pocket costs and expenses of the Rating Agency incurred with respect to such release (to the extent such costs have not already been paid directly by the Borrower), and (iii) subject to certain limitations set forth in the Mortgage Loan Agreement, to the Servicer, the Special Servicer or the Trustee, the current fee being assessed by such party to effect such release, which fee may not exceed \$25,000 per release request, *provided* that the Mortgage Loan is not then being serviced by a special servicer.

(i) Notwithstanding anything to the contrary contained in the Mortgage Loan Agreement, or in any other Mortgage Loan Document, if the Mortgage Loan is included in a REMIC Trust and the Loan-to-Value Ratio (as determined by the Mortgage Lender in its reasonable good faith discretion using any commercially reasonable method permitted to a REMIC Trust in accordance with Section 1.860G-2(b)(7) of the Treasury Regulations) exceeds 125% immediately after the release of the applicable Hotel Room, no release will be permitted unless the principal balance of the Mortgage Loan is prepaid by an amount not less than the greater of (i) the Release Price or (ii) the least of one (1) of the following amounts: (A) only if the Hotel Room is sold, the net proceeds of an arm's length sale of the Hotel Room to an unrelated Person, (B) the fair market value of the Hotel Room at the time of the release, or (C) an amount such that the loan-to-value ratio (as so determined by the Mortgage Lender) after the release of the applicable Hotel Room is not greater than the loan-to-value ratio of the Mortgaged Property immediately prior to such release, unless Mortgage Lender receives an opinion of counsel that the securitization will not fail to maintain its status as a

REMIC Trust as a result of the release of the Hotel Room. Any such prepayment will be deemed a voluntary prepayment and will be subject to the “—*Prepayment*” section above (other than the requirements to prepay the Debt in full and provide thirty (30) days’ notice to the Mortgage Lender).

(j) Subsequent to the Timeshare Transaction, if applicable, the Borrower must continue to be a special purpose entity pursuant to, and in accordance with the Mortgage Loan Agreement.

(k) The Mortgage Lender has received a Rating Agency Confirmation with respect to the Release Transaction or Sublease Transaction, as applicable.

(l) The Borrower must have delivered to the Mortgage Lender, if the Property Manager (or an Approved Replacement Manager) is requiring an amendment to the Management Agreement (or the Replacement Management Agreement, as applicable) in connection with the Timeshare Transaction, an amendment to the Management Agreement (or Replacement Management Agreement, as applicable) reasonably acceptable to the Mortgage Lender.

(m) With respect to a Sublease Transaction, (i) the related sublease must be approved by the Mortgage Lender, to be approved in its reasonable discretion, (ii) the Mortgage Lender must receive an acceptable attornment agreement from the sub-lessee or the related sublease must contain acceptable automatic attornment provisions, each to be determined in the Mortgage Lender’s reasonable discretion

(n) With respect to a Release Transaction:

(i) Borrower will deliver to the Mortgage Lender:

(A) evidence which would be satisfactory to a prudent lender acting reasonably that the Hotel Room, together with an undivided percentage interest in the common elements (including the Land) and any limited common elements appurtenant thereto, has been legally created as a separate “Unit” under Hawaii’s Condominium Property Act (Hawaii Revised Statutes Chapter 514B or any successor statute);

(B) a certificate certifying that after the consummation of the Release Transaction the Mortgaged Property complies, in all material respects or is otherwise considered to be legally non-conforming, with any zoning, building, use or parking or other similar legal requirements with respect to the Mortgaged Property and that the Hotel Room and the balance of the Mortgaged Property constitute or will constitute separate tax lots;

(C) to the extent that the Hotel Room is necessary for the Mortgaged Property to comply, in all material respects, with any zoning, building, use or parking or other similar legal requirements with respect to the Mortgaged Property or for access, driveways, parking, utilities or drainage of the Mortgaged Property, a joint development agreement, amendment to the Ground Leases, reciprocal easement agreement, cost-sharing agreement or other similar agreement has been or will be executed and recorded that would allow the owner of the Mortgaged Property to continue to use the Hotel Room to the extent necessary for such purpose, which joint development agreement, cost-sharing agreement, amendment to the Ground Leases, or reciprocal easement agreement shall be superior to the Mortgage and in form and substance reasonably acceptable to the Mortgage Lender (and the Mortgage Lender agrees to execute and deliver an instrument in form and substance reasonably acceptable to the Mortgage Lender and the Borrower at the Borrower’s sole cost and expense, confirming the subordination of the Mortgage to a such joint development agreement, amendment to the Ground Leases, reciprocal easement agreement, cost-sharing agreement or other similar agreement);

(D) an endorsement to the title insurance policy insuring the Mortgage or an updated title insurance policy or similar coverage where such endorsement is not available, which endorsement or updated title insurance policy (i) extends the effective date of such title insurance policy to the effective date of the release, (ii) confirms no change in the priority of the Mortgage on the balance of the Mortgaged Property (exclusive of the Hotel Room and except as expressly provided in this section) and (iii) insures the rights and benefits under any new or amended reciprocal easement agreement or such other agreement required pursuant to this section that has been executed and recorded, if any;

(E) The Mortgage Lender must have approved any of the related condominium documents or other documents which were required in order to create separate legal title to, and separate tax lots for, the related Hotel Room in its sole, but reasonable discretion and the Borrower must have the right to appoint the

majority of the members of the applicable board under the condominium documents and otherwise have control of the condominium board and common areas of the Mortgaged Property (in each case, without being subject to any blocking votes or “veto” rights of any third parties, other than certain unanimous consent items which do not have an adverse effect on (A) the Mortgaged Property, (B) the Borrower’s material rights with respect to the Mortgaged Property or (C) any mortgagee’s rights with respect to the Mortgaged Property); and

(F) The Borrower must simultaneously with the release of the Hotel Room transfer title to the Hotel Room to a Person(s) other than the Borrower or any affiliate of the Borrower.

In connection with the Borrower effectuating the release of a Hotel Room, Mortgage Lender will reasonably cooperate with the Borrower in filing necessary applications for condominium declarations, re-subdivision or other land use entitlements required in order to satisfy the conditions of this section in connection with such Hotel Room (collectively, the “Hotel Room Documents”), *provided*, that (i) any such Hotel Room Documents will not impair Mortgage Lender’s rights or remedies under the Mortgage Loan Agreement and (ii) the Borrower will reimburse Mortgage Lender for all out-of-pocket costs and expenses incurred by Mortgage Lender in connection with such Hotel Room Documents (including reasonable attorneys’ fees and disbursements).

Release of the Parking Parcel Without the Payment of a Release Price

Mortgage Lender will release from the lien of the Mortgage and the other Mortgage Loan Documents the Borrower’s leasehold interest in the Parking Parcel, upon satisfaction of the following conditions by the Borrower:

- (a) Not less than 10 Business Days prior to the date of the release, the Borrower delivers a revocable notice to Mortgage Lender setting forth (i) the date of the proposed release and (ii) the name of the proposed transferee (*provided* that if such notice is revoked by the Borrower, the Borrower will pay all of Mortgage Lender’s actual, reasonable out-of-pocket costs and expenses incurred in connection with such revocation within five Business Days of Mortgage Lender’s demand therefor);
- (b) With respect to the release of the Parking Parcel, the Borrower will not be required to pay to Mortgage Lender any release amount with respect to any such release or any proceeds received by the Borrower in connection with the release of the Parking Parcel;
- (c) The Borrower delivers to Mortgage Lender, evidence reasonably acceptable to Mortgage Lender that the release of the Parking Parcel will not materially and adversely affect the underwritten cash flow of the Mortgaged Property;
- (d) As of the date of the release, no Mortgage Loan Event of Default has occurred which is continuing;
- (e) The Borrower delivers to Mortgage Lender (i) evidence reasonably satisfactory to Mortgage Lender that (A) the Mortgaged Property upon the release of the Parking Parcel will continue to have sufficient parking to (1) comply with the Ground Lease, the Management Agreement, and the other Permitted Encumbrances and (2) operate the Mortgaged Property as a hotel and retail property in the manner in which it is currently operated (*subject to clause (B)* below, other than the reduction of available parking) and (B) the Parking Parcel (together with any appurtenant easements or other rights with respect to an adjacent property) is not necessary for the Mortgaged Property to comply with any zoning, building, land use or parking or other similar legal requirements with respect to the Mortgaged Property, to the extent that the Parking Parcel would be necessary for any such purpose, (x) a reciprocal easement agreement, parking agreement or similar agreement, in form and substance reasonably acceptable to Mortgage Lender, has been or will be executed and recorded that would allow the Borrower to continue to use the Parking Parcel or substitute property similar to the Parking Parcel to the extent necessary to comply with any zoning, building, land use or parking or other similar legal requirements with respect to the Mortgaged Property or (y) the Borrower may enter into any parking agreement to provide parking if additional parking is needed for zoning or the use of the Mortgaged Property without Mortgage Lender’s consent, so long as such agreement is on arms’ length terms and contains commercially reasonable parking rates and such agreement is not reasonably likely to cause a Material Adverse Effect, (ii) a subordination agreement in form and substance reasonably acceptable to Mortgage Lender with respect to any reciprocal easement agreement, parking agreement or similar agreement required under this section; and (iii) a certificate executed by an officer of the Borrower stating that after giving effect to such transfer, the balance of the Mortgaged Property (together with any appurtenant easements or other rights with respect to adjacent property), excluding the Parking Parcel, conforms to and is in compliance in all material respects with applicable legal requirements and constitutes or will constitute a separate tax lot;

(f) The Borrower must deliver to the Mortgage Lender an endorsement to the title insurance policy insuring the Mortgage, which endorsement must (i) extend the effective date of such title insurance policy to the effective date of the release, (ii) confirm no change in the priority of the Mortgage on the balance of the Mortgaged Property (exclusive of the Parking Parcel) and (iii) if applicable, insure the rights and benefits under any new or amended reciprocal easement agreement or such other agreement required pursuant to this section that has been executed and recorded, if any;

(g) The Borrower must deliver to the Mortgage Lender reasonable evidence that the Borrower has complied with any requirements applicable to the release in the related Ground Lease, Management Agreement, reciprocal easement agreements, or any other Permitted Encumbrance and that the release does not violate any of the provisions of such documents and that any such release of the Parking Parcel will not result in any right in favor of a third party of offset, abatement or reduction of rent payable to the Borrower or any right in favor of a third party of termination, cancellation or surrender under any Ground Lease, Leases, Management Agreement, reciprocal easement agreements or other material agreement by which the Borrower or the Mortgaged Property is bound or encumbered and the surrender of which would have a Material Adverse Effect;

(h) The Borrower must deliver to the Mortgage Lender any other information and documents of a ministerial or administrative nature which would be required by a prudent lender acting reasonably relating to the release of the Parking Parcel;

(i) The Borrower must reimburse the Mortgage Lender and Servicer, if any, for any reasonable actual third party costs and expenses arising from such release (including reasonable and actual out-of-pocket attorneys' fees and expenses) and the Borrower must have paid, in connection with such release, all recording charges, filing fees, similar taxes or other actual out-of-pocket expenses payable in connection therewith;

(j) The Borrower will simultaneously with the release of the Parking Parcel transfer title to the Parking Parcel to a Person(s) other than the Borrower;

(k) After taking into account the release of the Parking Parcel in accordance with the terms and provisions of this section, the Borrower must continue to be a Special Purpose Entity pursuant to, and in accordance with the Mortgage Loan Agreement;

(l) Borrower must deliver to the Mortgage Lender, for execution, at least five Business Days prior to the date of release, a partial release of lien for the Parking Parcel, which release must be in a form appropriate in the jurisdiction in which the Mortgaged Property is located and is in form and substance reasonably satisfactory to the Mortgage Lender; and

(m) Notwithstanding anything to the contrary contained herein, or in any other Mortgage Loan Document, if the loan-to-value ratio (as determined by the Mortgage Lender in its reasonable good faith discretion using any commercially reasonable method permitted to a REMIC Trust in accordance with Section 1.860G-2(b)(7) of the Treasury Regulations) exceeds 125% immediately after the release of the Parking Parcel, no release will be permitted unless the principal balance of the Mortgage Loan is prepaid by an amount not less than the least of one (1) of the following amounts: (i) only if the Parking Parcel is sold, the net proceeds of an arm's length sale of the Parking Parcel to an unrelated Person, (ii) the fair market value of the Parking Parcel at the time of the release, or (iii) an amount such that the loan-to-value ratio (as so determined by the Mortgage Lender) after the release of the Parking Parcel is not greater than the loan-to-value ratio of the Mortgaged Property immediately prior to such release, unless the Mortgage Lender receives an opinion of counsel that the Securitization will not fail to maintain its status as a REMIC Trust as a result of the release of the Parking Parcel. Any such prepayment shall be deemed a voluntary prepayment and shall be subject to the "—Prepayment" section above (other than the requirements to prepay the Debt in full and provide thirty (30) days' notice to the Mortgage Lender).

(n) Unless the Borrower satisfies the Parking Parcel Zoning CP (as defined below), if the Parking Parcel Lease terminates for any reason during the term of the Mortgage Loan, the Borrower will exercise its right under the Hotel Parcel Lease to incorporate the Parking Parcel under the terms of the Hotel Parcel Lease in accordance with the terms thereunder unless the termination and/or expiration of the Parking Parcel Lease occurs contemporaneously with the release of the Parking Parcel in accordance with the Mortgage Loan Agreement. For purposes of the foregoing, the "Parking Parcel Zoning CP" means that the Borrower will have delivered to the Mortgage Lender (A) a current zoning report confirming that the Mortgaged Property (without any property demised pursuant to the Parking Parcel Lease) complies with applicable zoning law; and (B) evidence that Special Permit 76/SP-14 (a conditional use for the hotel that requires the Parking Parcel to be used as above-ground parking) no longer burdens the Mortgaged Property,

which evidence may be in the form of correspondence from the applicable authority which is reasonably acceptable to the Mortgage Lender, an unqualified legal opinion upon which the Mortgage Lender may rely which opines that the Special Permit 76/SP-14 is no longer applicable to, or required for, the Mortgaged Property or, at the Borrower's election, other evidence which is reasonably acceptable to the Mortgage Lender.

The Borrower is required to give the Mortgage Lender notice within five (5) Business Days of the commencement of any arbitration or appraisal proceeding with respect only to rent resets under the Parking Parcel Lease to which the Borrower is a party or of which the Borrower has been otherwise notified concerning the provisions of the Parking Parcel Lease. If at any time such proceeding has commenced and is not yet completed and a Mortgage Loan Event of Default has occurred and is continuing, the Mortgage Lender will have the right, but not the obligation, to participate in such proceeding.

Casualty and Condemnation

Following the damage of the Mortgaged Property, in whole or part, by fire or other casualty, or a temporary or permanent taking by any governmental authority as the result or in lieu or in anticipation of the exercise of the right of condemnation or eminent domain, of all or any part of the Mortgaged Property, or any interest in the Mortgaged Property or right accruing to the Mortgaged Property, including any right of access to the Mortgaged Property or any change of grade affecting the Mortgaged Property or any part of the Mortgaged Property, if the net insurance proceeds or net condemnation award, as applicable, and the costs of completing the repair and restoration of the Mortgaged Property as nearly as possible to the condition the Mortgaged Property was in immediately prior to such casualty or condemnation (such repair and restoration, the "Restoration") are each less than the Casualty/Condemnation Threshold Amount with respect to the Mortgaged Property, the Mortgage Lender is required to make such net proceeds available to the Borrower subject to compliance the requirements described in clauses (i), (ii), (iv) and (vi)-(x) of the next paragraph.

If the net insurance proceeds or net condemnation award, as applicable, or the costs of completing the Restoration of the Mortgaged Property is equal to or exceeds the Casualty/Condemnation Threshold Amount with respect to the Mortgaged Property, then the Mortgage Lender will be required to collect the related insurance proceeds or condemnation award and will be required to make the net insurance proceeds or the net condemnation award available to the Borrower for the Restoration of the Mortgaged Property; *provided* that:

(i) no Mortgage Loan Event of Default has occurred and is continuing;

(ii) (1) with respect to net insurance proceeds, less than 30% of the total floor area of the improvements identified in the related Mortgage on the Mortgaged Property has been damaged, destroyed or rendered unusable as a result of such casualty or (2) with respect to net condemnation proceeds, less than 10% of the land constituting the Mortgaged Property is taken, and such land is located along the perimeter or periphery of the Mortgaged Property, and no portion of the related improvements is located on such land;

(iii) the Casualty or Condemnation does not result in the Property Manager having the right to terminate the Management Agreement or Property Manager otherwise has irrevocably waived its right to terminate the Management Agreement (or otherwise waives its right to terminate the Management Agreement in a manner which is reasonably acceptable to Mortgage Lender) as a result of such Casualty or Condemnation;

(iv) the Borrower commences the Restoration as soon as reasonably practicable (but in no event later than one-hundred fifty (150) days after such casualty or condemnation, whichever the case may be, occurs) and diligently pursues the same to satisfactory completion, *provided that*, for purposes of the foregoing, the Borrower will be deemed to have commenced the Restoration by filing for all applicable building permits which are required in connection with the Restoration;

(v) the Mortgage Lender is reasonably satisfied that any operating deficits, including all scheduled payments of principal and interest under the Mortgage Loan, which will be incurred with respect to the Mortgaged Property as a result of the occurrence of any such casualty or condemnation, whichever the case may be, will be covered out of (1) the net insurance proceeds or condemnation awards, (2) insurance required under the Mortgage Loan Agreement, if applicable, (3) by other funds of the Borrower or (4) Excess Cash Flow released to the Borrower in accordance with the Mortgage Loan Agreement;

(vi) the Mortgage Lender is reasonably satisfied that the Restoration will be completed on or before the earliest to occur of (1) 120 days prior to the Maturity Date, (2) the earliest date required for such completion under the terms of any applicable Ground Lease, (3) such time as may be required under all applicable legal

requirements in order to repair and restore the Mortgaged Property to the condition it was in immediately prior to such casualty or to as nearly as possible the condition it was in immediately prior to such condemnation, as applicable, or (4) the expiration of the insurance coverage required under the Mortgage Loan Agreement;

(vii) the Mortgaged Property and the use of such Mortgaged Property after the Restoration will be in compliance with and permitted under all applicable legal requirements;

(viii) the Restoration will be done and completed by the Borrower in an expeditious and diligent fashion and in compliance with all applicable legal requirements and the requirements of any Ground Lease, REA, and Management Agreement, as applicable;

(ix) such casualty or condemnation, as applicable, does not result in the loss of access to the Mortgaged Property or the improvements;

(x) the Borrower delivers, or cause to be delivered, to the Mortgage Lender a signed detailed budget approved in writing by the Borrower's architect or engineer stating the entire cost of completing the Restoration, which budget is subject to the Mortgage Lender's prior written approval; and

(xi) the net insurance or condemnation awards together with any cash or cash equivalent deposited by the Borrower with the Mortgage Lender in accordance with the terms and provisions of the Mortgage Loan Documents and Excess Cash Flow released to the Borrower in accordance with the Mortgage Loan Agreement are sufficient in the Mortgage Lender's discretion to cover the cost of the Restoration.

Any net insurance proceeds remaining after the completion of a Restoration, *provided no Cash Sweep Period has occurred and is continuing under the Mortgage Loan Documents*, will be remitted by the Mortgage Lender to the Borrower.

All net insurance proceeds or condemnation awards not required (i) to be made available for the Restoration or (ii) to be returned to the Borrower as described in the preceding paragraph may be retained and applied by the Mortgage Lender in accordance with the Mortgage Loan Documents as an involuntary prepayment of the Mortgage Loan (see “*Prepayment*” above), whether or not then due and payable, or, at the discretion of the Mortgage Lender, the same may be paid, either in whole or in part, to the Borrower for such purposes as the Mortgage Lender approves, in its discretion.

Notwithstanding anything to the contrary contained in the Mortgage Loan Documents, if immediately following a release of any portion of the lien of the Mortgage in connection with a condemnation of the Mortgaged Property (but taking into account any proposed restoration on the remaining portion of the Mortgaged Property), the Loan-to-Value Ratio is greater than 125% (such value to be determined, in the Mortgage Lender's sole discretion, by any commercially reasonable method permitted to a REMIC trust and which value is required to be based solely on real property and excluding any personal property or going concern value), the principal balance of the Mortgage Loan must be prepaid down by an amount not less than the least of the following amounts: (i) the net condemnation proceeds, (ii) the fair market value of the released property at the time of the release or (iii) an amount such that the Loan-to-Value Ratio (as so determined by the Mortgage Lender) does not increase after the release, unless the Mortgage Lender receives an opinion of counsel that if such amount is not paid, the Trust will not fail to maintain its status as a REMIC as a result of the related release of such portion of the lien of the Mortgage. Any such prepayment will be deemed a voluntary prepayment but will not be subject to the Spread Maintenance Premium or any other prepayment penalty or premium.

The Mortgage Lender may participate in any settlement discussions with any insurance companies (and will have approval rights with respect to any final settlement, such approval not to be unreasonably withheld or delayed) with respect to any casualty in which the net insurance proceeds or the costs of completing the Restoration are equal to or greater than \$1,000,000. The Borrower will be required to deliver to the Mortgage Lender all instruments required by the Mortgage Lender to permit such participation.

Notwithstanding anything to the contrary contained in the Mortgage Loan Documents with respect to the disbursement of insurance or condemnation proceeds, the provisions set forth in the applicable Ground Lease will govern the disposition and application of such proceeds with respect to the Mortgaged Property affected by the applicable Ground Lease and the Mortgage Lender has agreed that compliance with the terms of any Ground Lease with respect to such insurance or condemnation proceeds will not create a default under the terms and provisions of the Mortgage Loan Agreement or the Mortgage Loan Documents.

“Casualty/Condemnation Threshold Amount” means five percent (5%) of the outstanding principal balance of the Mortgage Loan.

Mortgage Loan Events of Default

The following constitute events of default under the Mortgage Loan Documents (each, a "Mortgage Loan Event of Default"):

- (i) if (A) any amount of interest that accrues on the Mortgage Loan for the related Mortgage Loan Interest Accrual Period is not paid on or before the date it is due, (B) the Debt is not paid in full on the Maturity Date or (C) any other portion of the Debt not specified in the foregoing clauses (A) or (B) or any other amount payable to Mortgage Lender pursuant to the Mortgage Loan Documents is not paid on or prior to the date when same is due (including any deposit required to be made to the Reserve Funds); *provided* that with respect to clause (C) only, with such failure is continuing for five Business Days after the Mortgage Lender delivers notice thereof to the Borrower, subject to the provisions of the Mortgage Loan Agreement;
- (ii) if any of the real estate and personal property taxes, assessments (including payments required under any municipal bonds or ordinances creating liens against the Mortgaged Property), water rates or sewer rents, (such items, "Taxes") or other charges (including ground rents, maintenance charges, impositions other than Taxes, and any other charges, including, without limitation, vault charges and license fees for the use of vaults, chutes and similar areas adjoining the Mortgaged Property) are not paid prior to delinquency, except to the extent that the amount required for payment of such Taxes or other charges are on deposit in the Tax and Insurance Escrow Fund on the date that such Taxes or other charges are due and payable and the Mortgage Lender is required to use such amounts for the payment of Taxes or other charges in accordance with the Mortgage Loan Documents or such Taxes or other charges are being properly contested pursuant to the Mortgage Loan Agreement;
- (iii) if (x) the insurance policies required under the Mortgage Loan Agreement are not kept in full force and effect, except to the extent that such failure is caused solely by the failure to pay insurance premiums if the amount required for payment of the premiums for such policies is on deposit in the Tax and Insurance Escrow Fund on the date that such premiums are due and payable and the Mortgage Lender is required to use such amounts for the payment of insurance premiums in accordance with the Mortgage Loan Documents, or (y) if certified copies of the insurance policies (other than the commercial general liability, worker's compensation and umbrella and excess liability policies required under the Mortgage Loan Agreement, so long as such insurance coverage for the Mortgaged Property is provided and paid for by the Property Manager under a policy reasonably acceptable to the Mortgage Lender (collectively, the "Manager Liability Policy") are not delivered to the Mortgage Lender upon request, within the applicable time periods as provided herein or (z) if certificates of insurance with respect to the Manager Liability Policy are not delivered to the Mortgage Lender upon request, within the applicable time periods as provided herein, provided, that the Borrower will have the right to cure such failure to deliver the certified copies of the Policies or the certificates of insurance with respect to the Manager Liability Policy to the Mortgage Lender, within five Business Days of receipt of notice from the Mortgage Lender;
- (iv) if the Borrower or the Principal transfers (other than a Permitted Transfer) or otherwise encumbers (other than a lien permitted pursuant to the Mortgage Loan Agreement) any portion of the Mortgaged Property in violation of the provisions of the Mortgage Loan Agreement or the Mortgage, without the Mortgage Lender's prior written consent;
- (v) if any representation or warranty made by the Borrower or the Principal in the Mortgage Loan Agreement or in any other Mortgage Loan Document, or in any report, certificate, financial statement or other instrument, agreement or document furnished to the Mortgage Lender by the Borrower or Principal (or on behalf of either of the foregoing) is false or misleading as of the date the representation or warranty was made and such false or misleading representation or warranty has had or is reasonably expected to result in a Material Adverse Effect, *provided*, that, as to any such false or misleading representation or warranty, which was unintentionally made or submitted to the Mortgage Lender and which is susceptible of being cured, the Borrower or the Principal will have a period of 30 days following written notice to Borrower to cure such representation or warranty;
- (vi) if the Borrower or the Principal makes an assignment for the benefit of creditors (other than to the Mortgage Lender);
- (vii) if a receiver, liquidator or trustee is appointed for the Borrower or Principal or if the Borrower or Principal is adjudicated a bankrupt or insolvent, or if any petition for bankruptcy, reorganization or arrangement pursuant to federal bankruptcy law, or any similar federal or state law, is filed by or against, consented to, or acquiesced in by, the Borrower or Principal, or if any proceeding for the dissolution or liquidation of the Borrower

or Principal is instituted; *provided, however*, if such appointment, adjudication, petition or proceeding is involuntary and not consented to by the Borrower or Principal upon the same not being discharged, stayed or dismissed within 60 days;

(viii) if the Borrower or Principal attempts to assign its rights under the Mortgage Loan Agreement or any of the other Mortgage Loan Documents or any interest in the Mortgage Loan Agreement or other Mortgage Loan Documents in contravention of the Mortgage Loan Documents;

(ix) if the Guarantors or any guarantor or indemnitor under any guaranty or indemnity issued in connection with the Mortgage Loan makes an assignment for the benefit of creditors or if a receiver, liquidator or trustee is appointed for a Guarantor or any guarantor or indemnitor under any guaranteee or indemnity issued in connection with the Mortgage Loan or if a Guarantor or such other guarantor or indemnitor is adjudicated as bankrupt or insolvent, or if any petition for bankruptcy, reorganization or arrangement pursuant to federal bankruptcy law, or any similar federal or state law, is filed by or against, consented to, or acquiesced in by, a Guarantor or such other guarantor or indemnitor, or if any proceeding for the dissolution or liquidation of a Guarantor or such other guarantor or indemnitor is instituted; *provided, however*, if such appointment, adjudication, petition or proceeding was involuntary and not consented to by such Guarantor or such other guarantor or indemnitor, upon the same not being discharged, stayed or dismissed within 90 days; *provided, further, however*, (a) it will be at the Mortgage Lender's option to determine whether any of the foregoing will be a Mortgage Loan Event of Default and (b) it will not be a Mortgage Loan Event of Default if a replacement Guarantor has assumed all of the liabilities and obligations of Guarantors under the Mortgage Loan Documents executed by Guarantors or executed a replacement guaranty substantially similar to the Guaranty, the Third Floor Completion Guaranty and the Completion Guaranty, if applicable, and replacement environmental indemnity substantially similar to the Environmental Indemnity (and replacements for any other guarantees or indemnities, if any, delivered by Guarantor);

(x) if the Borrower breaches (A) any covenant in respect of Borrower's status as a Special Purpose Entity contained in the applicable section of the Mortgage Loan Agreement, *provided, however*, that any such breach does not constitute a Mortgage Loan Event of Default if upon the written request of the Mortgage Lender, if the Borrower promptly delivers to the Mortgage Lender an additional insolvency opinion or a modification of the insolvency opinion, and both the opinion or modification and the counsel delivering such opinion or modification are acceptable to the Mortgage Lender in its reasonable discretion or (B) certain negative covenants in the Mortgage Loan Agreement, *provided* that if such breach (other than a breach arising from dissolution) is non-recurring and is susceptible of cure, it will not constitute an Mortgage Loan Event of Default if such breach is cured within 30 days of the occurrence of such breach;

(xi) with respect to any term, covenant or provision set forth (A) in the Mortgage Loan Agreement, which specifically contains a notice requirement or grace period, if the Borrower is in default under such term, covenant or condition after the giving of such notice or the expiration of such grace period or (B) in any other Mortgage Loan Document which specifically contains a notice requirement or grace period, if the Borrower or Guarantors, as applicable, is in default under such term, covenant or condition after the giving of such notice or the expiration of such grace period;

(xii) if any of the assumptions contained in the insolvency opinion delivered in connection with the Mortgage Loan, or any additional insolvency opinion delivered subsequent to the Origination Date, is or becomes untrue in any material respect, provided, that such breach is not a Mortgage Loan Event of Default if upon written request of the Mortgage Lender, the Borrower promptly delivers to the Mortgage Lender an additional insolvency opinion or a modification of the insolvency opinion, as applicable, to the effect that such breach does not in any way impair, negate or amend the opinions rendered in the insolvency opinion, which opinion or modification and the counsel delivering such opinion and modification is reasonably acceptable to the Mortgage Lender in its sole discretion;

(xiii) if a material default by the Borrower has occurred and continues beyond any applicable notice or cure period under the related Management Agreement (or any Replacement Management Agreement) and if such default permits the related Property Manager thereunder to terminate or cancel the related Management Agreement (or any Replacement Management Agreement) and the Property Manager has delivered a notice of termination, or if the Management Agreement (or any Replacement Management Agreement) expires or is terminated, *provided* that no Mortgage Loan Event of Default will exist under the Mortgage Loan Agreement if the Borrower and a new Qualified Manager enter into a Replacement Management Agreement within 60 days of such termination or cancellation;

(xiv) if the Borrower continues to be in default under any of the terms, covenants or conditions of the securitization section of the Mortgage Loan Agreement, or fails to cooperate with the Mortgage Lender in connection with a securitization pursuant to the provisions of the Mortgage Loan Agreement, for five Business Days after notice to the Borrower;

(xv) if (A) there is a material breach or default by the Borrower under any Ground Lease which is not cured within any applicable cure period provided in such Ground Lease, (B) there occurs any event or condition that gives the lessor under any Ground Lease a right to terminate or cancel such Ground Lease (other than any termination or cancellation of a Ground Lease by the ground lessor due to a casualty or condemnation of the Mortgaged Property unless such termination right arises solely due to the failure of the Borrower to restore the Mortgaged Property as required by the Management Agreement) unless waived in writing by the lessor, (C) any Ground Lease is surrendered or any Ground Lease is terminated or cancelled for any reason or under any circumstances whatsoever, or (D) any of the terms, covenants or conditions of any Ground Lease are in any manner modified, changed, supplemented, altered, or amended in a manner that (a) has an adverse effect on Mortgage Lender's rights as a leasehold mortgagee under the Ground Lease or (b) resulting in or causing any Material Adverse Effect, without the prior written consent of the Mortgage Lender, *provided*, that such breach or default will not constitute a Mortgage Loan Event of Default, if upon prior written notice to the Mortgage Lender, the Borrower contests any such breach or default under the related Ground Lease by appropriate legal proceeding promptly initiated and conducted in good faith and with due diligence, and the following conditions are satisfied: (i) no other Mortgage Loan Event of Default has occurred and remains uncured; (ii) such proceeding is permitted under and is conducted in accordance with all applicable legal requirements, the provisions of the related Ground Lease and any other instrument to which the Borrower is subject and will not constitute a default thereunder and such proceeding is conducted in accordance with all applicable statutes, laws and ordinances; (iii) neither the related Ground Lease, the Mortgaged Property nor any part of the Mortgaged Property or interest in the Mortgaged Property will be in danger of being sold, forfeited, terminated, cancelled or lost; (iv) such proceeding suspends the enforcement of the related ground lessor's right to terminate the related Ground Lease; and (v) the Borrower furnishes such security as may be required in the proceeding, or as may be reasonably requested by the Mortgage Lender, to insure compliance with such proceeding; and (vi) such contest does not materially adversely affect Mortgage Lender's leasehold mortgagee rights under the related Ground Lease;

(xvi) if an ERISA Event has occurred that, when taken together with all other such ERISA Events, would reasonably be expected to result in a Material Adverse Effect;

(xvii) if the Guarantors breach any of the Guarantor Financial Covenants, unless a replacement Guarantor has assumed all of the liabilities and obligations of the Guarantors under the Mortgage Loan Documents executed by Guarantors or executed a replacement guaranty substantially similar to the Guaranty, the Third Floor Completion Guaranty and Completion Guaranty, if applicable, and replacement environmental indemnity substantially similar to the Environmental Indemnity (and replacements for any other guarantees or indemnities, if any, delivered by the Guarantors) within 30 days of such failure to comply with the Guarantor Financial Covenants; and

(xviii) if the Borrower continues to be in default under any of the other terms, covenants or conditions of any Mortgage Loan Document not specified in clauses (i) to (xvi) above for 10 days after notice to the Borrower from the Mortgage Lender, in the case of any default which can be cured by the payment of a sum of money, or for 30 days after notice from the Mortgage Lender in the case of any other default; *provided, however*, that if such non-monetary default is susceptible of cure but cannot reasonably be cured within the 30-day period and *provided, further*, that the Borrower has commenced to cure such default within such 30-day period and diligently and expeditiously proceed to cure the same, such 30-day period will be extended for such time as is reasonably necessary (not to exceed 120 days) for the Borrower in the exercise of due diligence to cure such default, such additional period not to exceed 120 days.

Upon the occurrence and during the continuance of a Mortgage Loan Event of Default (other than a Mortgage Loan Event of Default described in clauses (vi), (vii) or (viii), the Mortgage Lender may, among other things, take the following actions: (i) accelerate the Maturity Date of the Mortgage Loan, (ii) foreclose on the Mortgage or (iii) apply amounts on deposit in any and all of the Reserve Funds to pay the debt service on the Mortgage Loan, but conditioned in some instances on the acceleration of the Mortgage Loan and completion of foreclosure.

In the event that, and for so long as, any Mortgage Loan Event of Default has occurred and be continuing, the outstanding principal balance of the Mortgage Loan and, to the extent permitted by law, any accrued and unpaid interest in

respect of the Mortgage Loan and any other amounts then due and payable pursuant to the Mortgage Loan Documents will accrue interest at the Default Rate, calculated from the date such Mortgage Loan Event of Default occurred.

Allocated Loan Amount means the product of (a) the appraised value of such Hotel Room set forth in the Mortgage Loan Agreement, *provided* that such appraised values may be adjusted by the Mortgage Lender in its sole, but reasonable discretion, to reflect the effect of disproportionate sharing of expenses in connection with a Sublease Transaction if the applicable Hotel Room does not bear the same proportionate share of expenses related to the operation of the Mortgaged Property after giving effect to the Sublease Transaction as such Hotel Room bore immediately prior to the Sublease Transaction and (b) fifty-five percent (55%).

ERISA Event means (a) the occurrence with respect to a “single employer plan” of a reportable event, within the meaning of Section 4043(c) of ERISA, unless the 30-day notice requirement with respect thereto has been waived by the Pension Benefit Guaranty Corporation (or any successor) (“PBGC”), whether by regulations or otherwise; (b) the application for a minimum funding waiver with respect to a “single employer plan”; (c) the provision by the administrator of any “single employer plan” of a notice of intent to terminate such “single employer plan”, pursuant to Section 4041(a)(2) of ERISA (including any such notice with respect to a plan amendment referred to in Section 4041(e) of ERISA); (d) the cessation of operations at a facility of the Borrower, a Principal, a Guarantor, or any ERISA affiliates in the circumstances described in Section 4062(e) of ERISA; (e) the conditions set forth in Section 430(e) of the Internal Revenue Code or Section 303(k)(1)(A) and (B) of ERISA to the creation of a lien upon property or assets of the Borrower, a Principal or a Guarantor for failure to make a required payment to a Plan are satisfied; (f) the termination of a “single employer plan” by the PBGC pursuant to Section 4042 of ERISA, or the occurrence of any event or condition described in Section 4042 of ERISA that constitutes grounds for the termination of, or the appointment of a trustee to administer, a “single employer plan”; (g) any failure by any “single employer plan” to satisfy the minimum funding standards, within the meaning of Sections 412 or 430 of the Internal Revenue Code or Section 302 of ERISA, whether or not waived; (h) the determination that any “single employer plan” is or is expected to be in “at-risk” status, within the meaning of Section 430 of the Internal Revenue Code or Section 303 of ERISA or (i) the receipt by the Borrower, Principal or a Guarantor of any notice concerning the imposition of liability on the Borrower, a Principal or a Guarantor with respect to the withdrawal or partial withdrawal from a “multiemployer plan” or a determination that a “multiemployer plan” is, or is expected to be “insolvent” (within the meaning of Section 4245 of ERISA), in “reorganization” (within the meaning of Section 4241 of ERISA) or in “endangered” or “critical status” (within the meaning of Section 432 of the Internal Revenue Code or Section 305 of ERISA).

Management Agreement means the Marriott Management Agreement entered into by and between the Borrower and the Property Manager, pursuant to which Property Manager is to provide management and other services with respect to the Mortgaged Property, or, if the context requires, a Replacement Management Agreement, pursuant to which a Qualified Manager is managing the Mortgaged Property in accordance with the terms and provisions of this Agreement, as the same may be amended, restated, replaced or otherwise modified from time to time in accordance with the terms hereof.

Material Adverse Effect means, in the Mortgage Lender’s reasonable judgment, any events, conditions or set of facts, including, any breach of any representations, warranties or covenants in the Mortgage Loan Documents which result in a material adverse effect on the use, operation and/or financial condition of the Mortgaged Property as a hotel, such that the Mortgaged Property declines in value by an amount which exceeds 4.0% of the then-outstanding principal balance of the Mortgage Loan.

Environmental Indemnity

In connection with the origination of the Mortgage Loan, the Borrower and the Guarantors (collectively, the **Environmental Indemnitors**) executed an environmental indemnity agreement (the **Environmental Indemnity Agreement**) with respect to the Mortgaged Property. Under the Environmental Indemnity Agreement, the Environmental Indemnitors agreed to, among other things, protect, defend, indemnify, release and hold harmless the Mortgage Lender and its successors and assigns (collectively, the **Environmental Indemnitees**) from and against, among other things, all actual losses arising from (i) any presence, or any past, present or threatened release, of any hazardous substances in, on, above, or under the Mortgaged Property in violation of environmental laws, (ii) any activity by the Environmental Indemnitors, their affiliates or any tenant or other user of the Mortgaged Property in connection with any actual, proposed or threatened use, treatment, storage, holding, existence, disposition or other release, generation, production, manufacturing, processing, refining, control, management, abatement, removal, handling, transfer or transportation to or from the Mortgaged Property of any hazardous substances in violation of any environmental laws at any time located in, under, on or above the Mortgaged Property, (iii) any activity by the Environmental Indemnitors, their affiliates or any tenant or other user of the Mortgaged Property in connection with any actual or proposed remediation of any hazardous substances at any time located in, under, on or above the Mortgaged Property, whether or not such remediation is voluntary or pursuant to court or administrative order, including but not limited to any removal, remedial or corrective

action, (iv) any past, present or threatened non-compliance or violations of any environmental laws (or permits issued pursuant to any environmental law) in connection with the Mortgaged Property or operations thereon, including but not limited to any failure by Environmental Indemnitors, any Person affiliated with Environmental Indemnitors, and any tenant or other user of the Mortgaged Property to comply with any order of any governmental authority in connection with any environmental laws, (v) the imposition, recording or filing or the threatened imposition, recording or filing of any environmental lien encumbering the Mortgaged Property, (vi) any administrative processes or proceedings or judicial proceedings in any way connected with any matter addressed in the Environmental Indemnity relating to hazardous substances or any violation of environmental law, (vii) any past, present or threatened injury to, destruction of or loss of natural resources in any way connected with the Mortgaged Property relating to hazardous materials or any violation of environmental law, including but not limited to costs to investigate and assess such injury, destruction or loss at the Mortgaged Property, (viii) any acts of the Environmental Indemnitors, their affiliates, or any tenant or other user of the Mortgaged Property in connection with such person's use or occupancy of the Mortgaged Property in arranging for disposal or treatment, or arranging with a transporter for transport for disposal or treatment, of hazardous substances at any facility or incineration vessel containing such or similar hazardous substances, (ix) any acts of the Environmental Indemnitors, any person affiliated with any Environmental Indemnitor or any tenant or other user of the Mortgaged Property in accepting any hazardous substances for transport to disposal or treatment facilities, incineration vessels or sites from which there is a release, or a threatened release of any hazardous substance which causes the incurrence of costs for remediation with respect to the Mortgaged Property, (x) any personal injury, wrongful death, or property or other damage arising under any environmental law, including but not limited to damages assessed for private or public nuisance or for the conducting of an abnormally dangerous activity on or near the Mortgaged Property relating to hazardous materials or any violation of environmental law and (xi) any material misrepresentation or inaccuracy in any representation or warranty relating to hazardous substances or environmental law or material breach or failure to perform any covenants or other obligations relating to hazardous substances or environmental law pursuant to the Environmental Indemnity, the Mortgage Loan Agreement or the Mortgage.

Notwithstanding the foregoing, the Environmental Indemnitors will have no liability for any losses arising from the illegal acts, fraud, gross negligence or willful misconduct of an Environmental Indemnitee. The Environmental Indemnitors also will not be liable for any losses to the extent that the Environmental Indemnitors can prove that such losses with respect to the Mortgaged Property arose solely from hazardous substances that: (a) were not present on or a threat to the Mortgaged Property prior to the date that the Environmental Indemnitee or its nominee (or a third-party purchaser at a foreclosure sale) acquired title to the Mortgaged Property, whether by foreclosure, exercise of power of sale, acceptance of a deed-in-lieu of foreclosure or otherwise and (b) were not the result of any act or negligence of the Environmental Indemnitors or any of the Environmental Indemnitors' affiliates, agents or contractors.

The Environmental Indemnity Agreement, however, will terminate three years after the full and indefeasible payment by the Environmental Indemnitors of the Debt, *provided* that at the time of such payment, the Environmental Indemnitors furnish to the Environmental Indemnitee a Phase I environmental report (with respect to the Mortgaged Property, from an environmental consultant reasonably acceptable to the Mortgage Lender and the Rating Agencies) disclosing, as of the date of such repayment, no actual or threatened (other than as disclosed in the environmental report delivered to the Environmental Indemnitees by the Environmental Indemnitors in connection with the origination of the Mortgage Loan) (A) non-compliance with or violation of applicable environmental law (or permits issued pursuant to environmental law) in connection with the Mortgaged Property or operations on the Mortgaged Property, (B) environmental liens encumbering the Mortgaged Property, (C) administrative processes or proceedings or judicial proceedings directly connected with any matter addressed in the Environmental Indemnity or (D) presence or release of hazardous substances in, on, above or under the Mortgaged Property that has not been fully remediated in accordance with all applicable environmental law; unless written notice of any claim is delivered to Environmental Indemnitors by Environmental Indemnitees within such period, in which case all rights and remedies with respect to the matters which are the subject of such claim will survive until full and final resolution of such claim and full payment of any amounts owed pursuant to the terms and conditions contained in the Environmental Indemnity Agreement by Environmental Indemnitors as a result of such claim.

Financial Reporting

The Borrower is required to maintain proper and accurate books, records and accounts reflecting all of the financial affairs of the Borrower in accordance with the requirements for a Special Purpose Entity under the Mortgage Loan Agreement and the Uniform System of Accounts and reconciled in accordance with an Acceptable Accounting Method, reflecting the financial affairs of the Borrower and all items of income and expense in connection with the operation of the Mortgaged Property.

The Borrower is required to furnish to the Mortgage Lender annually, (i) within 85 days following the end of each fiscal year of the Borrower, a complete copy of the Borrower's unaudited annual financial statements prepared in accordance with

the Acceptable Accounting Method, covering the Mortgaged Property for such fiscal year certified by an officer of the Borrower and containing statements of profit and loss for the Borrower and the Mortgaged Property and (ii) within 120 days following the end of each fiscal year, a complete copy of the Borrower's annual financial statements prepared in accordance with the Acceptable Accounting Method, covering the Mortgaged Property for such fiscal year, at the Borrower's election, audited by Imowitz, Koenig & Co., LLP, Deloitte & Touche LLP or another independent certified public accountant, selected by the Borrower and acceptable to the Mortgage Lender and containing statements of profit and loss for the Borrower, the Mortgaged Property and a consolidated balance sheet for the Borrower. Such statements will set forth the financial condition and the results of operations for the Mortgaged Property for such Fiscal Year, and will include, but not be limited to, amounts representing annual net operating income, net cash flow, gross income, and operating expenses. All such financial statements must include income and expenses in the format set forth in the most recent Uniform System of Accounts (with detailed departmental schedules) and must be accompanied by the most current Smith Travel Research Reports (or if not available, any successor thereto) that are then available to the Borrower (reflecting all reports obtained by the Borrower) reflecting market penetration and relevant hotel properties competing with the Mortgaged Property, franchise reports, average daily room rates, sales reports and occupancy reports.

The Borrower will furnish, or cause to be furnished, to Mortgage Lender on or before forty-five (45) days after the end of each calendar quarter (including year-end) quarterly and year-to-date unaudited financial statements prepared for such fiscal quarter with respect to the Borrower, including a balance sheet of the Borrower as of the end of such fiscal quarter, together with related statements of operations, equityholders' capital and cash flows for such fiscal quarter and for the portion of the fiscal year ending with such fiscal quarter, which statements must include income and expenses in the format set forth in the most recent Uniform System of Accounts (with detailed departmental schedules) and be accompanied by an officer's certificate certifying that the same are true, correct and complete and were prepared in accordance with the Acceptable Accounting Method, subject to changes resulting from audit and normal year-end audit adjustments. In addition, the Borrower will be required to furnish, or cause to be furnished, to the Mortgage Lender on or before 30 days after the end of each calendar month the following items, accompanied by an officer's certificate stating that such items are true, correct, accurate, and complete and fairly present the financial condition and results of the operations of the Borrower and the Mortgaged Property (subject to normal year-end adjustments) as applicable: (i) an occupancy report, including an average daily rate, for the subject month; (ii) monthly and year-to-date balance sheet and operating statements (including capital expenditures) in form and substance reasonably acceptable to the Mortgage Lender and prepared for each month, noting net operating income (broken down by occupied and available room), total revenue and operating expenses (broken down by occupied and available room), and other information necessary and sufficient to fairly represent the financial position and results of operation of the Mortgaged Property during such month, and containing a comparison of budgeted income and expenses and the actual income and expenses; (iii) a calculation reflecting the Debt Yield as of the last day of such month (all calculations of the Debt Yield are subject to verification by the Mortgage Lender); and (iv) the most current Smith Travel Research Reports (or if not available, any successor thereto) that are then available to the Borrower (reflecting all reports obtained by the Borrower) reflecting market penetration and relevant hotel properties competing with the Mortgaged Property, (v) sales reports and percentage rent calculations to the extent delivered by tenants under the leases at the Mortgaged Property, (vi) a forward/group booking schedule, "pace report", and such other information as the Mortgage Lender may reasonably request that is in the possession of the Borrower and reasonably available to the Borrower at minimal cost or expense, and (vii) a certification that any amortization of the Borrower's Contribution is properly treated as a non-cash expense in accordance with the approved accounting method if such amortization of the Borrower's Contribution is reflected on such financial statements.

During any time that the Management Agreement is in effect, the Borrower will provide the Mortgage Lender with a copy of the drafts of the Business Plan (as defined in the Management Agreement) (reflecting the estimated percentage changes in each line item for the forthcoming fiscal year compared to the current fiscal year), FF&E Estimate and Building Estimate (as defined in the Management Agreement) and all other documents required to be delivered by the Property Manager under the Management Agreement, for the Mortgaged Property no less than thirty (30) days prior to the beginning of each fiscal year (or if the Property Manager shall fail to provide such drafts at least thirty (30) days prior to the beginning of each fiscal year, within two Business Days of delivery by the Property Manager). The Mortgage Lender will have ten (10) days after receipt to review and approve (such approval not to be unreasonably withheld, conditioned or delayed) all materials delivered by the Borrower pursuant to this paragraph (other than the FF&E Estimate) and in the event the Mortgage Lender disapproves of any category or amount in the Business Plan or Building Estimate, as applicable, the Mortgage Lender will advise the Borrower in writing of such objections within ten (10) days after receipt thereof (including a description of its objections). In the event that the Mortgage Lender fails to grant or withhold its approval to any category or amount within such ten (10) day period, the Borrower will deliver to the mortgage a second request for approval containing the following legend prominently displayed in bold, all caps and fourteen (14) point or larger font in the transmittal letter requesting approval: "THIS IS A SECOND REQUEST FOR APPROVAL OF A BUSINESS PLAN AND/OR BUILDING ESTIMATE. LENDER'S RESPONSE IS REQUESTED WITHIN FIVE (5) BUSINESS DAYS. LENDER'S FAILURE TO RESPOND WITHIN SUCH TIME PERIOD SHALL RESULT IN LENDER'S

APPROVAL BEING DEEMED TO HAVE BEEN GRANTED.” In the event that the Mortgage Lender fails to grant or withhold its approval to any such category or amount within such five (5) Business Day period, then the Mortgage Lender’s approval shall be deemed to have been granted with respect to such category or amount in the Business Plan. The Mortgage Lender will have 10 days after receipt of the FF&E Estimate to review and provide any comments to such FF&E Estimate and the Borrower will promptly deliver such comments to the Property Manager. The Borrower shall promptly deliver any such objections to the Property Manager and must use commercially reasonable efforts to resolve such objections with the Property Manager and the Mortgage Lender within 25 days following Property Manager’s receipt of the Borrower’s objections to the proposed categories. If the parties are unable to resolve any or all of such objections, the disputed objections will be resolved by the Expert (as defined in the Management Agreements) pursuant to the Management Agreement. Notwithstanding the foregoing, (x) the Mortgage Lender will have no approval rights with respect to the following amounts in the Business Plan or FF&E Estimate: (i) costs and expenses that cannot be altered or adjusted by the Borrower or the Property Manager, such as real estate and personal property taxes or the cost of utilities and (ii) items contained in the FF&E Estimate required by System Standards (as defined in the Management Agreement) and (y) the Mortgage Lender’s approval rights with respect to all materials delivered pursuant to this paragraph shall be limited to the extent of the Borrower’s rights with respect to such items under the Management Agreements. Within 45 days after the commencement of each fiscal year, the Property Manager will deliver to the Borrower (and the Borrower must promptly deliver to the Mortgage Lender) the final Business Plan, in which the above-mentioned percentage changes are applied to the actual annual operating statement for the preceding fiscal year (each such Business Plan approved hereunder, an “Approved Annual Budget”). Until such time that Mortgage Lender approves a proposed Annual Budget, the most recent Approved Annual Budget will apply; provided that, each line item of such Approved Annual Budget will be increased by the amount of the increase, if any, in the Consumer Price Index for the State of Hawaii for the immediately preceding calendar year (other than the line items in respect of taxes, insurance premiums, ground rent, utilities expenses and other charges, which line items shall be adjusted to reflect actual increases in such expenses).

If the Management Agreement is not then in effect, the Borrower will submit to the Mortgage Lender an annual budget not later than 30 days prior to the commencement of each fiscal year, which annual budget, so long as no Cash Sweep Period or Mortgage Loan Event of Default is continuing, will be for informational purposes only; *provided, however,* that during the continuance of a Cash Sweep Period or Mortgage Loan Event of Default, such annual budget is subject to the Mortgage Lender’s reasonable written approval, which approval must not be unreasonably withheld, conditioned or delayed. In the event that the Mortgage Lender objects to a proposed annual budget submitted by the Borrower, the Mortgage Lender will advise the Borrower of its objections within 15 days after receipt thereof (and deliver to the Borrower a reasonably detailed description of such objections) and the Borrower will promptly revise that annual budget and resubmit the same to the Mortgage Lender. The Mortgage Lender will advise the Borrower of any objections to the revised annual budget within 10 days after receipt (and deliver to the Borrower a reasonably detailed description of the objections) and the Borrower will be required to promptly revise the same in accordance with the process described above until the Mortgage Lender approves the annual budget. Until such time that the Mortgage Lender approves a proposed annual budget, the most recently Approved Annual Budget will apply; *provided* that, such Approved Annual Budget will be adjusted to reflect actual increases in utilities, fees under the Management Agreement, ground rents, Taxes, insurance premiums and other charges such as maintenance charges. Until such time that the Mortgage Lender approves a proposed annual budget, the most recent Approved Annual Budget will apply; *provided* that, each line item of such Approved Annual Budget will be increased by the amount of the increase, if any, in the Consumer Price Index for the State of Hawaii for the immediately preceding calendar year (other than the line items in respect of Taxes, insurance premiums, ground rent, operating rent, utilities expenses and other charges such as maintenance charges, which line items will be adjusted to reflect actual increases in such expenses).

In the event that the Borrower must incur an “extraordinary operating expense” or capital expense not set forth in the Approved Annual Budget (each, an “Extraordinary Expense”) which are to be paid from amounts on deposit in the Cash Management Account, then the Borrower will be required to promptly deliver to the Mortgage Lender a reasonably detailed explanation of such proposed Extraordinary Expense for the Mortgage Lender’s approval, which may be given or denied in the Mortgage Lender’s sole discretion; *provided, however,* that the Borrower may incur such Extraordinary Expense without prior notice or the Mortgage Lender’s approval if (i) such expense is a line item in the Approved Annual Budget and (A) does not exceed 105% of the amount for such line item in the Approved Annual Budget and (B) such expenses in the aggregate do not exceed 5% of the Approved Annual Budget, (ii) the expense is the excess amount necessary to pay the actual cost of any basic carrying costs or utility expenses above the amount for such line item in the Approved Annual Budget, or (iii) such expense is necessary to (A) protect against imminent harm to the health or safety of any tenant or other person at the Property or (B) remedy or repair any imminent or material damage or defect at the Mortgaged Property.

The Mortgage Lender will not have any approval right over modifications to the Required Renovation Budget if the Property Manager has approved such modification, *provided, that* in no event will the Borrower amend the scope of the

Required Renovation Budget in a manner which reduces the total cost of the Required Renovation Work by more than 10% without the prior written consent of the Mortgage Lender, such consent not to be unreasonably withheld, conditioned or delayed.

The Borrower is required to furnish to the Mortgage Lender, within 10 Business Days after the Mortgage Lender's request (or as soon thereafter as may be reasonably practicable) such further detailed information with respect to the operation of the Mortgaged Property and the financial affairs of the Borrower as may be reasonably requested by the Mortgage Lender, to the extent such information is required to be delivered and is actually received by the Borrower (*provided*, that the Borrower is required to use commercially reasonable efforts to obtain such information) under the Management Agreement or Asset Management Agreement.

If the Borrower fails to provide to the Mortgage Lender the financial statements and other information specified in above within the respective time period specified and such failure continues for 10 Business Days following written notice from Mortgage Lender, then a Debt Yield Trigger Event will be deemed to have commenced for all purposes under the Mortgage Loan Agreement and will continue until such failure is remedied and the financial statements delivered to Mortgage Lender evidence that no Debt Yield Trigger Event is in effect.

The Borrower is required to cause the Guarantors to furnish to the Mortgage Lender annually, within 120 days following the end of each fiscal year of the Guarantors, financial statements prepared in accordance with the Acceptable Accounting Method and audited by Imowitz, Koenig & Co., LLP, Deloitte & Touche LLP or another independent certified public accountant, selected by the Borrower and acceptable to the Mortgage Lender and which includes an annual balance sheet and profit and loss statement of the Guarantors in the form reasonably required by the Mortgage Lender; *provided, however*, if JDE is personally a Guarantor, the Borrower is required, instead of the foregoing, to deliver to Mortgage Lender within 120 days following April 17th of each year, a certificate of JDE's Net Worth from JDE's current certified public accountant or a senior financial officer of the Borrower.

"Acceptable Accounting Method" means (a) generally accepted accounting principles in the United States of America as of the date of the applicable financial report, (b) a federal income tax basis of accounting, (c) the Uniform System of Accounts, or (d) such other accounting basis reasonably acceptable to the Mortgage Lender.

"Uniform System of Accounts" means the most recent edition of the Uniform System of Accounts for Hotels as adopted by the American Hotel and Motel Association.

Maintenance and Repair; Compliance; Alterations; Capital Improvements

The Borrower has covenanted to maintain the Mortgaged Property in good working order and repair. The Borrower is required to do or cause to be done all things necessary to comply, in all material respects, with all laws, orders and ordinances applicable to the Mortgaged Property and the Borrower. In addition, the Borrower has covenanted not to commit or permit any other person or entity in occupancy of or involved in the operation or use of the Mortgaged Property to commit any act or omission which would afford the federal government or any state or local government the right of forfeiture as against the Mortgaged Property or any part of the Mortgaged Property or any monies paid in performance of the Borrower's obligations under any of the Mortgage Loan Documents.

The Borrower has agreed not to initiate or consent to any zoning reclassification of any portion of the Mortgaged Property it owns or leases or seek any variance under any existing zoning ordinance or use or permit the use of any portion of the Mortgaged Property in any manner that could result in such use becoming a nonconforming use under any zoning ordinance or any other applicable land use law, rule or regulation, without the prior consent of the Mortgage Lender, not to be unreasonably withheld, conditioned or delayed.

Except as set forth below, the Borrower must obtain the Mortgage Lender's prior written consent to any alterations to any improvements, and such consent is not to be unreasonably withheld or delayed except with respect to alterations that could be reasonably expected to have a Material Adverse Effect.

The Mortgage Lender's consent will not be required in connection with any Required Renovation Work, Third Floor Renovation Work, alterations made by the Property Manager or the Borrower pursuant to and in accordance with the Management Agreement or alterations that are not reasonably expected to result in a Material Adverse Effect (collectively, "**Approved Alterations**"); *provided* that any alterations are (i) tenant improvement work performed (x) pursuant to the terms of any lease executed on or before the date hereof or (y) pursuant to the terms and of any lease executed after the Origination Date in accordance with the terms and provisions of the Mortgage Loan Agreement and not adversely affecting any structural component of any improvements, any utility or HVAC system contained in any improvements or

the exterior of any building constituting a part of any improvements, (ii) performed in connection with the Restoration of the Mortgaged Property after the occurrence of a casualty or condemnation in accordance with the terms and provisions of the Mortgage Loan Agreement, (iii) Replacements set forth in the Approved Annual Budget if there are sufficient reserves on deposit in the Replacements Reserve Fund to pay such obligations or (iv) alterations that will be subject to contracts, the aggregate remaining cost of which are no more than an amount equal to six percent (6%) of the original principal balance of the Mortgage Loan are performed in material compliance with all applicable legal requirements.

If the total unpaid amounts due and payable with respect to alterations (excluding Approved Alterations) to the improvements at the Mortgaged Property (other than such amounts (x) related to the Required Renovation, (y) to be paid or reimbursed by tenants under the leases, or (z) for which sufficient reserves are on deposit in the Replacements Reserve Fund, Manager FF&E Account or the Required Renovation Reserve Fund, provided in each case such amounts are permitted to be used for such purposes pursuant to the Management Agreement) at any time exceed 6.0% of the original principal balance of the Mortgage Loan (the "Threshold Amount"), the Borrower is required to promptly deliver to the Mortgage Lender as security for the payment of such amounts and as additional security for the Borrower's obligations under the Mortgage Loan Documents any of the following (the "Alterations Deposit"):

(A) cash, (B) U.S. Obligations, (C) other securities having a rating acceptable to the Mortgage Lender and, at the Mortgage Lender's option, with respect to which the Rating Agency has provided a Rating Agency Confirmation or (D) a letter of credit. Each such Alterations Deposit is required to (i) be in an amount equal to the excess of the total unpaid amounts with respect to the alterations to the improvements (other than such amounts (x) to be paid or reimbursed by tenants under the leases, (y) for which sufficient reserves are on deposit in the Replacements Reserve Fund and are to be used for such alterations in accordance with the Mortgage Loan Agreement or (z) for which sufficient reserves are on deposit in the Required Renovation Reserve Fund and are to be used for such alterations in accordance with the terms of the Mortgage Loan Agreement) over the Threshold Amount and (ii) be disbursed from time to time by the Mortgage Lender to the Borrower for completion of the alterations (or, if in the form of a letter of credit, reduction of the letter of credit) upon the satisfaction of the following conditions:

(1) the Borrower is required to submit a request for payment to the Mortgage Lender at least five Business Days prior to the date on which the Borrower requests that such payment be made, which request for payment is required to specify the alterations for which payment is requested, (2) on the date such request is received by the Mortgage Lender and on the date such payment is to be made, no Mortgage Loan Event of Default is continuing, and (3) such request must be accompanied by an officer's certificate (x) stating that the applicable portion of the alterations to be funded by the requested disbursement have been completed in good and workmanlike manner and in accordance with all applicable legal requirements in all material respects, such officer's certificate to be accompanied by copies of paid invoices or invoices to be paid by such disbursement, (y) identifying each contractor that supplied materials or labor in connection with the applicable portion of the alterations to be funded by the requested disbursement and (z) stating that each such contractor has been or will be paid in full for all work performed and invoiced to date, upon such disbursement. Each Alterations Deposit must be held by the Mortgage Lender in an interest-bearing account and, until disbursed in accordance with the provisions of this paragraph will constitute additional security for the Debt and other obligations under the Mortgage Loan Documents. Upon the completion of the alterations in respect of which any Alterations Deposit is being held, the Mortgage Lender is required to promptly return to the Borrower any remaining portion of the Alterations Deposit upon the request of the Borrower, provided that (1) on the date such request is received by the Mortgage Lender and on the date such disbursement is to be made, no Mortgage Loan Event of Default is continuing and (2) such request must be accompanied by an officer's certificate stating that the alterations have been fully completed in good and workmanlike manner and in accordance with all applicable legal requirements in all material respects, such officer's certificate to be accompanied by copies of paid invoices and any licenses, permits or other approvals by any governmental authority required in connection with alterations (to the extent not received by the Mortgage Lender in connection with prior disbursement requests) and stating that each contractor providing services in connection with the alterations has been paid in full (or will be paid in full upon such disbursement).

If the total unpaid amounts due and payable with respect to alterations (excluding Approved Alterations) to the improvements (other than the Required Renovation Work) at the Mortgaged Property (other than such amounts to be paid or reimbursed by tenants under the leases or such amounts for which sufficient reserves are on deposit in the Replacements Reserve Fund, Manager FF&E Account and the Required Renovation Reserve Fund and are to be used for such alterations in accordance with the Mortgage Loan Agreement) at any time exceeds the Threshold Amount but are less than ten percent (10%) of the amount of the Debt, in lieu of posting the Alterations Deposit for the amount that the cost of such alterations are in excess of the Threshold Amount and less than ten percent (10%) of the amount of the Debt, the Borrower will have the right to deliver to the Mortgage Lender a guaranty of completion and completion costs of the alterations in the amount of such difference, in form and substance reasonably acceptable to the Mortgage Lender (an "Alterations Guaranty") from the Guarantors or another person who is reasonably acceptable to the Mortgage Lender, provided that (i) in no event will the aggregated amount of such guaranties outstanding at any one time together with amounts guaranteed pursuant to the Completion Guaranty and the Third Floor Completion Guaranty and any Letters of Credit delivered pursuant to the Mortgage Loan Agreement, exceed ten percent (10%) of the amount of the Debt and (ii) the

Borrower delivers an additional insolvency opinion opining that all guaranties then outstanding and granted by such guarantor when aggregated with the Alterations Guaranty, the Completion Guaranty and Third Floor Completion Guaranty and any outstanding letters of credit would not cause a consolidation of the assets and liabilities of the Borrower with those of such guarantor in a bankruptcy proceeding of guarantor.

The Borrower is required to make certain repairs to the Mortgaged Property (“Required Repairs”) as specified in the Mortgage Loan Agreement, within the timeframes specified in the Mortgage Loan Agreement or if no such date is specified, within 12 months of the Origination Date (the “Required Repairs Deadline”). It will be considered a Mortgage Loan Event of Default if the Borrower does not complete the Required Repairs at the Mortgaged Property on or before the Required Repairs Deadline; *provided, however,* if the Borrower is unable to complete a Required Repairs by the Required Repairs Deadline, after using commercially reasonable efforts to do so and provided that the failure to complete such Required Repairs does not endanger any tenant, patron or other occupant of the Property or the general public and does not materially and adversely affect the value of the Property, the Required Repairs Deadline will automatically be extended solely as to such Required Repair to permit the Borrower to complete such Required Repairs so long as the Borrower is at all times thereafter diligently and expeditiously proceeding to the complete the same (provided that such additional period does not exceed 90 days).

“Replacements” means all renovations, refurbishing, replacements of, or additions to, FF&E during the calendar year as set forth on the Approved Annual Budget.

Transfer Restrictions

Without the prior written consent of the Mortgage Lender, and except to the extent otherwise expressly set forth below, the Borrower and the Principal will not, and will not permit any Mortgage Loan Restricted Party to, do any of the following (collectively, a “Transfer”): (i) sell, convey, mortgage, grant, bargain, encumber, pledge, assign, grant options with respect to, or otherwise transfer or dispose of (directly or indirectly, voluntarily or involuntarily, by operation of law or otherwise, and whether or not for consideration or of record) the Mortgaged Property or any part thereof or any legal or beneficial interest therein or (ii) permit a sale or pledge of an interest in any Restricted Party, other than (A) pursuant to leases of space in the improvements to tenants in accordance with the terms of the Mortgage Loan Agreement, (B) Permitted Transfers, and (C) pursuant to a Timeshare Transaction conducted in accordance with the Mortgage Loan Agreement and described in *-Release of the Mortgaged Property* above.

The Mortgage Lender’s consent is not required in connection with (i) a transfer by devise or descent or by operation of law upon the death of a member, partner or shareholder of a Mortgage Loan Restricted Party or a Mortgage Loan Restricted Party itself, (ii) the Transfer (but not a pledge), in one or a series of transactions, of direct or indirect interests in a Mortgage Loan Restricted Party, (iii) the transfer of direct or indirect interests in a Mortgage Loan Restricted Party for estate planning purposes, (iv) Reserved, (v) Reserved, (vi) Reserved, (vii) a Public Sale, (viii) preferred equity issued by a person other than the Borrower which person owns substantial assets in addition to its interests in the Mortgaged Property, and which preferred equity does not have (A) a hard coupon, minimum return or the equivalent or (B) a mandatory redemption date or the equivalent, with consequences for failure to meet (A) or (B), such as a change in control in the Borrower or the triggering of buy-sell mechanisms, and (ix) a pledge or grant of other security interest (in one or a series of transactions) of the indirect interest in Borrower by a person that owns substantial assets in addition to its interests in the Mortgaged Property in connection with a corporate credit facility, so long as the collateral for such facility includes the pledge or grant of other security interests in substantial assets in addition to such person’s interests in the Mortgaged Property; provided, however, that with respect to all Transfers set forth in clauses (i), (ii), (vii) and (ix) above (*provided, that the clause (1) below will not apply with respect to a Public Sale*), (1) after giving effect to such Transfer, the Borrower and Principal is directly or indirectly Ownership Controlled by one or more Qualified Equityholders, (2) such transferee and its principals are not an embargoed person and the representations set forth in the Mortgage Loan Agreement with respect to ERISA and embargoed persons will continue to be true and correct after giving effect to any such Transfer; (3) such Transfer will be at the Borrower’s sole cost and expense (including Mortgage Lender’s reasonable out-of-pocket expenses incurred in connection therewith); (4) if after giving effect to any such Transfer, more than 49% in the aggregate of direct or indirect interests in Borrower are owned by any person and its affiliates that owned less than 49% direct interest in Borrower as of the Origination Date, the Borrower is required to, prior to the effective date of any such Transfer, deliver to the Mortgage Lender an additional insolvency opinion reasonably acceptable to the Mortgage Lender and the Rating Agency; (5) to the extent any transferee owns (I) 25%, for any transferee that is domiciled in the United States, or more of the direct or indirect ownership interests in the Borrower immediately following such Transfer (provided that such transferee owned less than 25%, for any transferee that is domiciled in the United States of the direct or indirect ownership interests in Borrower as of the Origination Date, immediately prior to giving effect to such transfer) or (II) 10%, for any transferee that is not domiciled in the United States, or more of the direct or indirect ownership interests in Borrower immediately following such Transfer (provided such transferee owned less than 10%, for any transferee that is not domiciled in the United States of the direct or

indirect ownership interests in Borrower as of the Origination Date, immediately prior to giving effect to such transfer), the Borrower must deliver, (and the Borrower will be responsible for any reasonable and actual out-of-pocket costs and expenses in connection therewith), search results (including, without limitation, satisfactory search results) that are reasonably acceptable to the Mortgage Lender with respect to such transferee, which customary searches are reasonably requested by the Mortgage Lender in writing (including without limitation credit, judgment, lien, litigation, bankruptcy, criminal and watch list) reasonably acceptable to the Mortgage Lender with respect to such transferee, (6) Reserved, (7) Reserved, (8) Reserved, (9) with respect to any Transfer that results in the Borrower ceasing to be Ownership Controlled by JDE and/or JDE Trusts, and each subsequent Transfer that again changes the identity of the Qualified Equityholder that Ownership Controls Borrower, the Borrower pays to Mortgage Lender a transfer fee equal to \$250,000; (10) with respect to a Transfer pursuant to clause (vii) and/or (ix) above, if required by the Mortgage Lender, the Borrower is required to have obtained a Rating Agency Confirmation with respect to such Transfer, (11) if Guarantors no longer control the Borrower, or Guarantors and the Borrower are no longer under common control of JDE and/or JDE Trusts or another Qualified Equityholder, pursuant to the terms of the Mortgage Loan Agreement, one or more replacement Guarantors are required to have (A) assumed all of the liabilities and obligations of the Guarantors arising from and after the date of such Transfer under the Guaranty, the Completion Guaranty, the Third Floor Completion Guaranty and Environmental Indemnity executed by the Guarantors or (B) executed replacement guarantees and environmental indemnity (and any other guaranty, if any, provided by Guarantors) in the same form as the Guaranty, the Completion Guaranty, the Third Floor Completion Guaranty and Environmental Indemnity, if applicable, as of the Origination Date with respect to obligations and liabilities arising thereunder from and after the date of such Transfer; and (12) such Transfer is not prohibited by the Ground Lease (unless consent by the applicable ground lessor has been obtained prior to, or contemporaneously with, such Transfer), the Management Agreement and any other material Permitted Encumbrances.

In the event any Transfer results in a change to the organizational chart under the Mortgage Loan Agreement, the Borrower is required to deliver to the Mortgage Lender an updated organizational chart within 10 Business Days of such Transfer.

Affiliated Manager means any Property Manager in which the Borrower, the Principal or the Guarantors have, directly or indirectly, any legal, beneficial or economic interest.

Ownership Control of any entity means the ownership, directly or indirectly, of at least 25% (or in the case of JDE or JDE Trusts, 10%) of the equity interests in, and the right to at least 25% (or in the case of JDE, 10%) of the distributions from, such entity or entities together with the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such entity, whether through the ability to exercise voting power, by contract or otherwise. “Ownership Controlled” and “Ownership Controlling” each have the meanings correlative thereto.

Permitted Transfer means any of the following: (a) any Transfer, directly as a result of the death of a natural person, of stock, membership interests, partnership interests or other ownership interests previously held by the decedent in question to the person or persons lawfully entitled thereto, (b) any Transfer, directly as a result of the legal incapacity of a natural person, of stock, membership interests, partnership interests or other ownership interests previously held by such natural person to the person or persons lawfully entitled thereto, (c) any Transfer permitted without the consent of Mortgage Lender pursuant to the provisions the Mortgage Loan Agreement, (d) any lease of space in any of the improvements to tenants in accordance with the provisions of the Mortgage Loan Agreement, (e) encumbrances permitted under the Mortgage Loan Agreement, (f) equipment transfers permitted under the Mortgage Loan Agreement, (g) any Transfer of any direct legal and beneficial interests in any public vehicle, and (h) the release of any portion of the Mortgaged Property pursuant to and in accordance with the express terms of the Mortgage Loan Agreement.

Public Sale means (a) the Transfer (but not a pledge) in one or a series of transactions (including by way of merger) of all or any portion of the direct or indirect legal or beneficial interests in the Borrower to a Public Vehicle or (b) an event through which any direct or indirect owner of a legal or beneficial interest in the Borrower becomes or is merged with or into, a Public Vehicle, including, without limitation, pursuant to the listing of the indirect legal or beneficial interests of the Borrower or the Principal on the New York Stock Exchange, NASDAQ or any other nationally recognized exchange.

Public Vehicle means a person with a market capitalization of at least \$1,000,000,000 (only in connection with a Public Sale) and whose securities are listed and traded on the New York Stock Exchange, NASDAQ or any other nationally or internationally recognized securities exchange or quoted on a nationally or internationally recognized automated quotation system and must include a majority owned subsidiary of any such person or any majority owned operating partnership of any such person, through which such person conducts all or substantially all of its business.

Mortgage Loan Restricted Party means collectively, (a) the Borrower, the Principal, any Guarantor and any Affiliated Manager and (b) any shareholder, partner, member, non-member manager, any direct or indirect legal or beneficial owner

of, the Borrower, the Principal, any Guarantor, any Affiliated Manager or any non-member manager, but, with respect to clause (b), excluding any shareholders or owners of stock or equity interest that are publicly traded on any nationally or internationally recognized stock exchange.

Assumption

No transfer of the Mortgaged Property and assumption of the Mortgage Loan are permitted prior to the earlier to occur of (i) the sixth month anniversary of the Origination Date and (ii) the Closing Date (and neither the Borrower nor any of its affiliates may enter into an agreement relating to any such Transfer during such period). Otherwise, and without limiting a transfer permitted pursuant to the terms and provisions of the Mortgage Loan Documents, the Mortgage Lender is required to consent to a one (1) time transfer of the Mortgaged Property or 100% of the direct or indirect legal or beneficial ownership interests in the Mortgaged Property or in the Borrower ("Transferee") (if such Transfer is not otherwise made as described under "*Transfer Restrictions*" above) and assumption of the entire Mortgage Loan; *provided* that (a) the Mortgage Lender receives 30 days prior written notice of such transfer, (b) no Default for which the Borrower has received notice from Mortgage Lender or otherwise have knowledge of or Mortgage Loan Event of Default has occurred and is continuing or will otherwise occur as a result of such Transfer and (c) the following additional requirements are satisfied:

- (i) the Borrower pays the Mortgage Lender a transfer fee of \$250,000 at the time of such Transfer (unless the Transferee is Ownership Controlled by JDE or a JDE Trust, in which case no such fee will be payable);
- (ii) the Borrower pays all reasonable and actual out-of-pocket costs incurred in connection with such transfer (including, without limitation, the Mortgage Lender's reasonable and actual out-of-pocket counsel fees and disbursements and all recording fees, title insurance premiums and mortgage and intangible taxes and the fees and expenses of the Rating Agencies pursuant to clause (xiv) below);
- (iii) the Transferee must be (A) a Qualified Transferee and (B) Ownership Controlled by a Qualified Equityholder;
- (iv) with respect to a transfer of the Mortgaged Property, the Transferee is required to assume all of the obligations of the Borrower first arising under the Mortgage Loan Documents from and after the date of the transfer in a manner reasonably satisfactory to the Mortgage Lender in all respects, including, without limitation, by entering into an assumption agreement in form and substance reasonably satisfactory to the Mortgage Lender;
- (v) there is no material litigation or regulatory action pending or threatened against the Transferee or the Transferee's principals which, in each case, is not reasonably acceptable to the Mortgage Lender, and Mortgage Lender has performed searches and/or received other diligence such that Mortgage Lender is in compliance with Mortgage Lender's then current "know your customer" requirements and Mortgage Lender has received satisfactory search results for any owner of Transferee which will own ten percent (10%) or greater equity interest (directly or indirectly) in the Borrower after giving effect to such transfer;
- (vi) the Transferee and the Transferee's principals have not defaulted under its or their obligations with respect to any other indebtedness in a manner which is not reasonably acceptable to the Mortgage Lender;
- (vii) with respect to any transfer of the Mortgaged Property, the Transferee must be able to satisfy the Special Purpose Entity representations and covenants in the applicable section of the Mortgage Loan Agreement, and with respect to any Transfer as described in this "*Assumption*" section, (A) the Borrower and the Principal, after giving effect to such Transfer, continue to be Special Purpose Entities and comply with all Special Purpose Entity representations and covenants in the applicable section of the Mortgage Loan Agreement and (B) the Borrower, the Transferee and Transferee's principals comply with the ERISA and embargoed persons representations and covenants in the applicable sections of the Mortgage Loan Agreement;
- (viii) the Transferee will be required to deliver (A) all organizational documentation reasonably requested by the Mortgage Lender, which will be reasonably satisfactory to the Mortgage Lender and the Rating Agencies and (B) all certificates, agreements and legal opinions reasonably required by the Mortgage Lender;
- (ix) unless the then existing Guarantors will remain in place following such Transfer pursuant to the Guaranty, Completion Guaranty, the Third Floor Completion Guaranty and Environmental Indemnity to which it is a party and such Guarantors controls or is under common control with Transferee, one or more replacement

Guarantors are required to have (1) assumed all of the liabilities and obligations of Guarantors arising from and after the date of such Transfer under the Guaranty, the Completion Guaranty, the Third Floor Completion Guaranty, Environmental Indemnity and any other guaranty or indemnity (if any) executed by Guarantors or (2) executed a replacement guaranty and environmental indemnity in the same form as the Guaranty, Completion Guaranty, the Third Floor Completion Guaranty and Environmental Indemnity as of the Origination Date with respect to obligations and liabilities arising thereunder from and the date of such Transfer, and delivered an additional insolvency opinion covering such person;

(x) the Borrower is required to deliver, at its sole cost and expense, an endorsement to the title insurance policy, as modified by the assumption agreement, as a valid first lien on the Mortgaged Property and naming the Transferee as holder of the leasehold estate of the Mortgaged Property, which endorsement must ensure that, as of the date of the recording of the assumption agreement, the Mortgaged Property will not be subject to any additional exceptions or liens other than those contained in the title insurance policy issued on the Origination Date and the encumbrances expressly permitted under the Mortgage Loan Agreement;

(xi) if the Transferee is a real estate investment trust, the Mortgage Lender must consent to a certain pre-approved amendments more particularly set forth in the Mortgage Loan Agreement to reflect the transferee's status as a real estate investment trust in accordance with and subject to satisfaction of, the terms and conditions set forth in the Mortgage Loan Agreement (a "REIT Restructuring") either prior to such transfer or simultaneously in connection therewith;

(xii) the Borrower or the Transferee, at its sole cost and expense, will be required to deliver to the Mortgage Lender an additional insolvency opinion reflecting the Transfer, and covering any replacement guarantor reasonably satisfactory in form and substance to the Mortgage Lender;

(xiii) with respect to an assumption of the whole Mortgage Loan, Rating Agency Confirmation has been received; and

(xiv) Transferee may not be a Delaware Statutory Trust, a tenancy-in-common, a Crowdfunded Person, or any Person who is (A) controlled (directly or indirectly) by one or more of the foregoing and/or (B) more than 49% owned (directly or indirectly) by one or more of the foregoing.

Immediately upon a Transfer to such Transferee and the satisfaction of all of the above requirements with respect to a Transfer of the Mortgaged Property, the Borrower and the Guarantors (unless the then existing Guarantors will remain in place following such Transfer) will be released from all liability under the Mortgage Loan Agreement, the Notes, the Mortgage, the Guaranty, the Completion Guaranty, the Third Floor Completion Guaranty, the Environmental Indemnity and the other Mortgage Loan Documents solely to the extent accruing after such Transfer, to the extent not arising from the actions or omissions of the named the Borrower and/or Guarantors subject to such release. The foregoing release will be effective upon the date of such Transfer, but the Mortgage Lender agrees to provide written evidence thereof reasonably requested by the Borrower. Notwithstanding anything to the contrary contained in the Mortgage Loan Agreement, in connection with a Transfer pursuant to this "-Assumption" section, if Transferee is a REIT, then the Mortgage Loan Documents will be amended to reflect the organizational structure of such Transferee.

In connection with any Transfer pursuant to this "-Assumption" section, (i) so long as all of the requirements set forth in the preceding paragraph are satisfied, the Mortgage Lender will not require the Borrower to enter into any material modifications of the Mortgage Loan Documents or increase the amount required to be deposited into any Reserve Funds, (ii) the Mortgage Lender is required to agree to modify the Mortgage Loan Documents as may be reasonably necessary solely to reflect changes in factual matters as a result of such Transfer, *provided* that such Mortgage Loan Document modifications must be in form and substance reasonably satisfactory to the Mortgage Lender, (iii) the Mortgage Lender is required to represent and warrant, to its knowledge, whether any monetary Default exists under the Mortgage Loan Documents at the time of such Transfer and (iv) the Mortgage Lender is required to use best efforts to grant or deny approval of a request made in accordance with this "-Assumption" section within 30 days after the Mortgage Lender has been provided with substantially all of the information required to be delivered to the Mortgage Lender pursuant to the Mortgage Loan Agreement (*provided*, that this will not be deemed to be a waiver of any of the requirements set forth in the Mortgage Loan Agreement), and the Mortgage Lender is required to use best efforts to close such assumption transaction as expeditiously thereafter as is reasonably possible, time being of the essence.

In the event any indirect owner of the Borrower elects to be a real estate investment trust ("Atrium REIT") for federal income tax purposes (a "REIT Election") or an Atrium REIT acquires all or a portion of the equity interests in the Borrower

and Principal in accordance with the Mortgage Loan Documents, upon prior written notice to the Mortgage Lender, the Borrower has the right to implement a REIT Restructuring.

Crowdfunded Person shall mean a Person capitalized primarily by monetary contributions (a) of less than \$35,000 each from more than 35 investors who are individuals and (b) which are funded primarily (i) in reliance upon Regulation Crowdfunding promulgated by the Securities and Exchange Commission pursuant to the Securities Act of 1933, as amended and/or (ii) through internet-mediated registries, platforms or similar portals, mail-order subscriptions, benefit events and/or other similar methods.

Default means the occurrence of any event under the Mortgage Loan Agreement or Mortgage Loan Documents which, but for the giving of notice or passage of time, or both, would be a Mortgage Loan Event of Default.

Qualified Equityholder means (a) prior to the earlier to occur of (i) the sixth month anniversary of the Origination Date and (ii) the securitization of the Mortgage Loan, JDE and/or a JDE Trust; and (b) from and after the earlier to occur of (i) the sixth month anniversary of the Origination Date and (ii) the securitization of the Mortgage Loan (i) JDE; (ii) trusts for the benefit of JDE or his family, provided, that the trustee of such trusts are required to (A) possess experience in owning and operating properties similar in size, scope, use and value as the Mortgaged Property that is reasonably acceptable to Mortgage Lender or (B) engage or appoint JDE, Ronald C. Brown or another person reasonably acceptable to Mortgage Lender as asset manager for the Mortgaged Property, pursuant to an asset management agreement reasonably acceptable to Mortgage Lender (any such trust, a “JDE Trust”); (iii) any person approved by Mortgage Lender with respect to which Rating Agency Confirmation has been received; (iv) a bank, saving and loan association, investment bank, insurance company, trust company, commercial credit corporation, pension plan, pension fund, pension trust, pension account or pension advisory firm, mutual fund, government entity or plan, real estate company, investment fund, institutional real estate investor, real estate investment trust, real estate investment fund, money management firm, investment fund or an institution substantially similar to any of the foregoing, *provided* in each case under this clause (iv) that such person that such entity (x) has (A) total assets directly or indirectly (in name or under management) in excess of \$750,000,000, and (B) (except with respect to a pension advisory firm or similar fiduciary) capital/statutory surplus or shareholder’s equity in excess of \$500,000,000 (in both cases, exclusive of the Mortgaged Property) or market capitalization of no less than \$500,000,000, and (y) (1) is regularly engaged in the business of directly or indirectly owning and operating at least 5,000 hotel rooms (excluding the Mortgaged Property) at comparable properties (or, in the case of a joint venture, one of the joint venture partners with no less than a 5% financial investment in the joint venture is regularly engaged in such business); *provided* that a person will not be deemed to not be an “operator” of properties, solely because it hire one or more third party managers to manage its properties or (2) any entity that (x) is controlled and owned by, (y) controls and owns or (z) is under common control and ownership, with person described in clause (y)(1) above, *provided* that such person satisfies the asset and equity (or market capitalization) requirements set forth in this clause (iv) above.

Qualified Transferee means a person for whom, prior to the Transfer, (x) the Mortgage Lender is required to have received evidence reasonably acceptable to the Mortgage Lender that the proposed transferee (1) has never been convicted of, or pled guilty or no contest to, and is not then currently under indictment for, a felony, (2) is not an embagoed person, (3) has not been the subject of any bankruptcy action within seven years prior to the date of the proposed Transfer and (4) has no material outstanding judgments against such proposed transferee and (y) if the proposed transferee will obtain control of or obtain (A) 25% (if the transferee is domiciled in the United States) or (B) 10% (if the transferee is not domiciled in the United States) or more of the direct or indirect interest in the Borrower (or a Transferee pursuant to an assumption of the Mortgage Loan), the Borrower is required to have delivered all information and searches required by the Mortgage Lender with respect to customary “know your customer”, OFAC review and other customary searches that are reasonably satisfactory to the Mortgage Lender.

Additional Indebtedness

The Mortgage Loan Documents provide that the Borrower will not be permitted to incur any indebtedness other than the following: (A) in the case of the Borrower, (1) the Mortgage Loan (including any unpaid accrued interest), (2) liabilities incurred in the ordinary course of business relating to the ownership and operation of the Mortgaged Property and the routine administration of the Borrower, in amounts not to exceed 3.0% of the original principal balance of the Mortgage Loan, which liabilities are paid within 60 days following the later of (x) the date on which such amount is incurred or (y) to the extent the Borrower has received an invoice from the applicable payee, the date invoiced, are not evidenced by a note, and which amounts are normal and reasonable under the circumstances, (3) customary and reasonable environmental indemnities incurred in connection with a prior financing which has been paid in full as of the date hereof and (4) such other liabilities not evidenced by a note that are permitted pursuant to the Mortgage Loan Agreement, including, without limitation, ground rent, liabilities incurred in connection with alterations, capital expenditures, replacements, restorations, leases, Required Renovation Work, in each case, which are incurred in accordance with the terms of the Mortgage Loan

Agreement and paid within 60 days following the later of (x) the date on which such liability is incurred or (y) to the extent the Borrower has received an invoice from the applicable payee, the date invoiced (provided that, for the avoidance of doubt, the Borrower may not incur any PACE Debt).

Termination of Property Manager and Asset Manager

Pursuant to the Mortgage Loan Agreement, if (i) a Property Manager becomes subject to a bankruptcy action, (ii) a Mortgage Loan Event of Default has occurred and is continuing or (iii) a default by Property Manager occurs under the Management Agreement beyond any notice and cure periods, *provided* that, in each case where the Property Manager is not an Affiliated Manager, the Borrower will then have the right to terminate the Management Agreement, and, subject to the terms and conditions of the Management Agreement (as the same may be modified by the Assignment of Management Agreement), the Borrower will, at the request of the Mortgage Lender, terminate the applicable Management Agreement and replace the Property Manager with a Qualified Manager pursuant to a Replacement Management Agreement, except that the management fee for such Qualified Manager may not exceed the prevailing market rates; *provided, however*, that if Property Manager is not an Affiliated Manager, the Borrower will only be required to comply with the foregoing to the extent they then have the right to terminate the Management Agreement.

Pursuant to the Mortgage Loan Agreement, if the Asset Manager becomes subject to a bankruptcy action, (ii) a Mortgage Loan Event of Default has occurred and is continuing or (iii) a default by the Asset Manager occurs under any Asset Management Agreement beyond any notice and cure periods, *provided* that, in each case where the Asset Manager is not an Affiliated Manager, the Borrower will then have the right to terminate the Asset Management Agreement, and the Borrower will, at the request of the Mortgage Lender, terminate the Asset Management Agreement; *provided, however*, that if the Asset Manager is not an affiliate of the Borrower, the Borrower will only be required to comply with the foregoing to the extent they then have the right to terminate the Asset Management Agreement.

Hazard, Liability and Other Insurance

The Borrower is required to obtain and maintain, or cause to be obtained and maintained, insurance for the Borrower and the Mortgaged Property providing at least the following coverages:

(i) comprehensive all risk “special form” insurance including, but not limited to, loss caused by flood and tsunami, which may have sublimits acceptable to the Mortgage Lender, and loss caused by any type of windstorm, named windstorm or hail on the improvements and any personal property identified in the related Mortgage (the “Personal Property”), (A) in an amount equal to 100% of the “Full Replacement Cost”, which for purposes of the Mortgage Loan Agreement will mean actual replacement value (exclusive of costs of excavations, foundations, underground utilities and footings) with a waiver of depreciation, (B) containing an agreed amount endorsement with respect to the improvements and Personal Property waiving all co-insurance provisions or to be written on a no co-insurance form, (C) providing for no deductible in excess of \$250,000 for all such insurance coverage; *provided, however*, with respect to windstorm and earthquake coverage, providing for a deductible not in excess of 5% of the total insurable value of the Mortgaged Property; and (D) if any of the improvements or the use of the Mortgaged Property at any time constitutes legal non-conforming structures or uses, coverage for loss due to operation of law in an amount equal to the Full Replacement Cost, and coverage for demolition costs and coverage for increased costs of construction in amounts acceptable to the Mortgage Lender. In addition, the Borrower is required to obtain: (y) if any portion of the improvements is currently or at any time in the future located in a federally designated “special flood hazard area”, flood hazard insurance in an amount equal to (1) the maximum amount of such insurance available under the National Flood Insurance Act of 1968, the Flood Disaster Protection Act of 1973 or the National Flood Insurance Reform Act of 1994, as each may be amended (the “Flood Insurance Acts”) plus (2) such greater amount as the Mortgage Lender will require, in each case, with deductibles not to exceed the maximum limit available through the Flood Insurance Acts and (z) earthquake insurance in amount not less than the 475-year annual aggregate probable maximum loss as indicated in a portfolio seismic risk analysis for a 475-year return period; *provided* that the insurance pursuant to clauses (y) and (z) hereof is required to be on terms consistent with the comprehensive all risk insurance policy described in this subsection (i); See “*Risk Factors—Availability of Earthquake, Flood, Wind Storm and Other Insurance and Insufficiency of Proceeds*” in this Offering Circular;

(ii) business income or rental loss insurance (A) with loss payable to the Mortgage Lender; (B) covering all risks required to be covered by the insurance provided for in clause (i) above; (C) in an amount equal to 100% of the projected gross revenues from the operation of the Mortgaged Property (as reduced to reflect expenses not incurred during a period of Restoration) for a period of at least twenty-four (24) months after the date of the casualty; and (D) containing an extended period of indemnity endorsement which provides that after the physical

loss to the improvements and Personal Property has been repaired, the continued loss of income will be insured until such income either returns to the same level it was at prior to the loss, or the expiration of twelve (12) months from the date that the Mortgaged Property is repaired or replaced and operations are resumed, whichever first occurs, and notwithstanding that the policy may expire prior to the end of such period. The amount of such business income or rental loss insurance will be determined prior to the Origination Date and at least once each year thereafter based on the Borrower's reasonable estimate of the gross revenues from the Mortgaged Property for the succeeding eighteen (18) month period. Notwithstanding the cash management provisions of the Mortgage Loan Agreement, all proceeds payable to the Mortgage Lender as described in this subsection will be held by the Mortgage Lender and are required to be applied to the obligations secured by the Mortgage Loan Documents from time to time due and payable under the Mortgage Loan Agreement and under the Notes; *provided, however*, that nothing contained in the Mortgage Loan Agreement will be deemed to relieve the Borrower of its obligations to pay the obligations secured by the Mortgage Loan Documents on the respective dates of payment provided for in the applicable section of the Mortgage Loan Agreement and the other Mortgage Loan Documents except to the extent such amounts are actually paid out of the proceeds of such business income insurance;

(iii) at all times during which structural construction, repairs or alterations are being made with respect to the improvements, and only if the property and liability coverage forms do not otherwise apply, (A) commercial general liability and umbrella/excess liability insurance, covering claims related to the structural construction, repairs or alterations being made at the Mortgaged Property which are not covered by or under the terms or provisions of the below mentioned commercial general liability and umbrella/excess liability insurance policies and (B) the insurance described in clause (i) above written in a so called builder's risk completed value form (1) on a non-reporting basis, (2) against all risks insured against pursuant to subsection (i) above, (3) including permission to occupy the Mortgaged Property and (4) with an agreed amount endorsement waiving co-insurance provisions;

(iv) comprehensive boiler and machinery insurance, if steam boilers or other pressure-fixed vessels are in operation, in amounts as are reasonably required by the Mortgage Lender on terms consistent with the commercial property insurance policy described under clause (i) above;

(v) commercial general liability, including liquor liability, insurance against claims for personal injury, bodily injury, death or property damage occurring upon, in or about the Mortgaged Property, such insurance (A) to be on the so-called "occurrence" form with a combined limit of not less than \$2,000,000 in the aggregate and \$1,000,000 per occurrence, with a deductible or self-insured retention not to exceed \$250,000; (B) to continue at not less than the aforesaid limit until required to be changed by the Mortgage Lender in writing by reason of changed economic conditions making such protection inadequate and (C) to cover at least the following hazards: (1) premises and operations; (2) products and completed operations on an "if any" basis; (3) independent contractors; and (4) contractual liability for all insured contracts;

(vi) if applicable, commercial automobile liability coverage for all owned and non-owned vehicles, including rented and leased vehicles, containing minimum limits per occurrence of \$1,000,000;

(vii) if applicable, worker's compensation and employee's liability to the extent required by the worker's compensation laws of the state in which the Mortgaged Property is located;

(viii) umbrella and excess liability insurance in an amount not less than \$100,000,000 per occurrence on terms consistent with the commercial general liability insurance policy described under clause (v) above, including, but not limited to, supplemental coverage for employer liability and automobile liability and, if applicable, which umbrella liability coverage will apply in excess of such supplemental coverage;

(ix) the insurance described under clauses (i), (ii), (v), and (viii) above is required to cover perils of terrorism and acts of terrorism and the Borrower is required to maintain insurance for loss resulting from perils and acts of terrorism on terms (including amounts) consistent with those described under clauses (i), (ii), (iv), and (viii) above at all times during the term of the Mortgage Loan; See "*Risk Factors—Terrorism Insurance May Be Unavailable or Insufficient*" in this Offering Circular

(x) pollution legal liability coverage for the Mortgaged Property (the "PLL Policy"), such insurance: (A) to be a claims made and reported policy for a term of seven years which shall be maintained, either by renewal, extension or replacement, for a period for thirty-six (36) months beyond the Maturity Date; (B) with limits of liability of \$2,000,000 for each incident and \$2,000,000 in the aggregate; (C) with a self-insured retention amount

of \$25,000; (D) will name the Mortgage Lender as a named insured per a mortgagee assignment endorsement providing automatic rights of assignment in the event of default; (E) will be dedicated solely to the Mortgaged Property and the Borrower will not be permitted to add any additional locations during the PLL Policy term; and (F) will, throughout the PLL Policy term, include the same coverages, terms, conditions and endorsements (and will not be amended in any way without the prior written consent of the Mortgage Lender) as the PLL Policy approved on the Origination Date; and

(xi) upon 60 days written notice, such other reasonable insurance, including, but not limited to, sinkhole or land subsidence insurance, and in such reasonable amounts as the Mortgage Lender from time to time may reasonably request against such other insurable hazards which at the time are commonly insured against for property similar to the Mortgaged Property located in or around the region in which the Mortgaged Property is located.

All insurance as described above is required to be obtained under valid and enforceable policies (collectively, the “Policies” or, in the singular, the “Policy”), and is required to be subject to the approval of the Mortgage Lender as to insurance companies, amounts, deductibles, loss payees and insureds. The Policies are required to be issued by financially sound and responsible insurance companies authorized to do business in the state where the Property or Convention Center is located and having a rating of (1) “A:X” or better in the current Best’s Insurance Reports and (2) a claims paying ability rating of “A” or better by S&P and “A2” by Moody’s, to the extent Moody’s rates the securities and rates the applicable insurance company and “A” or better by Fitch (to the extent Fitch rates the securities and rates the applicable insurance company) (*provided, however* for multi-layered policies, (A) if four or fewer insurance companies issue the Policies, then at least 75% of the insurance coverage represented by the Policies must be provided by insurance companies with a rating of “A” or better by S&P and “A2” or better by Moody’s, to the extent Moody’s rates the securities and rates the applicable insurance company, and “A” or better by Fitch (to the extent Fitch rates the securities and rates the applicable insurance company) with no remaining carrier below “BBB” by S&P and “Baa2” or better by Moody’s, to the extent Moody’s rates the securities and rates the applicable insurance company, and “BBB” or better by Fitch (to the extent Fitch rates the securities and rates the applicable insurance company) or (B) if five or more insurance companies issue the Policies, then at least 60% of the insurance coverage represented by the Policies must be provided by insurance companies with a rating of “A” or better by S&P and “A2” or better by Moody’s, to the extent Moody’s rates the securities and rates the applicable insurance company, and “A” or better by Fitch (to the extent Fitch rates the securities and rates the applicable insurance company) with no remaining carrier below “BBB” by S&P and “Baa2” or better by Moody’s, to the extent Moody’s rates the securities and rates the applicable insurance company and “BBB” or better by Fitch (to the extent Fitch rates the securities and rates the applicable insurance company). The Policies described above (other than those strictly limited to liability protection) are required to designate the Mortgage Lender as loss payee. Not less than 10 days prior to the expiration dates of the Policies theretofore furnished to the Mortgage Lender, certificates of insurance evidencing the Policies (including the Policies maintained by Marriott pursuant to the Management Agreement (or an Approved Replacement Manager pursuant to an Approved Replacement Management Agreement), to be followed by complete copies of the Policies upon issuance (but excluding complete copies of the Policies maintained by Marriott pursuant to the Management Agreement (or an Approved Replacement Manager pursuant to an Approved Replacement Management Agreement)), accompanied by evidence satisfactory to the Mortgage Lender of payment of the premiums due thereunder (other than the premiums due under the Policies maintained by Marriott pursuant to the Management Agreement (or an Approved Replacement Manager pursuant to an Approved Replacement Management Agreement), provided, that the Borrower is required to provide the Mortgage Lender evidence satisfactory to Mortgage Lender that the Borrower has reimbursed the Property Manager for the amounts allocable to the Mortgaged Property for such Policies (which evidence may include the financial statements prepared by the Property Manager which provide that such reimbursement has been made to the Property Manager)), must be delivered by the Borrower to the Mortgage Lender. Notwithstanding the foregoing, the Borrower will be permitted to pay premiums on installments to the applicable insurance company and/or the applicable insurance agent/broker, provided that the Borrower submits to the Mortgage Lender proof of payment of each and every installment on or prior to the dates such installments become due and payable. In no event may the Borrower be permitted to pay its premiums through a premium finance company. The Borrower is required to promptly forward to the Mortgage Lender a copy of each written notice received by the Borrower of any modification, reduction or cancellation of any of the Policies or of any of the coverages afforded under any of the Policies.

As an alternative to the Policies required to be maintained as described in the preceding provisions of this *“Hazard, Liability and Other Insurance”* section, the Borrower will not be in default under the Mortgage Loan Agreement if the Borrower maintains (or causes to be maintained) Policies that have deductibles other than those specified above (“Non-Conforming Deductible”), *provided*, that, prior to obtaining such Non-Conforming Deductible (or permitting such Non-Conforming Deductible to be obtained), (1) the Borrower has received Mortgage Lender’s prior written consent thereto and (2) a Rating Agency Confirmation with respect to any such Non-Conforming Deductible has been obtained.

Expense Reimbursement

The Borrower is required to reimburse the Mortgage Lender within five Business Days of demand for (a) interest payable on advances made by the Servicer, the Special Servicer or the Trustee with respect to delinquent debt service payments (to the extent charges are due pursuant to the Mortgage Loan Agreement and interest at the Default Rate actually paid by the Borrower in respect of such payments are insufficient to make such payments) or expenses paid by the Servicer, the Special Servicer or the Trustee in respect of the protection and preservation of the Mortgaged Property and (b) (1) all actual out-of-pocket costs and expenses (to the extent that interest at the Default Rate actually paid by the Borrower in respect of such actual out-of-pocket costs and expenses are insufficient to pay same), (2) customary liquidation fees (to the extent that interest at the Default Rate actually paid by the Borrower in respect of such liquidation proceeds are insufficient to pay same and which liquidation fees may not exceed 0.40% of any liquidation proceeds received on the Mortgage Loan), (3) customary, reasonable work-out fees (to the extent interest at the Default Rate actually paid by the Borrower in respect of such workout fees are insufficient to pay same and which workout fees are not permitted to exceed 0.40% of each collection of interest and principal received on the Mortgage Loan), and (4) special servicing fees, operating advisor fees, or any other similar fees payable by the Mortgage Lender to the Servicer, the Special Servicer or the Trustee (to the extent that interest at the Default Rate actually paid by the Borrower in respect of such fees under the Mortgage Loan Agreement are insufficient to pay same and which special servicing fees are not permitted to exceed 0.125% per annum): (i) as a result of a Mortgage Loan Event of Default or the Mortgage Loan becoming a specially serviced mortgage loan, an enforcement, refinancing or restructuring of the credit arrangements provided under the Mortgage Loan Agreement in the nature of a “work-out” of the Mortgage Loan Documents or of any insolvency or bankruptcy proceeding; or (ii) the costs of all property inspections and/or appraisals of the Mortgaged Property (or any updates to any existing inspection or appraisal) that the Servicer, the Special Servicer or the Trustee may be required to obtain (other than the cost of regular annual inspections required to be borne by the Servicer, the Special Servicer or the Trustee under the Trust and Servicing Agreement); or (iii) the actual out-of-pocket costs and expenses and customary and reasonable servicing fees of the Servicer, the Special Servicer or the Trustee in connection with any special requests made by the Borrower or Guarantors during the term of the Mortgage Loan including, without limitation, in connection with a prepayment, assumption or modification of the Mortgage Loan, *provided*, that in connection with any such request, the fees of the Servicer, the Special Servicer or the Trustee for such individual request are not permitted to exceed \$5,000 except for (i) a consent request in connection with a loan assumption (or transfer, to the extent such transfer is permitted under the Mortgage Loan Agreement and would require, by its terms, the payment of a \$250,000 fee) for which the fee will be \$250,000 or (ii) a consent request in connection with a release of hotel rooms for which the fee will be \$25,000 per release request, and in each case *provided* that the Mortgage Loan is not then being serviced by a special servicer. So long as the Mortgage Loan is not in special servicing, all decisions, consents or approvals and any other matters directly relating to (A) the Required Renovation Work, (B) the Third Floor Renovation Work and (C) releases Hotel Rooms will be handled by the Servicer only.

DESCRIPTION OF THE INTEREST RATE CAP AGREEMENT

In connection with the origination of the Mortgage Loan, the Borrower entered into an Interest Rate Cap agreement (the “Interest Rate Cap Agreement”) with SMBC Capital Markets, Inc. (the “Interest Rate Cap Counterparty”), whose payment obligations are guaranteed by Sumitomo Mitsui Banking Corporation (the “Credit Support Provider”). The Interest Rate Cap Agreement has a LIBOR “strike price” equal to 4.50% and a “notional amount” equal to \$336,500,000, effective on December 5, 2018, and expiring on December 9, 2020.

In connection with entering into the Interest Rate Cap Agreement, the Borrower paid to the Interest Rate Cap Counterparty an upfront fixed amount, and has no other scheduled payment obligations under the Interest Rate Cap Agreement. The Interest Rate Cap Agreement will provide that monthly, on the 9th calendar day of each month (or, if such 9th calendar day is not a business day, the immediately succeeding business day) beginning with December 5, 2018, continuing up to and including December 9, 2020 (the “Floating Rate Payer Payment Dates”), the Interest Rate Cap Counterparty is obligated to pay to the Borrower an amount equal to the greater of (i) zero and (ii) one month’s interest at a floating pass-through rate for the applicable calculation period equal to the excess, if any, of the LIBOR rate (as defined in the Interest Rate Cap Agreement) for the related calculation period over the Strike Price accrued on the notional amount for the related calculation period on the basis of a 360-day year and the actual number of days in the related Mortgage Loan Interest Accrual Period.

The Interest Rate Cap Agreements may be terminated by the Borrower upon an event of default or a termination event on the part of the Interest Rate Cap Counterparty under the Interest Rate Cap Agreement, which includes, among other things, the failure to make payments due under the Interest Rate Cap Agreement, the occurrence of certain bankruptcy and insolvency events, the merger by such party if the successor entity does not assume the obligations of the Interest Rate

Cap Counterparty under the Interest Rate Cap Agreement, the breach of certain obligations under the Interest Rate Cap Agreement, certain breaches or failures to perform under any related credit support documents, or certain misrepresentations under the Interest Rate Cap Agreement, the illegality of the transactions contemplated by the Interest Rate Cap Agreement, and the occurrence of certain tax events, including certain tax events upon the merger of such party.

The Interest Rate Cap Counterparty may terminate the Interest Rate Cap Agreement as a result of the illegality of the transactions contemplated by the Interest Rate Cap Agreement where the Borrower was the affected party. The Interest Rate Cap Agreement will be subject to regulations requiring, under certain terms and conditions, the posting of variation margin by the Interest Rate Cap Counterparty, and the Interest Rate Cap Counterparty may terminate the Interest Rate Cap Agreement if the Borrower does not return any such margin as may be required under and in accordance with the Interest Rate Cap Agreement.

In addition to the termination events specified above, it will be an additional termination event under the Interest Rate Cap Agreement if the Credit Support Provider (i) fails to maintain the Required Ratings or (ii) if any of S&P or Moody's ratings applicable to the Credit Support Provider are withdrawn or qualified, then the Interest Rate Cap Counterparty must promptly give notice to the Borrower of such failure to maintain, withdrawal or qualification and within 10 days of such notice, at Interest Rate Cap Counterparty's sole cost and expense obtain a replacement counterparty that meets the Required Ratings and who is required to enter into a transaction with the Borrower on substantially the same terms as contained in the Interest Rate Cap Agreement. Until such replacement counterparty is in place, Cap Counterparty must continue to perform its obligations under the Interest Rate Cap Agreement.

For purposes of the foregoing termination events, "Required Ratings" means (i) a long term senior unsecured debt rating or long term issuer credit rating of "A-" or better by S&P and (ii) a long term senior unsecured debt rating or long term issuer credit rating of "A3" or better by Moody's.

DESCRIPTION OF THE CERTIFICATES

General

The Certificates to be issued pursuant to the Trust and Servicing Agreement will consist of the following classes (each, a "Class"), designated as follows: the Class A Certificates (the "Class A Certificates"); the Class B Certificates (the "Class B Certificates"); the Class C Certificates (the "Class C Certificates"); the Class D Certificates (the "Class D Certificates"); the Class E Certificates (the "Class E Certificates"); the Class F Certificates (the "Class F Certificates"); the Class HRR Certificates (the "Class HRR Certificates"); the Class P Certificates (the "Class P Certificates"); and the Class R Certificates (the "Class R Certificates").

The Class A, Class B, Class C, Class D, Class E, Class F, Class HRR, Class P and Class R Certificates are being offered by this Offering Circular and are referred to herein as the "Certificates".

The Certificates will represent all of the ownership interests in the Trust.

The initial Certificate Balance of each Class of Sequential Pay Certificates is as shown on the cover page of this Offering Circular.

The "Certificate Balance" with respect to any outstanding Class of Sequential Pay Certificates at any date, represents an amount equal to the aggregate initial certificate balance of such Class shown on the cover page of this Offering Circular less the sum of (a) all amounts distributed to Certificateholders of such Class on all previous Distribution Dates as principal and (b) the aggregate amount of Realized Losses allocated to such Class of Certificates.

Determination of LIBOR for the Certificates

The establishment of LIBOR on each Interest Determination Date by the Certificate Administrator and its calculation of the rate of interest applicable to the Sequential Pay Certificates for the related Certificate Interest Accrual Period will (in the absence of manifest error) be final and binding. Each such rate of interest may be obtained via the Distribution Date Statement on the Certificate Administrator's website or by contacting the Certificate Administrator. The new LIBOR rate will be available through such means on the Distribution Date next succeeding the relevant Interest Determination Date. LIBOR for the Certificates will be determined in the same manner as LIBOR for the Mortgage Loan. See "*Description of the Mortgage Loan—Principal and Interest*" in this Offering Circular.

If the Servicer has determined in good faith that either LIBOR cannot be determined in accordance with the definition thereof or has been replaced by an Alternate Index, then the Mortgage Loan (inclusive of each related Component) will be converted to an Alternate Rate Loan, *provided*, among other conditions, that the Servicer has received (i) an opinion from a national recognized REMIC counsel as to the compliance of such conversion with applicable REMIC requirements and (ii) a Rating Agency Confirmation. The condition in clause (i) above may be satisfied with the issuance of a general guidance, ruling, bulletin or decision by the Internal Revenue Service reasonably acceptable to the Servicer that conversion from LIBOR to the Alternate Index will not cause the Mortgage Loan to fail to remain a “qualified mortgage” within the meaning of the REMIC provisions of the Code. The Servicer will provide the Borrower, the Certificate Administrator and the Special Servicer prompt notice following the making of an Alternate Index Determination.

Notwithstanding the foregoing, if for any Mortgage Loan Interest Accrual Period the Components accrue interest at the Alternate Rate then the Pass-Through Rate for each Class of Sequential Pay Certificates will be determined based on the Alternate Rate plus the applicable Certificate Alternate Rate Spread on the Class of related Sequential Pay Certificates, as further described under “*Payment on the Certificates*”.

“Administrative Cost Rate” means the sum of the Servicing Fee Rate, the Certificate Administrator Fee Rate, the Operating Advisor Fee Rate and the CREFC® Intellectual Property Royalty License Fee Rate.

“Certificate Alternate Rate Spread” means, in connection with any conversion of the Mortgage Loan from a LIBOR Loan to an Alternate Rate Loan, with respect to each Class of Sequential Pay Certificates, an amount (expressed as the number of basis points) equal to (a) LIBOR on the date LIBOR was last applicable to such Class plus the then current Certificate Spread on such Class minus (b) the Alternate Rate on the date LIBOR was last applicable to such Class; *provided however*, that if such difference is a negative number and the absolute value of such negative number exceeds the sum of the Administrative Cost Rate for such Class, then the Certificate Alternate Rate Spread will be the negative of the Administrative Cost Rate. The Certificate Alternate Rate Spread will be increased by 25 basis points (0.25%) in connection with the fourth Extension Option.

The identification of any Alternate Index, if applicable, will be determined by the Servicer. With respect to the Mortgage Loan and each Mortgage Loan Interest Accrual Period, the Alternate Rate for the Component Rates on the Mortgage Loan will be determined by the Servicer. With respect to each Class of Certificates and each Certificate Interest Accrual Period, the Alternate Rate for the Pass-Through Rates on the Certificates will be determined by the Certificate Administrator using the Alternate Index identified by the Servicer. In the event of a discrepancy for any Certificate Interest Accrual Period in any Alternate Rate determination made by the Certificate Administrator and any Alternate Rate determination made by the Servicer for the corresponding Mortgage Loan Interest Accrual Period, the Certificate Administrator and the Servicer will use reasonable efforts to reconcile their determinations so that the Alternate Rate as calculated under the Mortgage Loan Agreement and as calculated under the Trust and Servicing Agreement are equivalent values. In the event that the Servicer and the Certificate Administrator are unable to agree on the determination of the applicable interest rate, the determination by the Servicer will control.

If, pursuant to the terms of the Mortgage Loan Agreement, the Mortgage Loan has been converted to an Alternate Rate Loan, and the Mortgage Lender has determined that any events or circumstances that resulted in such conversion will no longer be applicable, then the Alternate Rate Loan will be converted to a LIBOR Loan from, after and including the first day of the next succeeding Mortgage Loan Interest Accrual Period, provided, in each case that the Mortgage Lender delivers written notice to the Borrower at least 2 Business Days prior to the last day of the related Mortgage Loan Interest Accrual Period. In the event of any such conversion back to a LIBOR Loan, the Pass-Through Rate on each Class of Certificates will also convert back to LIBOR plus the initial Certificate Spread (as adjusted to increase by 0.25% following the commencement of the fourth Extension Term, if applicable).

If the Servicer in good faith has determined that LIBOR cannot be determined as described above, the Servicer will be required to determine the Alternate Rate and will be required to provide notice to the Borrower, the Special Servicer and the Certificate Administrator, and the Certificate Administrator will post on the Certificate Administrator’s Internet website on the “Special Notices” tab a notice of such conversion between LIBOR and the Alternate Rate.

“Alternate Rate” means, with respect to each Mortgage Loan Interest Accrual Period, the *per annum* rate of interest of the Alternate Index, determined as the date LIBOR was last applicable.

“Certificate Interest Accrual Period” for each Class of Sequential Pay Certificates and any Distribution Date, means the period from and including the 15th day of the preceding calendar month (or the Closing Date, in the case of the first Certificate Interest Accrual Period) to and including the 14th day of the calendar month in which such Distribution Date occurs.

With respect to the initial Certificate Interest Accrual Period, the Interest Determination Date will be February 13, 2019.

“Default Interest” means the amount by which interest accrued on any Component at its Default Rate exceeds the amount of interest that would have accrued on such Component at the Component Rate.

With respect to the determination of the Pass-Through Rates on each Class of Certificates described in this Offering Circular, the terms “LIBOR Loan”, “Alternate Rate Loan”, “Alternate Index” and “Alternate Rate Spread” will have the meanings given to those terms in the Mortgage Loan Agreement, as described in *“Description of the Mortgage Loan–Principal and Interest”*.

Payment on the Certificates

On or prior to each Remittance Date, prior to the remittance of funds to the Certificate Administrator for deposit in the Distribution Account as described in the following paragraphs, the Servicer is required to remit funds from the Collection Account as described below (the order set forth below constituting an order of priority for such withdrawals):

- (i) to withdraw funds deposited in the Collection Account in error;
- (ii) to reimburse the Trustee and the Servicer, in that order, for any Nonrecoverable Advances made by each and not previously reimbursed pursuant to clause (vi)(a) below together with unpaid interest on such Advances at the Advance Rate;
- (iii) concurrently, to pay to itself the Servicing Fee, to pay the Certificate Administrator Fee (including the portion that is the Trustee Fee) to the Certificate Administrator, and to pay the Operating Advisor Fee to the Operating Advisor, as applicable;
- (iv) to pay to the Operating Advisor the Operating Advisor Consulting Fee (but only to the extent actually received from the Borrower);
- (v) to pay (a) to the Servicer as additional compensation any income earned (net of losses) on the investment of funds deposited in the Collection Account; and (b) the Special Servicing Fee, if any, the Work-out Fee, if any, and the Liquidation Fee, if any, to the Special Servicer (with respect to clauses (a) and (b), in that order);
- (vi) to reimburse the Trustee and the Servicer, in that order, for (a) Advances made by each and not previously reimbursed from late payments received during the applicable period on the Mortgage Loan, liquidation proceeds, condemnation proceeds, insurance proceeds and other collections on the Mortgage Loan; *provided that any Advance that has been determined to be a Nonrecoverable Advance will be reimbursed pursuant to clause (i) above and (b) unpaid interest on such Advances at the Advance Rate; provided, however, that, with respect to Advances that are not deemed to be Nonrecoverable Advances, prior to (x) final liquidation of the Mortgaged Property or (y) the final payment and release of the Mortgage, interest on such Advances will only be paid out of Default Interest or late payment charges collected in the related Collection Period and after (A) final liquidation of the Mortgaged Property or (B) the final payment and release of the Mortgage, interest on such Advances may be paid out of other amounts on deposit in the Collection Account to the extent Default Interest and late payment charges are not sufficient to pay for such interest on Advances;*
- (vii) to reimburse the Trustee, the Certificate Administrator, the Servicer and the Special Servicer, in that order, for expenses incurred by them in connection with the liquidation of the Mortgaged Property and not otherwise covered and paid by an insurance policy or deducted from the proceeds of liquidation or not previously reimbursed pursuant to clauses (ii) or (vi) above;
- (viii) to pay to the Servicer, the Operating Adviser or the Special Servicer, as applicable, as additional compensation, to the extent actually received from the Borrower (and permitted by (or not otherwise prohibited by) and allocated as such pursuant to the terms of the Mortgage Loan Documents or the Trust and Servicing Agreement) and deposited into the Collection Account by the Servicer, any payments in the nature of late payment fees and Default Interest (to the extent remaining after payments pursuant to clause (vi) above and reimbursement of any Special Servicing Fees, Liquidation Fees or Work-out Fees), release fees, assumption fees, assumption application fees, substitution fees, Net Modification Fees, consent fees, amounts collected for checks returned for insufficient funds, charges for beneficiary statements or demands, loan processing fees, loan service

transaction fees and similar fees and expenses; *provided* that such amounts received during each Collection Period will not be required to be deposited into the Collection Account and will be deemed to have been deposited in the Collection Account and withdrawn pursuant to this (viii) solely for the purpose of determining the Available Funds Reduction Amount for the related Distribution Date;

(ix) to pay or reimburse the Depositor, the Trustee, the Certificate Administrator, the Servicer, the Special Servicer and the Operating Advisor, in that order, for any indemnities, expenses and other amounts then due and payable or reimbursable to each pursuant to the terms of the Trust and Servicing Agreement and not previously paid or reimbursed pursuant to the preceding clauses;

(x) to pay (or set aside for eventual payment) any and all taxes imposed on the Trust or the Trust Fund by federal or state governmental authorities; *provided*, that, if such taxes are the result of the Depositor's, Servicer's, Special Servicer's, Certificate Administrator's, Trustee's or the Operating Advisor's, as applicable, negligence, bad faith or willful misconduct, such amounts may not be withdrawn from the Collection Account, but will be paid by such party that was negligent, acted in bad faith or engaged in willful misconduct pursuant to the indemnity provisions of the Trust and Servicing Agreement;

(xi) to pay the CREFC® Intellectual Property Royalty License Fee to CREFC®; and

(xii) in the case of the first Distribution Date only, to remit to each Mortgage Loan Seller, such Mortgage Loan Seller's percentage interest in the Seller Interest Holdback Amount.

The aggregate amount of such payments or withdrawals with respect to any Remittance Date is referred to in this Offering Circular as the "Available Funds Reduction Amount".

With respect to any Remittance Date, in no event will the Servicer be permitted to make a withdrawal pursuant to clauses (iii), (v)(b), (vi), (vii), (ix) or (xi) to the extent that, as a result of such withdrawal, the amount on deposit in the Collection Account after giving effect to the withdrawal would be less than the Required Advance Amount; *provided* that the foregoing withdrawal limitations will not apply (and accrued amounts previously eligible for withdrawal pursuant to clauses (iii), (v)(b), (vi), (vii), (ix) or (xi) but which remain unpaid due to the operation of this paragraph may then be withdrawn and paid) upon (1) the final liquidation of the Mortgage Loan or the Mortgaged Property, (2) the final payment of the Mortgage Loan and release of the Mortgage or (3) the determination that any Advance that would increase the currently unreimbursed Advances in the aggregate would be a Nonrecoverable Advance; *provided, further*, that the Servicer will be permitted to make withdrawals in the order of priority specified above up to the amount on deposit in the Collection Account that would result in funds equaling or exceeding the Required Advance Amount remaining in the Collection Account. The Servicer will be required to advance, to the extent it determines that such amounts are payable and reimbursable by the Borrower under the Mortgage Loan Agreement, all amounts owed to itself (other than Servicing Fees), the Special Servicer, the Certificate Administrator, the Trustee, the Operating Advisor and CREFC® pursuant to such clauses (iii), (v)(b), (vi) (to the extent reimbursements of such amounts are owed to the Trustee only), (vii), (ix), or (xi) (such advances, "Administrative Advances"), to the extent such amounts are not paid out of the Collection Account. However, the Servicer will not be obligated to make any Administrative Advance that it determines, together with interest on that Administrative Advance, would constitute a Nonrecoverable Advance if made. All Administrative Advances will accrue interest at the Advance Rate.

The "CREFC® Intellectual Property Royalty License Fee" is a fee, payable on a monthly basis, computed for the same period and on the same interest accrual basis respecting which any related interest payment due or deemed due on the Mortgage Loan is computed at a rate of 0.0005% *per annum* (the "CREFC® Intellectual Property Royalty License Fee Rate") and will be prorated for partial periods.

Pursuant to the CREFC® License Agreement, CREFC® will be paid the CREFC® Intellectual Property Royalty License Fee on a monthly basis from amounts on deposit in the Collection Account.

The "CREFC® License Agreement" is the license agreement, in the form set forth on the website of CREFC® on the Closing Date, relating to the use of the CREFC® trademarks and trade names.

The "Required Advance Amount" with respect to any Distribution Date, means an amount equal to (a) the amount of the Monthly Payment Advance (taking into account any Appraisal Reduction Amount as of such Distribution Date) that would be required to be made on the related Remittance Date by the Servicer had the Borrower not made any portion of the Monthly Payment (or an Assumed Monthly Payment) for the related Mortgage Loan Payment Date (or an assumed Mortgage Loan Payment Date) less (b) the aggregate compensation payable on such Remittance Date to the Servicer in

respect of the Servicing Fee to the Certificate Administrator in respect of the Certificate Administrator Fee (including the portion that is the Trustee Fee), the Operating Advisor in respect of the Operating Advisor Fee and to CREFC® in respect of the CREFC® Intellectual Property Royalty License Fee.

The “Remittance Date” with respect to any Distribution Date means the Business Day immediately preceding such Distribution Date.

The “Seller Interest Holdback Amount” with respect to the first Distribution Date means an amount equal to five (5) days’ interest accrued on each Component of the Mortgage Loan at a rate equal to the related Component Rate.

On each Remittance Date, the funds in the Collection Account received during the related Collection Period and remaining after withdrawing the Available Funds Reduction Amount will be required to be remitted into an account (the “Distribution Account”) established by the Certificate Administrator for the benefit of the Trustee and for the benefit of the Certificateholders.

On each Distribution Date, the Certificate Administrator (after withdrawing any amounts deposited in the Distribution Account in error to the extent funds are available for such purpose and after making certain other permitted withdrawals under the Trust and Servicing Agreement (including withdrawing amounts due to it under the Trust and Servicing Agreement that the Servicer fails to pay or reimburse to the Certificate Administrator from the Collection Account prior to remitting funds to the Distribution Account)) will be obligated to remit funds from the Distribution Account to the holders of record of each Class of Certificates at the close of business on the related Record Date in the manner described below. Each Certificateholder will receive distributions in accordance with its Percentage Interest in the amounts payable to such Class of Certificates. With respect to each Distribution Date, the record date (the “Record Date”) for the Certificates will be the last day of the related Certificate Interest Accrual Period, or if such day is not a Business Day, the immediately preceding Business Day.

The “Percentage Interest” means, with respect to any Certificate (other than the Class P and Class R Certificates), the initial Certificate Balance of such Certificate divided by the initial Certificate Balance of all of the Certificates of the related Class, and with respect to the Class P and Class R Certificates, the percentage specified on the Certificate held by the holder of such Certificate.

Notwithstanding the foregoing, no payment will be made to the holder of a beneficial interest in a Temporary Regulation S Global Certificate unless and until such holder has delivered to Euroclear or Clearstream, as applicable, a Regulation S Certification. Any payments made to DTC and transferred to Euroclear or Clearstream, as applicable, with respect to the portion of a Temporary Regulation S Global Certificate owned by any such beneficial owner will be held by Euroclear or Clearstream, as the case may be, prior to receipt of the Regulation S Certification solely as agent for the Trust.

For each Distribution Date, interest will accrue on the outstanding Certificate Balance of each Class of Certificates at its pass-through rate (each, a “Pass-Through Rate”).

The “Certificate Spread” for each Class of Sequential Pay Certificates is as set forth in the chart below with respect to the applicable Class of Sequential Pay Certificates, *provided* that upon the conversion of the Mortgage Loan to an Alternate Rate Loan, the Certificate Spread will equal the Certificate Alternate Rate Spread for the related Class of Sequential Pay Certificates:

<u>Class of Sequential Pay Certificates</u>	<u>Certificate Spread to LIBOR</u>
Class A.....	1.05000%
Class B.....	1.23000%
Class C.....	1.48000%
Class D.....	2.03000%
Class E.....	2.68000%
Class F.....	3.08180%
Class HRR.....	5.88000%

The Pass-Through Rate for each Distribution Date on the Class A, Class B, Class C, Class D, Class E, Class F and Class HRR Certificates is a *per annum* rate equal to (i) for any Distribution Date from the initial Distribution Date through (and including) the Distribution Date in December 2023, a *per annum* rate equal to LIBOR plus the applicable Certificate Spread and (ii) for any Distribution Date after the Distribution Date in December 2023, a *per annum* rate equal to LIBOR plus the

applicable Certificate Spread plus 0.2500%, in each case assuming the fourth Extension Option has been exercised; *provided, however,* that in the event the Mortgage Loan is converted to an Alternate Rate Loan, LIBOR will be replaced by the Alternate Rate subject to a minimum Pass-Through Rate equal to the initial Certificate Spread for such Class of Certificates as of the Closing Date. See “*–Determination of LIBOR for the Certificates*”.

The “Net Component Rate” means, with respect to any Distribution Date and each Component, the Component Rate in respect of such Component (net of interest at the Servicing Fee Rate, the Operating Advisor Fee Rate, the CREFC® Intellectual Property Royalty License Fee Rate and the Certificate Administrator Fee Rate and exclusive of Default Interest) that interest actually accrues at for such Component during the related Mortgage Loan Interest Accrual Period; *provided* that any modification of the Mortgage Loan that changes the Component Rate will be disregarded for purposes of calculating the Pass-Through Rates for the Certificates.

The Class P Certificates will not have a Certificate Balance, Pass-Through Rate, rating or Rated Final Distribution Date. The Class P Certificates will not be entitled to distributions of principal or interest other than (i) Spread Maintenance Premiums and (ii) a \$100 payment on the first Distribution Date, which will be deemed a payment of principal on its REMIC regular interest principal balance for federal income tax purposes.

The Class R Certificates will not have a Certificate Balance, Pass-Through Rate, rating or Rated Final Distribution Date. The Class R Certificates will not be entitled to distributions of principal or interest.

Distributions on each Class of Certificates will be made on each Distribution Date from Available Funds in the following order of priority:

first, to the Class A Certificates, in an amount up to the Interest Distribution Amount for such Class and such Distribution Date;

second, to the Class A Certificates, in reduction of the Certificate Balance thereof, an amount up to the Principal Distribution Amount for such Distribution Date, until the Certificate Balance of the Class A Certificates is reduced to zero;

third, to the Class A Certificates, in an amount up to the amount of all Realized Losses previously allocated to such Class and not reimbursed on prior Distribution Dates;

fourth, to the Class B Certificates, in an amount up to the Interest Distribution Amount for such Class and such Distribution Date;

fifth, to the Class B Certificates, in reduction of the Certificate Balance thereof, an amount up to the Principal Distribution Amount remaining after distributions of principal on each Class of Sequential Pay Certificates having an earlier alphabetical designation on such Distribution Date, until the Certificate Balance of the Class B Certificates is reduced to zero;

sixth, to the Class B Certificates, in an amount up to the amount of all Realized Losses previously allocated to such Class and not reimbursed on prior Distribution Dates;

seventh, to the Class C Certificates, in an amount up to the Interest Distribution Amount for such Class and such Distribution Date;

eighth, to the Class C Certificates, in reduction of the Certificate Balance thereof, an amount up to the Principal Distribution Amount remaining after distributions of principal on each Class of Sequential Pay Certificates having an earlier alphabetical designation on such Distribution Date, until the Certificate Balance of the Class C Certificates is reduced to zero;

ninth, to the Class C Certificates, in an amount up to the amount of all Realized Losses previously allocated to such Class and not reimbursed on prior Distribution Dates;

tenth, to the Class D Certificates, in an amount up to the Interest Distribution Amount for such Class and such Distribution Date;

eleventh, to the Class D Certificates, in reduction of the Certificate Balance thereof, an amount up to the Principal Distribution Amount remaining after distributions of principal on each Class of Sequential Pay Certificates having an

earlier alphabetical designation on such Distribution Date, until the Certificate Balance of the Class D Certificates is reduced to zero;

twelfth, to the Class D Certificates, in an amount up to the amount of all Realized Losses previously allocated to such Class and not reimbursed on prior Distribution Dates;

thirteenth, to the Class E Certificates, in an amount up to the Interest Distribution Amount for such Class and such Distribution Date;

fourteenth, to the Class E Certificates, in reduction of the Certificate Balance thereof, an amount up to the Principal Distribution Amount remaining after distributions of principal on each Class of Sequential Pay Certificates having an earlier alphabetical designation on such Distribution Date, until the Certificate Balance of the Class E Certificates is reduced to zero;

fifteenth, to the Class E Certificates, in an amount up to the amount of all Realized Losses previously allocated to such Class and not reimbursed on prior Distribution Dates;

sixteenth, to the Class F Certificates, in an amount up to the Interest Distribution Amount for such Class and such Distribution Date;

seventeenth, to the Class F Certificates, in reduction of the Certificate Balance thereof, an amount up to the Principal Distribution Amount remaining after distributions of principal on each Class of Sequential Pay Certificates having an earlier alphabetical designation on such Distribution Date, until the Certificate Balance of the Class F Certificates is reduced to zero;

eighteenth, to the Class F Certificates, in an amount up to the amount of all Realized Losses previously allocated to such Class and not reimbursed on prior Distribution Dates;

nineteenth, to the Class HRR Certificates, in an amount up to the Interest Distribution Amount for such Class and such Distribution Date;

twentieth, to the Class HRR Certificates, in reduction of the Certificate Balance thereof, an amount up to the Principal Distribution Amount remaining after distributions of principal on each Class of Sequential Pay Certificates having an earlier alphabetical designation on such Distribution Date, until the Certificate Balance of the Class HRR Certificates is reduced to zero;

twenty-first, to the Class HRR Certificates, in an amount up to the amount of all Realized Losses previously allocated to such Class and not reimbursed on prior Distribution Dates; and

twenty-second, when the Certificate Balances of all Classes of Sequential Pay Certificates have been reduced to zero and after payment in full of all unpaid expenses of the Trust, to the Class R Certificates, any remaining amounts.

In addition, on the first Distribution Date, solely from funds transferred to the Trust for such purpose by the Depositor, the Class P Certificates will receive a payment of \$100, which will be deemed a payment of principal on their respective REMIC regular interest principal balances for federal income tax purposes.

The “Available Funds” on each Distribution Date will be equal to (i) all amounts (other than Spread Maintenance Premiums) received in respect of the Mortgage Loan during the related Collection Period or advanced in respect of interest with respect to such Distribution Date (including, without limitation, any Repurchase Price for the Mortgage Loan or purchase price of the Mortgage Loan received by the Trust, condemnation proceeds, liquidation proceeds and/or insurance proceeds received by the Trust) minus (ii) the Available Funds Reduction Amount for such Distribution Date, all as described in “*Description of the Certificates—Payment on the Certificates*” and “*—Distributions in Respect of the Mortgage Loan*” in this Offering Circular.

The “Collection Period” means, (i) with respect to the first Distribution Date following the Closing Date, the period commencing on and including the Closing Date and ending on and including the Determination Date relating to such Distribution Date, and (ii) with respect to any other Distribution Date, the period commencing on and including the day immediately following the Determination Date relating to the preceding Distribution Date and ending on and including the Determination Date relating to such Distribution Date.

The “Current Interest Distribution Amount” with respect to any Distribution Date for any Certificate (other than the Class P and Class R Certificates) is equal to interest accruing during the related applicable Certificate Interest Accrual Period at the applicable Pass-Through Rate for such Certificate Interest Accrual Period on the outstanding Certificate Balance of such Certificate as of the prior Distribution Date (after giving effect to distributions of principal and allocations of Realized Losses on such prior Distribution Date).

The “Determination Date” means, with respect to each Distribution Date, the 9th day of the calendar month in which such Distribution Date occurs or, if such 9th day is not a Business Day, the immediately preceding Business Day, commencing March 2019.

The “Distribution Date” means the 15th day of each month or, if such 15th day is not a Business Day, the immediately succeeding Business Day, commencing in March 2019.

The “Interest Distribution Amount” with respect to any Distribution Date for any Class of Certificates is the sum of the Current Interest Distribution Amount for such Distribution Date and such Class of Certificates plus the aggregate unpaid Interest Shortfalls in respect of prior Distribution Dates for such Class of Certificates.

An “Interest Shortfall” with respect to any Distribution Date for any Class of Certificates is the amount by which the Current Interest Distribution Amount for such Class of Certificates and Distribution Date exceeds the portion of such amount actually paid in respect of such Class of Certificates on such Distribution Date.

The “Principal Distribution Amount” for each Distribution Date and the Certificates in the aggregate (other than the Class P and Class R Certificates) will be the sum of (i) the Regular Principal Distribution Amount for such Distribution Date, plus (ii) the aggregate unpaid Principal Shortfalls in respect of prior Distribution Dates.

The “Regular Principal Distribution Amount” for each Distribution Date and the Certificates in the aggregate (other than the Class P and Class R Certificates) will equal the sum of (a) all amounts collected or advanced in respect of principal with respect to the Mortgage Loan during the related Collection Period and (b) the principal portion of the Repurchase Price or any purchase price received during the related Collection Period, all amounts received during the related Collection Period in respect of principal from net liquidation proceeds, condemnation proceeds or insurance proceeds or otherwise received during the related Collection Period in respect of principal on the Mortgage Loan.

“Sequential Order” means sequentially to the Class A Certificates, the Class B Certificates, the Class C Certificates, the Class D Certificates, the Class E Certificates, the Class F Certificates and the Class HRR Certificates, in that order. Such payments will be made until the principal and interest payable to each such Class is paid in full.

The “Principal Shortfall” for each Distribution Date is the amount by which the Regular Principal Distribution Amount for such Distribution Date exceeds the amount actually distributed in respect of principal to the Sequential Pay Certificates on such Distribution Date.

Allocation of Spread Maintenance Premiums

On any Distribution Date, Spread Maintenance Premiums, if any, collected in respect of the Mortgage Loan during the related Collection Period will be required to be distributed by the Certificate Administrator to the holders of the Class P Certificates.

Distributions in Respect of the Mortgage Loan

Absent express provisions in the Mortgage Loan Documents, all amounts collected by or on behalf of the Trust in respect of the Mortgage Loan in the form of payments from or on behalf of the Borrower, including liquidation proceeds, condemnation proceeds or insurance proceeds after a Mortgage Loan Event of Default will be applied in the following order of priority:

first, as a recovery of any unreimbursed Advances plus interest accrued on such advances at the Advance Rate and, if applicable, unpaid liquidation expenses and unpaid Trust Fund Expenses;

second, as a recovery of Nonrecoverable Advances plus interest on Nonrecoverable Advances at the Advance Rate to the extent previously reimbursed from principal collections with respect to the Mortgage Loan;

third, as a recovery of accrued and unpaid interest on each Component that has not been the subject of a Monthly Payment Advance, to the extent of the excess of (i) accrued and unpaid interest on such Component at the applicable Component Rate (without giving effect to any increase in such Component Rate required under the Mortgage Loan Agreement as a result of a Mortgage Loan Event of Default) through and including the end of the Mortgage Loan Interest Accrual Period in which such collections were received by or on behalf of the Trust, over (ii) the cumulative amount of the reductions (if any) in the amount of the interest portion of the related Monthly Payment Advances for such Component that have occurred in connection with Appraisal Reduction Amounts (to the extent that collections have not been applied as a recovery of accrued and unpaid interest pursuant to clause fifth below on earlier dates), *first* to Component A, *second* to Component B, *third* to Component C, *fourth* to Component D, *fifth* to Component E, *sixth* to Component F and *seventh* to Component HRR;

fourth, as a recovery of principal due and payable on each Component to the extent of their respective unpaid principal balance), *first* to Component A, *second* to Component B, *third* to Component C, *fourth* to Component D, *fifth* to Component E, *sixth* to Component F and *seventh* to Component HRR in each case until their respective principal balances have been reduced to zero;

fifth, as a recovery of accrued and unpaid interest on each Component to the extent of the cumulative amounts of reductions (if any) in the amount of the interest portion of the related Monthly Payment Advances that have occurred in connection with Appraisal Reduction Amounts (to the extent collections have not been applied as recovery of accrued and unpaid interest pursuant to this clause fifth on earlier dates) (such accrued and unpaid interest to be applied sequentially to accrued and unpaid interest on Component A, Component B, Component C, Component D, Component E, Component F and Component HRR, in that order);

sixth, as a recovery of amounts to be currently applied to the payment of, or escrowed for the future payment of, real estate taxes, assessments and insurance premiums and similar items;

seventh, as a recovery of any other reserves to the extent then required to be held in escrow;

eighth, as a recovery of any Spread Maintenance Premiums on the Mortgage Loan;

ninth, as a recovery of any assumption fees and Modification Fees then due and owing under the Mortgage Loan;

tenth, as a recovery of any Default Interest or late charges then due and owing under the Mortgage Loan; and

eleventh, as a recovery of any other amounts then due and owing under the Mortgage Loan;

provided that, to the extent required under the REMIC provisions of the Code, payments or proceeds received with respect to the release of all or any portion of the Mortgaged Property (including following a condemnation) from the lien of the applicable Mortgage and Mortgage Loan Documents must be allocated to reduce the principal balance of the Mortgage Loan in the manner permitted by such REMIC provisions if, immediately following such release, the loan-to-value ratio of the Mortgage Loan exceeds 125% (based solely on real property and excluding any personal property and going concern value).

“Trust Fund Expenses” means any unanticipated and certain other default related expenses incurred by the Trust (including, without limitation, all interest on Advances and any other unanticipated expenses of the Trust reimbursable or payable by the Borrower under the Mortgage Loan Agreement (to the extent not reimbursed by the Borrower or deemed non-recoverable)) and all other amounts (such as indemnification payments, Special Servicing Fees, Work-out Fees and Liquidation Fees), in each case permitted to be retained, reimbursed or withdrawn and remitted by the Servicer, the Special Servicer, the Operating Advisor or the Certificate Administrator (on behalf of itself or the Trustee), as applicable, from the Collection Account or the Distribution Account pursuant to the Trust and Servicing Agreement. Expenses incurred as a result of the exercise by the Servicer or Special Servicer of any right granted under the Mortgage Loan Documents to obtain terrorism insurance in the event that the Borrower (i) is not required to purchase such terrorism insurance or (ii) is only required to purchase terrorism insurance up to a cap will be a Trust Fund Expense.

Collections by or on behalf of the Trust in respect of the Foreclosed Property (exclusive of amounts to be applied to the payment of the costs of operating, managing, leasing, maintaining and disposing of the Foreclosed Property) will be applied in the following order of priority:

first, as a recovery of any unreimbursed Advances plus interest accrued on such advances at the Advance Rate and, if applicable, unpaid liquidation expenses and unpaid Trust Fund Expenses;

second, as a recovery of Nonrecoverable Advances plus interest on Nonrecoverable Advances at the Advance Rate to the extent previously reimbursed from principal collections with respect to the Mortgage Loan;

third, as a recovery of accrued and unpaid interest on each Component that has not been the subject of a Monthly Payment Advance, to the extent of the excess of (i) accrued and unpaid interest on such Component at the applicable Component Rate (without giving effect to any increase in such Component Rate required under the Mortgage Loan Agreement as a result of a Mortgage Loan Event of Default) through and including the end of the Mortgage Loan Interest Accrual Period in which such collections were received by or on behalf of the Trust, over (ii) the cumulative amount of the reductions (if any) in the amount of the interest portion of the related Monthly Payment Advances for the Mortgage Loan that have occurred in connection with Appraisal Reduction Amounts (to the extent that collections have not been applied as a recovery of accrued and unpaid interest pursuant to clause fifth below on earlier dates), *first* to Component A, *second* to Component B, *third* to Component C, *fourth* to Component D, *fifth* to Component E, *sixth* to Component F and *seventh* to Component HRR;

fourth, as a recovery of principal due and payable on the Mortgage Loan, including by reason of acceleration of the Mortgage Loan following a Mortgage Loan Event of Default (or, if the Mortgage Loan has been liquidated, as a recovery of principal to the extent of its entire remaining unpaid principal balance), *first* to Component A, *second* to Component B, *third* to Component C, *fourth* to Component D, *fifth* to Component E, *sixth* to Component F and *seventh* to Component HRR, in each case until their respective principal balances have been reduced to zero;

fifth, as a recovery of accrued and unpaid interest on the Mortgage Loan to the extent of the cumulative amount of the reductions (if any) in the amount of the interest portion of the related Monthly Payment Advances for the Mortgage Loan that have occurred in connection with Appraisal Reduction Amounts (to the extent that collections have not been applied as a recovery of accrued and unpaid interest pursuant to this clause fifth on earlier dates);

sixth, as a recovery of Spread Maintenance Premiums on the Mortgage Loan;

seventh, as a recovery of any Default Interest then deemed to be due and owing under the Mortgage Loan; and

eighth, as a recovery of any other amounts deemed to be due and owing in respect of the Mortgage Loan.

Realized Losses

Realized Losses on the Mortgage Loan will be allocated to the Sequential Pay Certificates in the following order: *first*, to the Class HRR Certificates, *second*, to the Class F Certificates, *third*, to the Class E Certificates, *fourth*, to the Class D Certificates, *fifth*, to the Class C Certificates, *sixth*, to the Class B Certificates, and *seventh*, to the Class A Certificates, until the Certificate Balance of such Class has been reduced to zero.

As a result of such reductions, less interest will accrue on such Class of Certificates than would otherwise be the case. Once a Realized Loss is allocated to a Sequential Pay Certificate no principal or interest will be distributable with respect to such written down amount except as described in “*—Payment on the Certificates*” and “*Credit Risk Retention*” above.

A “Realized Loss” with respect to any Distribution Date is the amount, if any, by which (i) the aggregate Certificate Balance of the Sequential Pay Certificates after giving effect to distributions made on such Distribution Date exceeds (ii) the outstanding principal balance of the Mortgage Loan after giving effect to (a) any payments of principal received with respect to the Mortgage Loan Payment Date occurring immediately prior to such Distribution Date and (b) the aggregate reductions of the principal balance of the Mortgage Loan that have been permanently made as a result of a bankruptcy proceeding, modification or otherwise.

Appraisal Reductions

Within 60 days after the occurrence of an Appraisal Reduction Event, the Special Servicer will be required (i) to notify the Servicer, the Trustee, the Certificate Administrator and the Operating Advisor and, so long as no Consultation Termination Event has occurred, the Directing Certificateholder, of such occurrence of an Appraisal Reduction Event, (ii) to order and use efforts consistent with Accepted Servicing Practices to obtain an independent appraisal (which order will be required to be placed within 30 days of the occurrence of the Appraisal Reduction Event) of the Mortgaged Property unless an appraisal was performed within nine months prior to the Appraisal Reduction Event and the Special Servicer does not have knowledge of any adverse material change in the market or condition or value of the Mortgaged Property since the date of such appraisal, (iii) to determine whether there exists any Appraisal Reduction Amount on the basis of the applicable Appraisal, and receipt of information reasonably requested by the Special Servicer from the Servicer necessary

to calculate the Appraisal Reduction Amount, and (iv) allocate the Appraisal Reduction Amount to the Mortgage Loan and give reasonably prompt notice of such Appraisal Reduction Amount to the Trustee, the Servicer and the Certificate Administrator. The cost of obtaining such Appraisal will be paid by the Servicer as a Property Protection Advance or an Administrative Advance unless it would constitute a Nonrecoverable Advance and in such case, as a Trust Fund Expense. Updates of Appraisals will be obtained by the Special Servicer and paid for by the Servicer as a Property Protection Advance or an Administrative Advance (or paid for by the Trust if the Servicer determines that such Advance would constitute a Nonrecoverable Advance) every nine months for so long as an Appraisal Reduction Event exists, and the Appraisal Reduction Amount will be adjusted accordingly. If required in accordance with any such adjustment, each Class of Certificates that has been notionally reduced as a result of the application of the Appraisal Reduction Amount will have its related Certificate Balance notionally restored by the Certificate Administrator or the Trustee to the extent required by such adjustment of the Appraisal Reduction Amount, and there will be a redetermination of whether a Control Event has occurred. Any such Appraisal obtained will be delivered by the Special Servicer to the Trustee, the Certificate Administrator and the Operating Advisor and, so long as no Consultation Termination Event has occurred, the Directing Certificateholder in electronic format, and the Certificate Administrator will be required to make such appraisal available to Privileged Persons pursuant to the Trust and Servicing Agreement.

“Appraisal” means, with respect to the Mortgaged Property or Foreclosed Property, an appraisal of such Property or Foreclosed Property, conducted by an independent appraiser in accordance with the standards of the Appraisal Institute and certified by such independent appraiser as having been prepared in accordance with the requirements of the Standards of Professional Practice of the Appraisal Institute with an “MAI” designation and the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation, as well as the Financial Institutions Reform, Recovery and Enforcement Act of 1989, as amended, and meeting the requirements of the Trust and Servicing Agreement; *provided*, that after an initial “Appraisal” has been obtained pursuant to the terms of the Trust and Servicing Agreement, an update of such initial Appraisal will be considered an “Appraisal” for all purposes under the Trust and Servicing Agreement. The appraiser will be required to be an independent professional real estate appraiser who (i) is a member in good standing of the Appraisal Institute, (ii) if the state in which the Mortgaged Property or Foreclosed Property is located certifies or licenses appraisers, is certified or licensed in such State, and (iii) has a minimum of five years’ experience in the appraisal of comparable properties in the geographic area in which the subject Property is located.

While any Appraisal Reduction Amount (or deemed Appraisal Reduction Amount described below) exists, (i) the amount of any Monthly Payment Advances with respect to delinquent payments of interest on the Mortgage Loan will be reduced as described under *“Description of the Trust and Servicing Agreement—Advances”* in this Offering Circular that may result in Interest Shortfalls borne by one or more Classes of Certificates as described in this Offering Circular, (ii) the existence of such Appraisal Reduction Amount (other than any deemed Appraisal Reduction Amount) will be taken into account for purposes of determining the Voting Rights of certain Classes of Certificates in certain limited circumstances as described in this Offering Circular and (iii) except with respect to any deemed Appraisal Reduction Amount, there will be a determination of whether a Control Event has occurred.

The Certificate Balance of each Class of Sequential Pay Certificates will be notionally reduced (solely for purposes of determining (x) the Voting Rights of the related Classes in certain limited circumstances as described in this Offering Circular and (y) whether a Control Event has occurred and is continuing) to the extent of any Appraisal Reduction Amount allocated to such Class on such Distribution Date. The Appraisal Reduction Amounts allocated to the Certificates for any Distribution Date will be applied to notionally reduce the Certificate Balances of the Sequential Pay Certificates (other than the Class A Certificates) in the following order of priority: *first*, to the Class HRR Certificates, *second*, to the Class F Certificates, *third*, to the Class E Certificates, *fourth*, to the Class D Certificates, *fifth*, to the Class C Certificates, and *sixth*, to the Class B Certificates; *provided* that no Certificate Balance in respect of any such Class may be notionally reduced below zero. Appraisal Reduction Amounts will not be applied to notionally reduce the Certificate Balance of the Class A Certificates.

“Appraisal Reduction Amount” means, as of any date of determination and with respect to the Mortgage Loan, an amount equal to the excess of (i) the outstanding principal balance of the Mortgage Loan on such date *plus* the sum of (A) all accrued and unpaid interest on each Component of the Mortgage Loan at the related Component Rate, (B) all unreimbursed Administrative Advances, Property Protection Advances, interest on all Advances at the Advance Rate in respect of the Mortgage Loan or the Mortgaged Property, (C) the amount of any Advances and interest on the Advances previously reimbursed from principal collections on the Mortgage Loan that have not otherwise been recovered from the Borrower, (D) all currently due and unpaid real estate taxes and assessments and insurance premiums and all other amounts, including, if applicable, ground rents, due and unpaid in respect of the Mortgaged Property (which taxes, premiums and other amounts have not been the subject of an Advance) and (E) to the extent not duplicative of amounts in clauses (B), (C) or (D), all unpaid Trust Fund Expenses then due under the Trust and Servicing Agreement over (ii) the sum of (x) 90% of the appraised value (as determined by an updated appraisal) of the Mortgaged Property securing the

Mortgage Loan less the amount of any liens (exclusive of certain encumbrances permitted under the Mortgage Loan) on the Mortgaged Property senior to the lien of the related Mortgage Loan Documents plus (y) any escrows, including for taxes, insurance premiums and ground rent, if any.

“Appraisal Reduction Event” means, the earliest of (i) 60 days after an uncured payment delinquency (other than a delinquency in respect of the Balloon Payment) occurs in respect of the Mortgage Loan, (ii) 90 days after an uncured delinquency occurs in respect of the Balloon Payment for the Mortgage Loan unless a refinancing or sale is anticipated within 120 days after the Maturity Date of the Mortgage Loan (as evidenced by a written refinancing commitment from an acceptable lender or sale agreement that, in either case, is reasonably satisfactory in form and substance to the Servicer that provides that such refinancing or sale will occur within 120 days after the Maturity Date), in which case 120 days after such uncured delinquency, (iii) 60 days after a reduction in Monthly Payments or a material adverse economic change with respect to the terms of the Mortgage Loan has become effective, (iv) 60 days after an extension of the Maturity Date of the Mortgage Loan (except for an extension within the time periods described in clause (ii) above), (v) immediately after a receiver has been appointed in respect of the Mortgaged Property on behalf of the Trust or any other creditor, (vi) immediately after the Borrower declares, or becomes the subject of, bankruptcy, insolvency or similar proceedings, admits in writing the inability to pay its debts as they came due or makes an assignment for the benefit of creditors, or (vii) immediately after the Mortgaged Property securing the Mortgage Loan becomes a Foreclosed Property.

If (i) an Appraisal Reduction Event has occurred, (ii) either (A) no Appraisals or updates of any Appraisals have been obtained or conducted with respect to the Mortgaged Property or Foreclosed Property, as the case may be, during the nine-month period prior to the date of such Appraisal Reduction Event or (B) the Special Servicer has knowledge of any adverse material change in the market or condition or value of the Mortgaged Property or Foreclosed Property since the date of such appraisal, and (iii) no new Appraisal has been obtained or conducted for the Mortgaged Property or Foreclosed Property, as the case may be, within 60 days after the Appraisal Reduction Event, then (x) until a new Appraisal is conducted, the Appraisal Reduction Amount for the Mortgaged Property will be deemed to be equal to 25% of the outstanding principal balance of the Mortgage Loan, and (y) upon receipt or performance of the new Appraisal by the Special Servicer, the Appraisal Reduction Amount for the Mortgaged Property or Foreclosed Property, as the case may be, will be recalculated as described above. Such deemed Appraisal Reduction Amount will be allocated to the Notes in the same manner in which the actual Appraisal Reduction Amount is allocated to the Notes, as described above. Notwithstanding the foregoing, such deemed Appraisal Reduction Amounts will not be allocated to any Class of Certificates for purposes of (a) determining whether a Control Event has occurred and is continuing or (b) allocating Voting Rights; provided, however, this sentence will not affect in any manner the effect of Appraisal Reduction Amounts based upon anything other than clause (x) of the preceding sentence, including when the related Appraisals are received.

The holders of Certificates representing the majority of the Certificate Balance of any Class of Control Eligible Certificates whose aggregate Certificate Balance is notionally reduced to 25% or less of the initial Certificate Balance of that Class as a result of an allocation of an Appraisal Reduction Amount in respect of such Class (such Class, an “Appraised-Out Class”) will have the right to (1) challenge the Special Servicer’s Appraisal Reduction Amount determination and, at their sole expense, obtain a second appraisal of the Mortgaged Property if an Appraisal Reduction Event has occurred (such holders, the “Requesting Holders”) or (2) post Threshold Event Collateral as described below. The Requesting Holders will be required to cause the appraisal to be prepared on an “as-is” basis by an appraiser in accordance with Member of the Appraisal Institute (“MAI”) standards, and the appraisal must be reasonably acceptable to the Special Servicer in accordance with Accepted Servicing Practices. The Requesting Holders will be required to provide the Special Servicer with notice of their intent to challenge the Special Servicer’s Appraisal Reduction Amount determination within 10 days of the Requesting Holders’ receipt of written notice of the Appraisal Reduction Amount.

An Appraised-Out Class will be entitled to continue to exercise the rights of the Controlling Class until 10 days following its receipt of written notice of the Appraisal Reduction Amount, unless the Requesting Holders provide written notice of their intent to challenge such Appraisal Reduction Amount to the Special Servicer and the Certificate Administrator within such 10-day period as described above. If the Requesting Holders provide this notice, then the Appraised-Out Class will be entitled to continue to exercise the rights of the Controlling Class until the earliest of (i) 90 days following the related Appraisal Reduction Event, unless the Requesting Holders provide the second appraisal within such 90-day period, (ii) the determination by the Special Servicer (described below) that a recalculation of the Appraisal Reduction Amount is not warranted or that such recalculation does not result in the Appraised-Out Class remaining the Controlling Class and (iii) the occurrence of a Consultation Termination Event. After the Appraised-Out Class is no longer entitled to exercise the rights of the Controlling Class, the rights of the Controlling Class will not be exercised by any Class of Certificates, unless a recalculation results in the reinstatement of the Appraised-Out Class as the Controlling Class.

In addition, the holders of Certificates representing the majority of the Certificate Balance of any Appraised-Out Class will have the right, at their sole expense, to require the Special Servicer to order an additional appraisal of the Mortgaged

Property if an Appraisal Reduction Event has occurred and subsequently an event has occurred at or with regard to the Mortgaged Property that would have a material effect on its appraised value, and the Special Servicer is required to use its reasonable best efforts to ensure that such appraisal is delivered within 30 days from receipt of such holders' written request and is required to ensure that such appraisal is prepared on an "as-is" basis by an appraiser in accordance with MAI standards; provided that the Special Servicer will not be required to obtain such appraisal if it determines in accordance with Accepted Servicing Practices that no events at or with regard to the Mortgaged Property have occurred that would have a material effect on the appraised value of the Mortgaged Property.

Upon receipt of an appraisal provided by, or requested by, holders of an Appraised-Out Class as described above and any other information reasonably requested by the Special Servicer from the Servicer reasonably required to calculate or recalculate the Appraisal Reduction Amount, the Special Servicer will be required to determine, in accordance with Accepted Servicing Practices, whether, based on its assessment of such additional appraisal, any recalculation of the Appraisal Reduction Amount is warranted and, if so warranted, to recalculate such Appraisal Reduction Amount based upon such additional appraisal. If required by any such recalculation, the Appraised-Out Class will be reinstated as the Controlling Class. The Special Servicer will be required to promptly notify the Certificate Administrator in writing of any such determination and recalculation in its monthly reporting, and the Certificate Administrator will be required to promptly post such notice to the Certificate Administrator's website.

Appraisals that are permitted to be presented by, or obtained by the Special Servicer at the request of, holders of an Appraised-Out Class will be in addition to any appraisals that the Special Servicer may otherwise be required to obtain in accordance with Accepted Servicing Practices or the Trust and Servicing Agreement without regard to any appraisal requests made by any holder of an Appraised-Out Class.

The holders of Certificates representing the majority of the Certificate Balance of any Appraised-Out Class may avoid a Control Event and the holders of Certificates representing the majority of the Certificate Balance of the Class HRR Certificates may avoid an event that would cause the Class HRR Certificates to cease to be the Controlling Class (the holders exercising such rights are referred to collectively as the "Threshold Cure Holder") if such Threshold Cure Holder delivers Threshold Event Collateral as a supplement to the appraised value of the Mortgaged Property to the Servicer or other parties specified in the Trust and Servicing Agreement, together with documentation acceptable to the Servicer in accordance with Accepted Servicing Practices to create and perfect a first priority security interest in favor of the Servicer on behalf of the Trust in such collateral (which must be completed within thirty (30) days of the Special Servicer's receipt of a third party Appraisal that indicates such Control Event (or control-shift event described above) has occurred) (a "Threshold Event Cure") and, additionally pays all costs and expenses incurred by any party to the Trust and Servicing Agreement associated with the delivery and/or pledge of such Threshold Event Collateral, including the costs and expenses of any opinion of counsel. In the event that the holders of Certificates representing the majority of the Certificate Balances of the Class HRR Certificates and the Class F Certificates both have the right to post Threshold Event Collateral, the holders of the Class HRR Certificates will have first priority to post such Threshold Event Collateral and, if the holders of the Class HRR Certificates do not exercise such right, then the holders of the Class F Certificates may post Threshold Event Collateral, in each case, in accordance with the procedures set forth in the Trust and Servicing Agreement. If a Threshold Event Cure occurs, no Control Event (or control-shift event described above) caused by application of an Appraisal Reduction Amount will be deemed to have occurred. If a letter of credit is furnished as Threshold Event Collateral, the letter of credit must have an initial term no shorter than six (6) months and contain an evergreen clause providing for automatic renewal for additional periods not less than six (6) months. The applicable Threshold Cure Holder must provide notice of each renewal at least thirty (30) days prior to the expiration date of such letter of credit. If the Servicer does not receive notice of such renewal at least thirty (30) days prior to the expiration date of such letter of credit or if the Servicer receives notice that, the letter of credit will not be renewed, then the Servicer will be required to promptly draw upon such letter of credit and the Certificate Administrator will hold such proceeds thereof as Threshold Event Collateral. If a letter of credit is furnished as Threshold Event Collateral, the applicable Threshold Cure Holder will be required to replace such letter of credit with other Threshold Event Collateral within 30 days if the credit ratings of the Threshold Collateral Issuer are downgraded below the required ratings; provided, however, that, if such Threshold Event Collateral is not so replaced, the Servicer will be required to draw upon such letter of credit and the Certificate Administrator will hold the proceeds thereof as Threshold Event Collateral. The Threshold Event Cure will continue until (i) the appraised value of the Mortgaged Property plus the value of the Threshold Event Collateral would not be sufficient to prevent a Control Event (or control-shift event described above) from occurring (and should the appraised value of the Mortgaged Property plus the value of the Threshold Event Collateral be insufficient, the Threshold Cure Holder will have 30 days from the new third party Appraisal to deliver new Threshold Event Collateral as supplement to the newly appraised value), or (ii) a determination by the Special Servicer is made in accordance with the Trust and Servicing Agreement that all proceeds in respect of the Mortgage Loan or Mortgaged Property have been received (a "Final Recovery Determination"). If the appraised value of the Mortgaged Property, upon any redetermination thereof, is sufficient to avoid the occurrence of a Control Event (or control-shift event described above) without taking into

consideration any, or some portion of, Threshold Event Collateral previously delivered by the Threshold Cure Holder, any or such portion of Threshold Event Collateral held by the Servicer or the Certificate Administrator, as applicable, will be required to be promptly returned to such Threshold Cure Holder (at its direction and sole expense). Upon the Special Servicer's determination of a Final Recovery Determination with respect to the Mortgage Loan, such cash or proceeds of the letter of credit constituting Threshold Event Collateral in an amount equal to the lesser of (a) all Threshold Event Collateral or (b) an amount sufficient to pay all amounts due on the Certificates that were not sufficiently covered by the net sale proceeds or Final Recovery Determination (including Realized Losses) will be added to the Distribution Account to reimburse Certificateholders for all Realized Losses with respect to the Mortgage Loan after application of the net proceeds of liquidation, plus accrued and unpaid interest thereon at the applicable interest rate and all other Trust Fund Expenses reimbursable under the Trust and Servicing Agreement (including any Default Interest and any late payment charges collected). Any Threshold Event Collateral will be treated as an "outside reserve fund" (and the right to reimbursement of any amounts with respect thereto) will be beneficially owned by the Threshold Cure Holder who will be taxed on all income with respect thereto.

"Threshold Event Collateral" means either (a) cash collateral held by, and acceptable to, the Certificate Administrator on behalf of the Trust or (b) an unconditional and irrevocable standby letter of credit with the Servicer on behalf of the Trust as the beneficiary, issued by a bank or other financial institutions (the "Threshold Collateral Issuer") the long term unsecured debt obligations of which are rated at least "A" by S&P, "A" by DBRS, "A" by Fitch and "A2" by Moody's or the short term obligations of which are rated at least "A-1+" by S&P, "R-1(middle)" by DBRS, "F-1" by Fitch and "P-1" by Moody's, in either case in an amount which, when added to the appraised value of the Mortgaged Property as determined pursuant to the Trust and Servicing Agreement, would cause the applicable Control Event not to occur.

With respect to any Appraisal Reduction Amount calculated for purposes of determining an Appraisal Reduction Event, the appraised value (as determined by an updated Appraisal) of the Mortgaged Property securing the Mortgage Loan will be determined on an "as-is" basis, based upon the current physical condition, use and zoning of the related Property as of the date of the Appraisal.

In the event that a portion of one or more Monthly Payment Advances with respect to the Mortgage Loan is reduced as a result of an Appraisal Reduction Event, the amount of the net liquidation proceeds to be applied to interest on the Mortgage Loan will be reduced by the aggregate amount of such reductions and the portion of such net liquidation proceeds to be applied to principal of the Mortgage Loan will be increased by such amount, and if the amounts of the net liquidation proceeds to be applied to principal of the Mortgage Loan have been applied to pay the principal of the Mortgage Loan in full, any remaining net liquidation proceeds will then be applied to pay any remaining accrued and unpaid interest on the Mortgage Loan in accordance with the Trust and Servicing Agreement.

Voting Rights

The Certificates (other than the Class P and Class R Certificates) will be allocated voting rights (the "Voting Rights") for purposes of certain actions that may be taken pursuant to the Trust and Servicing Agreement. At any time that any Certificates are outstanding, the Voting Rights will be allocated among the respective Classes of Certificates (other than the Class P and Class R) in an amount (expressed as a percentage) equal to the aggregate of the Certificate Balances of the Class (and in connection with certain votes described in this Offering Circular, taking into account any notional reduction in the Certificate Balance for the Appraisal Reduction Amounts allocated to the Sequential Pay Certificates), in each case, determined as of the prior Distribution Date, and the denominator of which is equal to the aggregate of the Certificate Balances (and in connection with certain votes described in this Offering Circular, taking account any notional reduction in the Certificate Balance, for Appraisal Reduction Amounts allocated to the Sequential Pay Certificates) of all Classes of Certificates (other than the Class P and Class R Certificates), each determined as of the prior Distribution Date.

The Class P and Class R Certificates will not be entitled to any Voting Rights.

Delivery, Form, Transfer and Denomination

General

Each Class of Certificates (other than the Class HRR Certificates) sold to an institution that is a non-U.S. Securities Persons in Offshore Transactions in reliance on Regulation S will initially be represented by a Temporary Regulation S Global Certificate to be deposited on the Closing Date on behalf of the purchasers with a custodian for, and registered in the name of a nominee of DTC for the accounts of Euroclear and Clearstream. Beneficial interests in a Temporary Regulation S Global Certificate may only be held through Euroclear or Clearstream. Beneficial interests in a Temporary Regulation S Global Certificate will be exchanged for beneficial interests in a single permanent Global Certificate for the

related Class of Certificates, in definitive, fully registered form without interest coupons (with respect to each Class of Certificates, the “Regulation S Global Certificate”) upon the later of (i) the Release Date and (ii) the first date on which the requisite certifications are provided to the Certificate Administrator as described under “*–Payments; Certifications by Holders of Temporary Regulation S Global Certificates*” below. The “Release Date” is the date 40 days after the later of (i) the commencement of the offering of the Certificates and (ii) the Closing Date. The Regulation S Global Certificate for each Class will be registered in the name of a nominee of DTC and deposited with a custodian for DTC for credit to Euroclear and Clearstream for the respective accounts of the holders of such Certificates. Beneficial interests in a Regulation S Global Certificate may be held through Euroclear, Clearstream or any other participants of DTC (each, a “DTC Participant”).

The Certificates of each Class sold to QIBs in reliance on Rule 144A (other than the Class HRR, Class P and Class R Certificates) will be represented by the related Rule 144A Global Certificate in definitive, fully registered form without interest coupons, or as permitted in the Trust and Servicing Agreement. Each Rule 144A Global Certificate will be deposited with a custodian for DTC and registered in the name of a nominee of DTC. Interests in a Rule 144A Global Certificate will be subject to the restrictions on transfer described under, and each Rule 144A Global Certificate will bear the legend set forth in “*Notice to Investors*” in this Offering Circular.

On or prior to the Release Date, a beneficial interest in a Temporary Regulation S Global Certificate may be transferred to a person who takes delivery in the form of an interest in the corresponding Rule 144A Global Certificate only upon receipt by the Certificate Administrator of a written certification from the transferor in the form required by the Trust and Servicing Agreement to the effect that such transfer is being made to a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction. After such date, such certification requirements will no longer apply to such transfers. Beneficial interests in a Rule 144A Global Certificate may be transferred to an institution who takes delivery in the form of an interest in the corresponding Temporary Regulation S Global Certificate or Regulation S Global Certificate, as the case may be, whether before, on or after the Release Date, only upon receipt by the Certificate Administrator of a written certification from the transferor in the form required by the Trust and Servicing Agreement to the effect that such transfer is being made to an institution in accordance with Regulation S under the Securities Act. Any beneficial interest in one of the Global Certificates that is transferred to an investor who takes delivery in the form of an interest in another Global Certificate will, upon transfer, cease to be an interest in such Global Certificate and become an interest in such other Global Certificate, and accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in such other Global Certificate for as long as it remains such an interest.

As indicated above, certain Classes of Certificates may initially be represented by a Global Certificate registered in the name of the nominee of DTC, which is expected to be Cede & Co. No holder of a Class of Certificates in global form will be entitled to receive a certificate issued in fully registered certificated form without interest coupons (each, a “Definitive Certificate”) representing its interest in such Class, except under the limited circumstances described below under “*–Definitive Certificates*” below and as permitted under the Trust and Servicing Agreement. Unless and until Definitive Certificates are issued, all references to actions by Certificateholders in global form will refer to actions taken by DTC upon instructions received from Certificateholders through its participating organizations (together with Clearstream and Euroclear participating organizations, the “Participants”), and all references in this Offering Circular to payments, notices, reports, statements and other information to holders of such Certificates will refer to payments, notices, reports and statements to DTC or Cede & Co., as the registered holder of such Certificates, for distribution to holders of such Certificates through its Participants in accordance with DTC procedures; *provided, however,* that to the extent that the party to the Trust and Servicing Agreement responsible for distributing any report, statement or other information has been provided in writing with the name of the Beneficial Owner of such a Certificate (or the prospective transferee of such Beneficial Owner), such party will be required to distribute such report, statement or other information to such Beneficial Owner (or prospective transferee).

Unless and until Definitive Certificates are issued in respect of the Certificates in global form, interests in the Certificates will be transferred on the book-entry records of DTC and its Participants. The Certificate Administrator will initially serve as certificate registrar (in such capacity, the “Certificate Registrar”) for purposes of recording and otherwise providing for the registration of the Certificates.

A “Certificateholder” or “Holder” under the Trust and Servicing Agreement will be, with respect to any Certificate, the person in whose name a Certificate is registered in the certificate register maintained pursuant to the Trust and Servicing Agreement (including, solely for the purposes of providing, distributing or otherwise making available any reports, statements or other information pursuant to the Trust and Servicing Agreement, Beneficial Owners of Certificates to the extent the person providing, distributing or making available such information has received an Investor Certification that such person is a Beneficial Owner), except that for the purpose of giving any consent or taking any action (including,

without limitation, selecting or appointing a Directing Certificateholder) pursuant to the Trust and Servicing Agreement, any Certificate beneficially owned by the Servicer, the Special Servicer, the Trustee, the Certificate Administrator, any Borrower Affiliate, any Property Manager or any of their sub-servicers or respective affiliates or agents will be deemed not to be outstanding and the Voting Rights to which they are entitled and the Certificate Balance of such Certificate will not be taken into account in determining whether the requisite percentage of Voting Rights and/or of the Certificate Balance of the Certificates or any Class of Certificates necessary to effect any such consent or take any such action has been obtained; *provided* that the foregoing limitation will not be construed so as to limit or prevent a Controlling Class Certificateholder or the Directing Certificateholder, solely based on it being an affiliate of the Special Servicer, from exercising any appointment, consent or consultation rights it may have under the Trust and Servicing Agreement solely in its capacity as Controlling Class Certificateholder or Directing Certificateholder (unless, for the avoidance of doubt, the Controlling Class Certificateholder or Directing Certificateholder is the Servicer, the Trustee, the Certificate Administrator, any Borrower Affiliate, any party restricted from disclosing applicable privileged information (a “Restricted Party”), any Property Manager or any of the sub-servicers or respective affiliates or agents of the foregoing). Notwithstanding the foregoing, for purposes of obtaining the consent of Certificateholders to an amendment of the Trust and Servicing Agreement, any Certificate beneficially owned by the Trustee, the Certificate Administrator, the Servicer, the Special Servicer or any of their respective affiliates will be deemed to be outstanding; *provided* that such amendment does not relate to the termination of, increase in compensation of or material reduction in obligations of, the Trustee, the Certificate Administrator, the Servicer, Special Servicer or any of their affiliates (other than solely in its capacity as a Certificateholder) in any material respect, in which case such Certificate will be deemed not to be outstanding.

Book-Entry Registration

Holders of Certificates in global form may hold their Certificates through DTC (in the United States) or Clearstream or Euroclear (in Europe) if they are participants of such system, or indirectly through organizations that are participants in such systems. Clearstream and Euroclear will hold omnibus positions on behalf of the Clearstream Participants and the Euroclear Participants, respectively, through customers’ securities accounts in Clearstream’s and Euroclear’s names on the books of their respective depositaries (collectively, the “Depositaries”), which in turn will hold such positions in customers’ securities accounts in the Depositaries’ names on the books of DTC. DTC is a limited purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to Section 17A of the Exchange Act. DTC was created to hold securities for its Participants and to facilitate the clearance and settlement of securities transactions between Participants through electronic computerized book-entries, thereby eliminating the need for physical movement of certificates. Participants include securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to the DTC system also is available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Participant, either directly or indirectly (“Indirect Participants”).

Transfers between DTC Participants will occur in accordance with DTC Rules. Transfers between Clearstream Participants and Euroclear Participants will occur in accordance with the applicable rules and operating procedures of Clearstream and Euroclear.

Cross-market transfers between persons holding directly or indirectly through DTC, on the one hand, and directly through Clearstream Participants or Euroclear Participants, on the other, will be effected in DTC in accordance with the DTC Rules on behalf of the relevant European international clearing system by its Depositary; however, such cross-market transactions will require delivery of instructions to the relevant European international clearing system by the counterparty in such system in accordance with its rules and procedures and within its established deadlines (European time). The relevant European international clearing system will, if the transaction meets its settlement requirements, deliver instructions to its Depositary to take action to effect final settlement on its behalf by delivering or receiving securities in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Clearstream Participants and Euroclear Participants may not deliver instructions directly to the Depositaries.

Because of time-zone differences, it is possible credits of securities in Clearstream or Euroclear as a result of a transaction with a DTC Participant will be made during the subsequent securities settlement processing, dated the business day following the DTC settlement date, and such credits or any transactions in such securities settled during such processing will be reported to the relevant Clearstream Participant or Euroclear Participant on such business day. Cash received in Clearstream or Euroclear as a result of sales of securities by or through a Clearstream Participant or a Euroclear Participant to a DTC Participant will be received with value on the DTC settlement date due to time zone differences may be available in the relevant Clearstream or Euroclear cash account only as of the business day following settlement in DTC.

Certificateholders that are not Participants or Indirect Participants but desire to purchase, sell or otherwise transfer ownership of, or other interests in, such Certificates may do so only through Participants and Indirect Participants. In addition, holders of Certificates in global form will receive all distributions of principal and interest from the Certificate Administrator through the Participants who in turn will receive them from DTC. Under a book-entry format, holders of such Certificates may experience some delay in their distributions because such payments will be forwarded by the Certificate Administrator to Cede & Co., as nominee for DTC. DTC will forward such payments to its Participants, which thereafter will forward them to Indirect Participants or holders of such Certificates. Except as otherwise provided in this Offering Circular, Certificate owners will not be recognized by the Trustee, the Certificate Administrator, the Special Servicer or the Servicer as holders of record of Certificates and Certificate owners will be permitted to receive information furnished to Certificateholders and to exercise the rights of Certificateholders only indirectly through DTC and its Participants and Indirect Participants. See “*Risk Factors—Risks Relating to Book-Entry Registration*” in this Offering Circular.

Under the rules, regulations and procedures creating and affecting DTC and its operations (the “DTC Rules”), DTC is required to make book-entry transfers of Certificates in global form among Participants on whose behalf it acts with respect to such Certificates and to receive and transmit distributions of principal of, and interest on, such Certificates. Participants and Indirect Participants with which the holders of such Certificates have accounts with respect to such Certificates similarly are required to make book-entry transfers and receive and transmit such payments on behalf of their respective holders of such Certificates. Accordingly, although the holders of such Certificates will not possess the physical Certificates evidencing their interest in the Certificates, the DTC Rules provide a mechanism by which Participants will receive payments on such Certificates and will be able to transfer their interest.

DTC has no knowledge of the actual certificate owners of the book-entry certificates; DTC’s records reflect only the identity of the direct Participants to whose accounts those certificates are credited, which may or may not be the certificate owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Participants, by Participants to Indirect Participants, and by Participants and Indirect Participants to certificate owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Distributions on the book-entry certificates will be made to DTC. DTC’s practice is to credit Participants’ accounts on the related distribution date in accordance with their respective holdings shown on DTC’s records unless DTC has reason to believe that it will not receive payment on that date. Disbursement of those distributions by Participants to certificate owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of that Participant (and not of DTC, the Depositor, the Certificate Administrator, the Trustee or Servicer), subject to any statutory or regulatory requirements as may be in effect from time to time. Under a book-entry system, certificate owners may receive payments after the related distribution date.

Generally, with respect to book-entry certificates, the only Certificateholder of record will be the nominee of DTC, and the certificate owners will not be recognized as Certificateholders under the agreement pursuant to which the certificates are issued. Certificate owners will be permitted to exercise the rights of Certificateholders under that agreement only indirectly through the Participants who in turn will exercise their rights through DTC. The Depositor is informed that DTC will take action permitted to be taken by a Certificateholder under that agreement only at the direction of one or more Participants to whose account with DTC interests in the book-entry certificates are credited.

Because DTC can only act on behalf of Participants, who in turn act on behalf of Indirect Participants and certain banks, the ability of a holder of Certificates in global form to pledge such Certificates to persons or entities that do not participate in the DTC system, or to otherwise act with respect to such Certificates, may be limited due to the lack of a physical certificate for such Certificates.

DTC has advised the Depositor that it will take any action permitted to be taken by a Certificateholder in global form under the Trust and Servicing Agreement only at the direction of one or more Participants to whose accounts with DTC such certificates are credited. DTC may take conflicting actions with respect to other undivided interests to the extent that such actions are taken on behalf of Participants whose holdings include such undivided interests.

Although DTC, Euroclear and Clearstream have implemented the foregoing procedures in order to facilitate transfers of interests in Global Certificates among Participants of DTC, Euroclear and Clearstream, they are under no obligation to perform or to continue to comply with the foregoing procedures, and the foregoing procedures may be discontinued at any time. None of the Depositor, the Trustee, the Certificate Administrator, the Operating Advisor, the Servicer, the Special

Servicer or the Initial Purchasers will have any responsibility for the performance by DTC, Euroclear or Clearstream or their respective direct or indirect Participants of their respective obligations under the rules and procedures governing their operations.

Except as required by law, none of the Depositor, the Borrower, the Servicer, the Special Servicer, the Certificate Administrator, the Trustee or the Operating Advisor will have any liability for any actions taken by DTC, Euroclear, Clearstream or any of their respective Participants and Indirect Participants of their nominees, including, without limitation, actions for any aspect of the records relating to or payments made on account of beneficial interests in the Certificates held by Cede & Co., as nominee for DTC, or for maintaining, supervising or reviewing any records relating to such beneficial interests.

Clearstream is incorporated under the laws of Luxembourg and is a global securities settlement clearing house. Clearstream holds securities for its participating organizations (“Clearstream Participants”) and facilitates the clearance and settlement of securities transactions between Clearstream Participants through electronic book-entry changes in accounts of Clearstream Participants, thereby eliminating the need for physical movement of certificates. Transactions may be settled in Clearstream in numerous currencies, including United States dollars. Clearstream provides to its Clearstream Participants, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream interfaces with domestic markets in several countries. Clearstream is regulated as a bank by the Luxembourg Monetary Institute. Clearstream Participants are recognized financial institutions around the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations and may include the Initial Purchasers. Indirect access to Clearstream is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Clearstream Participant, either directly or indirectly.

Euroclear was created in 1968 to hold securities for participants of the Euroclear system (“Euroclear Participants”) and to clear and settle transactions between Euroclear Participants through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash. Transactions may now be settled in any of numerous currencies, including United States dollars. The Euroclear system includes various other services, including securities lending and borrowing and interfaces with domestic markets in several countries generally similar to the arrangements for cross-market transfers with DTC described above. Euroclear is operated by Euroclear Bank SA/NV (the “Euroclear Operator”), under contract with Euroclear Clearance System, S.C., a Belgian cooperative corporation (the “Cooperative”). All operations are conducted by the Euroclear Operator, and all Euroclear securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear Operator, not the Cooperative. The Cooperative establishes policy for the Euroclear system on behalf of Euroclear Participants. Euroclear Participants include banks (including central banks), securities brokers and dealers and other professional financial intermediaries and may include the Initial Purchasers. Indirect access to the Euroclear system is also available to other firms that clear through or maintain a custodial relationship with a Euroclear Participant, either directly or indirectly.

The Euroclear Operator is the Belgian branch of a New York banking corporation that is a member bank of the Federal Reserve System. As such, it is regulated and examined by the Board of Governors of the Federal Reserve System and the New York State Banking Department, as well as the Belgian Banking Commission.

Securities clearance accounts and cash accounts with the Euroclear Operator are governed by the Terms and Conditions Governing Use of Euroclear and the related operating procedures of the Euroclear System and applicable Belgian law (collectively, the “Terms and Conditions”). The Terms and Conditions govern transfers of securities and cash within the Euroclear system, withdrawal of securities and cash from the Euroclear system, and receipts of payments with respect to securities in the Euroclear system. All securities in the Euroclear system are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. The Euroclear Operator acts under the Terms and Conditions only on behalf of Euroclear Participants and has no record of or relationship with persons holding through Euroclear Participants.

The information in this Offering Circular concerning DTC, Clearstream and Euroclear and their book-entry systems has been obtained from sources believed to be reliable, but none of the Depositor, the Borrower or the Initial Purchasers takes any responsibility for the accuracy or completeness of such information.

Definitive Certificates

Definitive Certificates will be issued to certificate owners or their nominees, respectively, rather than to DTC or its nominee, only under the limited conditions set forth below under this heading “—*Definitive Certificates*” or under

“Institutional Accredited Investor Certificates” below. The Class HRR (during the period specified in the Trust and Servicing Agreement) and the Class P and Class R Certificates will only be issued as Definitive Certificates.

Owners of beneficial interests in a Class of Global Certificates will be entitled to receive physical delivery of Definitive Certificates and have Certificates registered in their names if (i) DTC advises the Certificate Registrar in writing that DTC is unwilling or unable to continue as depositary for such Global Certificates and a qualifying successor depositary is not appointed by the Depositor and the Certificate Registrar within 90 days of such notification or (ii) the Trustee has instituted or has been directed to institute any judicial proceeding to enforce the rights of the Certificateholders under the Trust and Servicing Agreement and under such Global Certificate and the Trustee has been advised by counsel that in connection with such proceeding it is necessary or appropriate for the Certificate Registrar to obtain possession of such Global Certificate; *provided* that under no circumstances will certificated Certificates be issued to beneficial owners of a Temporary Regulation S Global Certificate.

As provided in the Trust and Servicing Agreement, if (a) any mutilated Certificate is surrendered to the Certificate Registrar, or the Certificate Registrar receives evidence to its satisfaction of the destruction, loss or theft of any Certificate and (b) there is delivered to the Certificate Registrar such security or indemnity as may be required by it to save it harmless, then in the absence of actual notice to the Certificate Registrar that such Certificate has been acquired by a bona fide purchaser, the Certificate Registrar will execute, authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Certificate, a new Certificate of like tenor and interest in the Trust. In connection with the issuance of any new Certificate, the Certificate Registrar may require the payment of a sum sufficient to cover any expenses (including the fees and expenses of the Certificate Registrar) connected with such issuance.

Payments; Certifications by Holders of Temporary Regulation S Global Certificates

A holder of a beneficial interest in a Temporary Regulation S Global Certificate must provide Euroclear or Clearstream, as the case may be, with a certificate in the form required by the Trust and Servicing Agreement certifying that the beneficial owner of the interest in such Global Certificate is an institution that is not a U.S. Securities Person (the *“Regulation S Certification”*), and Euroclear or Clearstream, as the case may be, must provide to the Certificate Administrator a certificate in the form required by the Trust and Servicing Agreement prior to (i) the payment of interest or principal with respect to such holder’s beneficial interest in the Temporary Regulation S Global Certificate and (ii) any exchange of such beneficial interest for a beneficial interest in a Regulation S Global Certificate.

Institutional Accredited Investor Certificates

The Certificates of each Class (other than the Class R Certificates) sold to Institutional Accredited Investors (other than an Institutional Accredited Investor that is not a QIB) in the United States will be issued as Definitive Certificates upon delivery by the purchaser of a certification in the form required under the Trust and Servicing Agreement. The Definitive Certificates sold to such purchasers will bear the legends, and will be subject to the restrictions on transfer, described under *“Notice to Investors”* in this Offering Circular and contained in the Trust and Servicing Agreement. Definitive Certificates may only be transferred to QIBs, other Institutional Accredited Investors, or institutions that are Non-U.S. Persons in offshore transactions in accordance with Regulation S upon delivery to the Certificate Administrator of a written certificate (in the form provided in the Trust and Servicing Agreement).

The Class HRR Certificates

The Class HRR Certificates will be issued only as Definitive Certificates during the Risk Retention Period. In addition, the Class HRR Certificates will be subject to hedging, transfer and financing restrictions described in *“Credit Risk Retention—Hedging, Transfer and Financing Restrictions”* in this Offering Circular, and to safekeeping arrangements and other restrictions intended to aid in compliance with the Credit Risk Retention Rules contained in the Trust and Servicing Agreement. As part of such arrangements, the Class HRR Certificates will be held by a custodian on behalf of the related Certificateholder. Any request for release of a Class HRR Certificate must be in accordance with the Trust and Servicing Agreement.

The Class R Certificates

The Class R Certificates may only be issued as Definitive Certificates and transferred to and owned by QIBs and will be subject to the additional restrictions on transfer set forth in the following paragraphs, and each of the Class R Certificates will contain a legend describing such restrictions. Certain capitalized terms used in this section are defined as set forth below.

The REMIC Provisions impose certain taxes on (i) transferors of residual interests to, or agents that acquire residual interests on behalf of, Disqualified Organizations and (ii) certain Pass-Through Entities that have Disqualified Organizations as beneficial owners. No tax will be imposed on a Pass-Through Entity with regard to a Class R Certificate to the extent it has received an affidavit from each owner of such Pass-Through Entity, substantially in the form of an exhibit to the Trust and Servicing Agreement (the “Affidavit”), indicating that such owner is not a Disqualified Organization or a nominee for a Disqualified Organization. The Trust and Servicing Agreement will provide that no legal or beneficial interest in a Class R Certificate may be transferred to or registered in the name of any person unless (i) the proposed purchaser provides to the transferor and the Certificate Registrar an Affidavit to the effect that, among other items, such transferee is not a Disqualified Organization and is not purchasing a Class R Certificate as an agent (i.e., as a broker, nominee, or other middleman) for a Disqualified Organization and is otherwise a Permitted Transferee and (ii) the transferor states in a writing to the Certificate Registrar (substantially in the form of an exhibit to the Trust and Servicing Agreement) that it has no actual knowledge that such Affidavit is false. Further, the Affidavit requires the transferee to affirm that it (i) historically has paid its debts as they have come due and intends to do so in the future, (ii) understands that it may incur tax liabilities with respect to the Class R Certificate in excess of cash flows generated thereby, (iii) intends to pay taxes associated with holding the Class R Certificate as such taxes become due, (iv) it will not cause income with respect to this Certificate to be attributable to a foreign permanent establishment or fixed base, within the meaning of an applicable income tax treaty, of such person or any other U.S. Person, (v) it is a QIB purchasing for its own account, or a person purchasing for the account of another QIB and (vi) will not transfer the Class R Certificate to any person or entity that does not provide a similar Affidavit. The transferor is also required to certify in writing to the Certificate Administrator that it has no knowledge or reason to know that the affirmations made by the transferee pursuant to the Affidavit were false.

A “Permitted Transferee” is any person or agent of such person other than (i) a Disqualified Organization, (ii) any other person so designated by the Certificate Registrar who is unable to provide an opinion of counsel (provided at the expense of such person or the person requesting the transfer) to the effect that the transfer of an ownership interest in any Class R Certificate to such person would not cause the Trust REMIC to fail to qualify as a REMIC at any time that the Certificates are outstanding, (iii) a Disqualified Non-U.S. Person, (iv) any partnership if any of its interests are (or under the partnership agreement are permitted to be) owned, directly or indirectly (other than through a U.S. corporation), by a Disqualified Non-U.S. Person or (v) a U.S. Person with respect to whom income from the Class R Certificate is attributable to a foreign permanent establishment or fixed base, within the meaning of an applicable income tax treaty, of the transferee or any other U.S. Person.

A “Disqualified Non-U.S. Person” means with respect to the Class R Certificates, any Non-U.S. Person or its agent other than (i) a Non-U.S. Person that holds the Class R Certificates in connection with the conduct of a trade or business within the United States and has furnished the transferor and the Certificate Administrator with an effective IRS Form W-8ECI or other prescribed form or (ii) a Non-U.S. Person that has delivered to both the transferor and the Certificate Administrator an opinion of a nationally recognized tax counsel to the effect that the transfer of the Class R Certificates to it is in accordance with the requirements of the Code and the regulations promulgated thereunder and that such transfer of the Class R Certificates will not be disregarded for federal income tax purposes under Treasury Regulations Section 1.860G-3.

A “Disqualified Organization” is either (i) the United States, a State, or any agency or instrumentality of any of the foregoing (other than an instrumentality that is a corporation if all of its activities are subject to tax, and, except for the Federal Home Loan Mortgage Corporation, a majority of its board of directors is not selected by any such governmental unit), (ii) a foreign government, International Organization or agency or instrumentality of either of the foregoing, (iii) an organization that is exempt from tax imposed by chapter 1 of the Code (including the tax imposed by Code Section 511 on unrelated business taxable income) on any excess inclusions (as defined in Code Section 860E(c)(1)) with respect to the Class R Certificates (except certain farmers’ cooperatives described in Code Section 521), (iv) rural electric and telephone cooperatives described in Code Section 1381(a)(2) or (v) any other person so designated by the Certificate Administrator based upon an opinion of counsel to the effect that any transfer to such person may cause the Trust REMIC to fail to qualify as a REMIC at any time that the Certificates are outstanding. The terms “United States”, “State” and “International Organization” have the meanings set forth in Code Section 7701 or successor provisions.

A “Pass-Through Entity” is any regulated investment company, real estate investment trust, common trust fund, partnership, trust or estate and certain corporations operating on a cooperative basis. Except as may be provided in Treasury regulations, any person holding an interest in a Pass-Through Entity as a nominee for another will, with respect to such interest, be treated as a Pass-Through Entity.

A “Non-U.S. Person” is a person other than a U.S. Person.

The term “U.S. Person” means (i) a citizen or resident alien of the United States, (ii) a corporation, partnership (except to the extent provided in applicable Treasury regulations) or other entity created or organized in or under the laws of the United States, any state of the United States or the District of Columbia, including any entity treated as a corporation or partnership for federal income tax purposes, (iii) an estate that is subject to U.S. federal income tax regardless of the source of its income, (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of such trust, and one or more such U.S. Persons have the authority to control all substantial decisions of such trust (or, to the extent provided in applicable Treasury regulations, certain trusts in existence on August 20, 1996 that have elected to be treated as U.S. Persons) or (v) any other person that is disregarded as separate from its ownership for U.S. federal income tax purposes and whose owner is described in clauses (i) through (iv) above.

The Class R Certificates may not be purchased by or transferred to a Plan or a person acting on behalf of, or using the assets of, a Plan. Each prospective transferee of a Class R Certificate will be required to deliver to the seller, the Certificate Registrar and the Certificate Administrator a representation letter, substantially in the form of an exhibit to the Trust and Servicing Agreement, stating that the prospective transferee is not a Plan or a person acting on behalf of or using the assets of a Plan. The Trust and Servicing Agreement will provide that any attempted or purported transfer in violation of these transfer restrictions will be null and void ab initio and will vest no rights in any purported transferee and will not relieve the transferor of any obligations with respect to the Class R Certificates. Any transferor or agent to whom the Certificate Administrator provides information as to any applicable tax imposed on such transferor or agent may be required to bear the cost of computing or providing such information.

Denominations

The Class A, Class B, Class C and Class D Certificates will be issued in minimum denominations of \$10,000 initial Certificate Balance and integral multiples of \$1,000 in excess of \$10,000. The Class E, Class F and Class HRR Certificates will be issued in minimum denominations of \$100,000 initial Certificate Balance and integral multiples of \$1,000 in excess of \$100,000. The Class P and Class R Certificates will be issued in minimum percentage interests of 10% and integral multiples of 1% in excess of 10%.

TRANSACTION PARTIES

The Depositor

The depositor is Wells Fargo Commercial Mortgage Securities (the “Depositor”), Inc., a North Carolina corporation. The Depositor is an affiliate of (i) Wells Fargo Bank, National Association, a co-originator and Mortgage Loan Seller of the Mortgage Loan and is expected to act as the Servicer and the Certificate Administrator and (ii) Wells Fargo Securities, LLC, the Initial Purchasers for the offering of the Certificates. The Depositor maintains its principal office at 375 Park Avenue, 2nd Floor, New York, New York 10152. Its telephone number is (212) 214-5600. The Depositor does not have, nor is it expected in the future to have, any significant assets or liabilities. The Depositor intends to use the net proceeds from the sale of the Certificates to pay the purchase price of the Mortgage Loan to the Mortgage Loan Sellers and, accordingly, it does not anticipate having any significant assets after the Closing Date.

None of the Depositor, the Initial Purchasers, the Mortgage Loan Sellers or any of their affiliates will insure or guarantee distributions on the Certificates. The Trust and Servicing Agreement provides that the Certificateholders will have no rights or remedies against the Depositor for any losses or other claims in connection with the Certificates or the Mortgage Loan except in respect of the limited representations and warranties made by the Depositor in the Trust and Servicing Agreement.

The Mortgage Loan Sellers

Wells Fargo Bank, National Association

Wells Fargo Bank, National Association (“WFB”), a national banking association, is a wholly owned subsidiary of Wells Fargo & Company (NYSE: WFC). The principal office of WFB’s commercial mortgage origination division is located at 4150 E 42nd Street, 38th Floor, New York, New York 10017, and its telephone number is (212) 214-7468. WFB is engaged in a general consumer banking, commercial banking, and trust business, offering a wide range of commercial, corporate, international, financial market, retail and fiduciary banking services. WFB is a national banking association chartered by the Office of the Comptroller of the Currency (the “OCC”) and is subject to the regulation, supervision and examination of the OCC. WFB is also the successor by merger to Wachovia Bank, National Association (“Wachovia Bank”), which, together with Wells Fargo Securities, LLC (formerly known as Wachovia Capital Markets, LLC), was previously a

subsidiary of Wachovia Corporation. On December 31, 2008, Wachovia Corporation merged with and into Wells Fargo & Company. As a result of this transaction, Wachovia Bank and Wells Fargo Securities, LLC became wholly owned subsidiaries of Wells Fargo & Company, and affiliates of WFB. On March 20, 2010, Wachovia Bank merged with and into WFB.

The information set forth under this subheading “—*Wells Fargo Bank, National Association*” has been provided by WFB. None of the Depositor, the Initial Purchasers or any other person, other than WFB, makes any representation or warranty as to the accuracy or completeness of such information.

Neither WFB nor any of its affiliates will insure or guarantee distributions on the Certificates. The Certificateholders will have no rights or remedies against WFB for any losses or other claims in connection with the Certificates or the Mortgage Loan, except in respect of the repurchase or indemnity obligations for material document defects or the material breaches of representations and warranties made by WFB in the Mortgage Loan Purchase Agreement as described under “*Description of the Mortgage Loan Purchase Agreement*”.

JPMorgan Chase Bank, National Association

JPMorgan Chase Bank, National Association, a national banking association chartered under the laws of the United States (“JPMCB”) is a wholly owned bank subsidiary of JPMorgan Chase & Co., a Delaware corporation whose principal office is located in New York, New York. JPMCB offers a wide range of banking services to its customers, both domestically and internationally. It is chartered and its business is subject to examination and regulation by the Office of the Comptroller of the Currency. JPMCB is an affiliate of JPMS, an Initial Purchaser. Additional information, including the most recent annual report on Form 10-K for the year ended December 31, 2017, of JPMorgan Chase & Co., the 2017 Annual Report of JPMorgan Chase & Co., and additional annual, quarterly and current reports filed with or furnished to the SEC by JPMorgan Chase & Co., as they become available, may be obtained without charge by each person to whom this Offering Circular is delivered upon the written request of any such person to the Office of the Secretary, JPMorgan Chase & Co., 270 Park Avenue, New York, New York 10017 or at the SEC’s Internet website at www.sec.gov. None of the documents that JPMorgan Chase & Co. files with the SEC or any of the information on, or accessible through, the SEC’s Internet website, is part of, or incorporated by reference into, this Offering Circular.

Neither JPMCB nor any of its affiliates will insure or guarantee distributions on the Certificates. The Certificateholders will have no rights or remedies against JPMCB for any losses or other claims in connection with the Certificates or the Mortgage Loan, except in respect of the repurchase or indemnity obligations for material document defects or the material breaches of representations and warranties made by JPMCB in the Mortgage Loan Purchase Agreement as described under “*Description of the Mortgage Loan Purchase Agreement*” in this Offering Circular.

Goldman Sachs Mortgage Company

Goldman Sachs Mortgage Company (“GSMC”) is a New York limited partnership and one of the co-originators of the Mortgage Loan. GSMC was formed in 1984. Its general partner is Goldman Sachs Real Estate Funding Corp. and its limited partner is GS Bank. GSMC’s executive offices are located at 200 West Street, New York, New York 10282, telephone number (212) 902-1000. GSMC is an affiliate of Goldman Sachs & Co. LLC, an Initial Purchaser.

From the beginning of its participation in commercial mortgage securitization programs in 1996 through December 31, 2018, GSMC originated or acquired approximately 2,897 fixed and floating rate commercial and multifamily mortgage loans with an aggregate original principal balance of approximately \$120.2 billion. As of December 31, 2018, GSMC had acted as a sponsor and mortgage loan seller on approximately 182 fixed and floating-rate commercial mortgage-backed securitization transactions. GSMC securitized approximately \$2.165 billion, \$4.636 billion, \$6.586 billion, \$5.098 billion, \$6.284 billion, \$6.972 billion, \$11.730 billion and \$8.548 billion of commercial mortgage loans in public and private offerings in calendar years 2011, 2012, 2013, 2014, 2015, 2016, 2017 and 2018, respectively.

Neither the GSMC nor any of its affiliates will insure or guarantee distributions on the Certificates. The Certificateholders will have no rights or remedies against GSMC for any losses or other claims in connection with the Certificates or the Mortgage Loan except in respect of the cure, repurchase and indemnity obligations for material document defects or the material breaches of representations and warranties made by GSMC in the Mortgage Loan Purchase Agreement as described under “*Description of the Mortgage Loan Purchase Agreement*”.

Compensation of the Mortgage Loan Sellers

In connection with the offering and sale of the Certificates contemplated by this Offering Circular, each Mortgage Loan Seller (including its respective affiliates) will be compensated for the sale of its respective Loan Percentage Interest in the Mortgage Loan in an amount equal to the excess, if any, of:

- (a) the sum of any proceeds received from the sale of the Certificates to investors and the sale of servicing rights to the Servicer for the servicing of the Mortgage Loan, over
- (b) the sum of the costs and expense of originating the Mortgage Loan and the costs and expenses related to the issuance, offering and sale of the Certificates as described in this Offering Circular.

The mortgage servicing rights were sold to the Servicer for a price based on the value of the Servicing Fee to be paid to the Servicer with respect to the Mortgage Loan and the value of the right to earn income on investments on amounts held by the Servicer with respect to the Mortgage Loan.

The Issuing Entity

Waikiki Beach Hotel Trust 2019-WBM, the issuing entity (the “Trust”), will be a New York common law trust, formed on the Closing Date pursuant to the Trust and Servicing Agreement.

The only activities that the Trust may perform are those set forth in the Trust and Servicing Agreement, which are generally limited to owning and administering the Mortgage Loan and the Foreclosed Property, disposing of the Mortgage Loan after default and the Foreclosed Property, issuing the Certificates, making distributions, providing reports to Certificateholders and other activities described in this Offering Circular. Accordingly, the Trust may not issue securities other than the Certificates, or invest in securities, other than investing of funds in the Collection Account and other accounts maintained under the Trust and Servicing Agreement in certain short term high quality investments. The Trust may not lend or borrow money, except that the Servicer, the Special Servicer, and the Trustee may make Advances to the Trust, but only to the extent it deems such Advances to be recoverable from the Mortgage Loan. Such Advances are intended to provide liquidity, rather than credit support. The Trust and Servicing Agreement may be amended as set forth in this Offering Circular under “*Description of the Trust and Servicing Agreement—Amendments*” in this Offering Circular. The Trust administers the Mortgage Loan through the Trustee, the Certificate Administrator, the Operating Advisor, the Servicer and the Special Servicer. A discussion of the duties of the Trustee, the Certificate Administrator, the Operating Advisor, the Servicer and the Special Servicer, including any discretionary activities performed by each of them, is set forth under “*Description of the Trust and Servicing Agreement*” in this Offering Circular.

The only assets of the Trust other than the Mortgage Loan and the Foreclosed Property are the Distribution Account and other accounts maintained pursuant to the Trust and Servicing Agreement and the short term investments in which funds in the Collection Account and other accounts are invested. The Trust has no present liabilities, but has potential liability relating to ownership of the Mortgage Loan and the Foreclosed Property and certain other activities described in this Offering Circular, and indemnity obligations to the Trustee, the Certificate Administrator, the Operating Advisor, the Depositor, the Servicer and the Special Servicer. The fiscal year of the Trust is the calendar year. The Trust has no executive officers or board of directors and acts through the Trustee, the Certificate Administrator, the Operating Advisor, the Servicer and the Special Servicer.

The Servicer

Wells Fargo Bank, National Association (“Wells Fargo”) will act as the servicer (in such capacity, the “Servicer”) for the Mortgage Loan. Wells Fargo is a national banking association organized under the laws of the United States of America, and is a wholly-owned indirect subsidiary of Wells Fargo & Company. Wells Fargo is also a Mortgage Loan Seller, the Certificate Administrator and an affiliate of Wells Fargo Commercial Mortgage Securities, Inc., as Depositor, and Wells Fargo Securities, LLC, one of the Initial Purchasers. The principal west coast commercial mortgage master servicing offices of Wells Fargo are located at MAC A0227-020, 1901 Harrison Street, Oakland, California 94612. The principal east coast commercial mortgage master servicing offices of Wells Fargo are located at MAC D1050-084, 401 South Tryon Street, Charlotte, North Carolina 28202.

Wells Fargo has been master servicing securitized commercial and multifamily mortgage loans in excess of ten years. Wells Fargo’s primary servicing system runs on McCracken Financial Solutions software, Strategy CS. Wells Fargo reports to trustees and certificate administrators in the CREFC® format. The following table sets forth information about Wells

Fargo's portfolio of master or primary serviced commercial and multifamily mortgage loans (including loans in securitization transactions and loans owned by other investors) as of the dates indicated:

Commercial and Multifamily Mortgage Loans	As of 12/31/2015	As of 12/31/2016	As of 12/31/2017	As of 12/31/2018
By Approximate Number:.....	32,716	31,128	30,017	30,491
By Approximate Aggregate Unpaid Principal Balance (in billions):.....	\$503.34	\$506.83	\$527.63	\$569.88

Within this portfolio, as of December 31, 2018, are approximately 21,897 commercial and multifamily mortgage loans with an unpaid principal balance of approximately \$443.7 billion related to commercial mortgage-backed securities or commercial real estate collateralized debt obligation securities. In addition to servicing loans related to commercial mortgage-backed securities and commercial real estate collateralized debt obligation securities, Wells Fargo also services whole loans for itself and a variety of investors. The properties securing loans in Wells Fargo's servicing portfolio, as of December 31, 2018, were located in all 50 states, the District of Columbia, Guam, Mexico, the Bahamas, the Virgin Islands and Puerto Rico and include retail, office, multifamily, industrial, hotel and other types of income-producing properties.

In its master servicing and primary servicing activities, Wells Fargo utilizes a mortgage-servicing technology platform with multiple capabilities and reporting functions. This platform allows Wells Fargo to process mortgage servicing activities including, but not limited to: (i) performing account maintenance; (ii) tracking borrower communications; (iii) tracking real estate tax escrows and payments, insurance escrows and payments, replacement reserve escrows and operating statement data and rent rolls; (iv) entering and updating transaction data; and (v) generating various reports.

The following table sets forth information regarding principal and interest advances and servicing advances made by Wells Fargo, as master servicer, on commercial and multifamily mortgage loans included in commercial mortgage-backed securitizations. The information set forth below is the average amount of such advances outstanding over the periods indicated (expressed as a dollar amount and as a percentage of Wells Fargo's portfolio, as of the end of each such period, of master serviced commercial and multifamily mortgage loans included in commercial mortgage-backed securitizations).

Period	Approximate Securitized Master-Serviced Portfolio (UPB)*	Approximate Outstanding Advances (P&I and PPA)*	Approximate Outstanding Advances as % of UPB
Calendar Year 2015	\$ 401,673,056,650	\$ 1,600,995,208	0.40%
Calendar Year 2016	\$ 385,516,905,565	\$ 838,259,754	0.22%
Calendar Year 2017	\$ 395,462,169,170	\$ 647,840,559	0.16%
Calendar Year 2018	\$ 426,656,784,434	\$ 509,889,962	0.12%

* “UPB” means unpaid principal balance, “P&I” means principal and interest advances and “PPA” means property protection advances.

Wells Fargo is rated by Fitch, S&P and Morningstar as a primary servicer, a master servicer and a special servicer of commercial mortgage loans in the US. Wells Fargo's servicer ratings by each of these agencies are outlined below:

US Servicer Ratings	Fitch	S&P	Morningstar
Primary Servicer:.....	CPS1-	Strong	MOR CS1
Master Servicer:.....	CMS1-	Strong	MOR CS1
Special Servicer	CSS2	Above Average	MOR CS2

The long-term issuer ratings of Wells Fargo are rated “A+” by S&P, “Aa2” by Moody’s and “AA-” by Fitch. The short-term issuer ratings of Wells Fargo are rated “A-1” by S&P, “P-1” by Moody’s and “F1+” by Fitch.

Wells Fargo has developed policies, procedures and controls relating to its servicing functions to maintain compliance with applicable servicing agreements and servicing standards, including procedures for handling delinquent loans during the period prior to the occurrence of a special servicing transfer event. Wells Fargo's master servicing policies and procedures are updated periodically to keep pace with the changes in the commercial mortgage-backed securities industry and have been generally consistent for the last three years in all material respects. The only significant changes in Wells Fargo's policies and procedures have come in response to changes in federal or state law or investor requirements, such as updates issued by the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation.

Wells Fargo may perform any of its obligations under the Trust and Servicing Agreement through one or more third-party vendors, affiliates or subsidiaries. Notwithstanding the foregoing, the Servicer will remain responsible for its duties thereunder. Wells Fargo may engage third-party vendors to provide technology or process efficiencies. Wells Fargo monitors its third-party vendors in compliance with its internal procedures and applicable law. Wells Fargo has entered into contracts with third-party vendors for the following functions:

- provision of Strategy and Strategy CS software;
- audit services;
- tracking and reporting of flood zone changes;
- abstracting of leasing consent requirements contained in loan documents;
- legal representation;
- assembly of data regarding buyer and seller (borrower) with respect to proposed loan assumptions and preparation and underwriting of loan assumption package for review by Wells Fargo;
- performance of property inspections;
- performance of tax parcel searches based on property legal description, monitoring and reporting of delinquent taxes, and collection and payment of taxes;

- Uniform Commercial Code searches and filings;
- Insurance Tracking and Compliance;
- Onboarding-New Loan Setup;
- Lien Release-Filing & Tracking;
- Credit Investigation & Background Checks; and
- Defeasance Calculations.

Wells Fargo may also enter into agreements with certain firms to act as a primary servicer and to provide cashing or non-cashing sub-servicing on the Mortgage Loan. Wells Fargo monitors and reviews the performance of sub-servicers appointed by it. Generally, all amounts received by Wells Fargo on the Mortgage Loan will initially be deposited into a common clearing account with collections on other mortgage loans serviced by Wells Fargo and will then be allocated and transferred to the appropriate account as described in this offering circular. On the day any amount is to be disbursed by Wells Fargo, that amount is transferred to a common disbursement account prior to disbursement.

Wells Fargo (in its capacity as the Servicer) will not have primary responsibility for custody services of original documents evidencing the Mortgage Loan. On occasion, Wells Fargo may have custody of certain of such documents as are necessary for enforcement actions involving the Mortgage Loan or otherwise. To the extent Wells Fargo performs custodial functions as a servicer, documents will be maintained in a manner consistent with Accepted Servicing Practices.

A Wells Fargo proprietary website (www.wellsfargo.com/com/comintro) provides investors with access to investor reports for commercial mortgage-backed securitization transactions for which Wells Fargo is master servicer, and also provides borrowers with access to current and historical loan and property information for these transactions.

Wells Fargo & Company files reports with the SEC as required under the Exchange Act. Such reports include information regarding Wells Fargo and may be obtained at the website maintained by the SEC at www.sec.gov.

There are no legal proceedings pending against Wells Fargo, or to which any property of Wells Fargo is subject, that are material to the Certificateholders, nor does Wells Fargo have actual knowledge of any proceedings of this type contemplated by governmental authorities.

The Servicer will enter into one or more agreements with the Mortgage Loan Sellers to purchase the master servicing and primary servicing rights with respect to the Mortgage Loan and/or the right to be appointed as the master servicer or primary servicer, as the case may be, with respect to such Mortgage Loan.

Pursuant to certain interim servicing arrangements between Wells Fargo and the Mortgage Loan Sellers or certain of their affiliates, Wells Fargo acts as interim servicer with respect to the Mortgage Loan.

The Special Servicer

CWCAM and its affiliates are involved in the management, investment management and disposition of commercial real estate assets, which may include:

- special servicing of commercial and multifamily real estate loans;
- commercial real estate property management and risk management and insurance services;
- commercial mortgage and commercial real estate brokerage services;
- commercial mortgage note and commercial real estate sale and disposition services; and

- investing in, managing, surveilling and acting as special servicer for commercial real estate assets including investment grade, non-investment grade and unrated securities issued pursuant to CRE, CMBS and CDO transactions.

CWCAM was organized in June 2005. CWCAM is a wholly-owned subsidiary of CW Financial Services LLC. CWCAM and its affiliates own, manage and sell assets similar in type to the assets of the issuing entity. Accordingly, the assets of CWCAM and its affiliates may, depending on the particular circumstances including the nature and location of such assets, compete with the mortgaged real properties for tenants, purchasers, financing and so forth. On September 1, 2010, affiliates of certain Fortress Investment Group LLC (“**Fortress**”) managed funds purchased all of the membership interest of CW Financial Services LLC, the sole member of CWCAM.

On February 14, 2017, Fortress and SoftBank Group Corp., a corporation organized under the laws of Japan (“**SoftBank**”), issued a joint press release announcing that they had entered into definitive agreements pursuant to which SoftBank agreed to acquire Fortress. On December 27, 2017, SoftBank completed its acquisition of Fortress and announced that Fortress will operate within SoftBank as an independent business headquartered in New York.

As of December 31, 2015, CWCAM acted as special servicer with respect to 134 domestic CMBS pools containing approximately 7,000 loans secured by properties throughout the United States with a then-current unpaid principal balance in excess of \$99 billion. As of December 31, 2016, CWCAM acted as special servicer with respect to 137 domestic CMBS pools containing approximately 5,700 loans secured by properties throughout the United States with a then current unpaid principal balance in excess of \$79 billion. As of December 31, 2017, CWCAM acted as special servicer with respect to 133 domestic CMBS pools containing approximately 4,900 loans secured by properties throughout the United States with a then current unpaid principal balance in excess of \$74 billion. As of September 30, 2018, CWCAM acted as special servicer with respect to 140 domestic CMBS pools containing approximately 5,000 loans secured by properties throughout the United States with a then current unpaid principal balance in excess of \$87 billion. Those loans include commercial mortgage loans secured by the same types of income producing properties as those securing the underlying mortgage loans.

CWCAM has one primary office (Bethesda, Maryland) and provides special servicing activities for investments in various markets throughout the United States. As of September 30, 2018, CWCAM had 52 employees responsible for the special servicing of commercial real estate assets. As of September 30, 2018, within the CMBS pools described in the preceding paragraph, 175 assets were actually in special servicing. The assets owned, serviced or managed by CWCAM and its affiliates may, depending on the particular circumstances, including the nature and location of such assets, compete with the mortgaged real properties securing the underlying mortgage loans for tenants, purchasers, financing and so forth. CWCAM does not service or manage any assets other than commercial and multifamily real estate assets.

CWCAM has policies and procedures in place that govern its special servicing activities. These policies and procedures for the performance of its special servicing obligations are, among other things, in compliance with applicable servicing criteria set forth in Item 1122 of Regulation AB under the Securities Act, including managing delinquent loans and loans subject to the bankruptcy of the borrower. Standardization and automation have been pursued, and continue to be pursued, wherever possible so as to provide for continued accuracy, efficiency, transparency, monitoring and controls. CWCAM reviews, updates and/or creates its policies and procedures throughout the year as needed to reflect any changing business practices, regulatory demands or general business practice refinements and incorporates such changes into its manual. Refinements within the prior three years include but are not limited to the improvement of controls and procedures implemented for property cash flow, wiring instructions and the expansion of unannounced property and employee audits.

CWCAM occasionally engages consultants to perform property inspections and to provide close surveillance on a property and its local market; it currently does not have any plans to engage sub-servicers to perform on its behalf any of its duties with respect to this transaction. CWCAM has made all advances required to be made by it under the servicing agreements on the commercial and multifamily mortgage loans serviced by CWCAM in securitization transactions.

CWCAM will not have primary responsibility for custody services of original documents evidencing the underlying mortgage loans. On occasion, CWCAM may have custody of certain of such documents as necessary for enforcement actions involving particular underlying mortgage loans or otherwise. To the extent that CWCAM has custody of any such documents, such documents will be maintained in a manner consistent with the Servicing Standard.

From time to time, CWCAM is a party to lawsuits and other legal proceedings as part of its duties as a special servicer (e.g., enforcement of loan obligations) and/or arising in the ordinary course of business. Other than as set forth in the following paragraphs, there are currently no legal proceedings pending, and no legal proceedings known to be

contemplated by governmental authorities, against CWCAM or of which any of its property is the subject, that are material to the certificateholders.

On December 17, 2015, U.S. Bank National Association, the trustee under five pooling and servicing agreements for (i) Wachovia Bank Commercial Mortgage Trust 2007-C30, (ii) COBALT CMBS Commercial Trust 2007-C2, (iii) Wachovia Bank Commercial Mortgage Trust 2007-C31, (iv) ML-CFC Commercial Mortgage Trust 2007-5 and (v) ML-CFC Commercial Mortgage Trust 2007-6 commenced a proceeding with the Second Judicial District Court of Ramsey County, Minnesota (the “State Court”) for a declaratory judgment as to the proper allocation of certain proceeds in the alleged amount of \$560 million (“Disputed Proceeds”) received by CWCAM in connection with the sale of the Peter Cooper Village and Stuyvesant Town property in New York, New York (the “Property”) securing loans held by those trusts. CWCAM was the special servicer of such property. The petition requests the State Court to instruct the trustee, the trust beneficiaries, and any other interested parties as to the amount of the Disputed Proceeds, if any, that constitute penalty interest and/or the amount of the Disputed Proceeds, if any, that constitute gain-on-sale proceeds, with respect to each trust. On February 24, 2016, CWCAM made a limited appearance with the State Court to file a motion to dismiss this proceeding based on lack of jurisdiction, mootness, standing and forum non conveniens. On July 19, 2016, the State Court denied CWCAM’s motion to dismiss. On July 22, 2016, the action was removed to federal court in Minnesota (“Federal Court”). On October 21, 2016, the Federal Court held a hearing on the motion to transfer the action to the United States District Court for the Southern District of New York (“SDNY Court”), a motion to remand to state court and a motion to hear CWCAM’s request for reconsideration of the motion to dismiss. On March 14, 2017, the Federal Court reserved the determination on the motion to hear CWCAM’s request for reconsideration of the motion to dismiss, denied the motion to remand the matter to state court and granted the motion to transfer the proceeding to the SDNY Court. There can be no assurances as to possible impact on CWCAM of these rulings and the transfer to the SDNY Court. Cross motions for judgment on the pleadings were filed but the SDNY Court was unable to decide the case based on the pleadings and the parties are in the midst of discovery. However, CWCAM believes that it has performed its obligations under the related pooling and servicing agreements in good faith, and that the Disputed Proceeds were properly allocated to CWCAM as penalty interest, and it intends to vigorously contest any claim that such Disputed Proceeds were improperly allocated as penalty interest.

On March 31, 2016, RAIT Preferred Funding II LTD. (“RAIT Preferred Funding”) commenced a complaint (“RAIT Complaint”) with the Supreme Court of the State of New York, County of New York (the “RAIT Court”), claiming it owns \$18,500,000 of a mortgage loan secured by the development of the One Congress Street Property in Boston, Massachusetts (the “Loan”) and seeking (a) a declaratory judgment stating that RAIT Preferred Funding is the directing lender under a co-lender agreement dated March 28, 2007 and a pooling and servicing agreement dated March 1, 2007 (collectively, the “Operative Agreements”) and was the directing lender at the time of the improper modification of the Loan, (b) a declaratory judgment stating that RAIT Preferred Funding has the right to terminate the special servicer, (c) monetary damages for the value of the bonds and fees paid to CWCAM as the special servicer of the Loan and (d) other things. On May 17, 2016, CWCAM filed a motion to dismiss the RAIT Complaint (“Motion to Dismiss”) stating that the RAIT Complaint did not state a claim and the essential facts of the RAIT Complaint are negated by affidavits and evidentiary materials submitted with the RAIT Complaint. On June 14, 2016, RAIT Preferred Funding filed a Memorandum of Law in Opposition to the Motion to Dismiss (“Opposition”) stating that the claims in the RAIT Complaint were properly stated. On June 30, 2016, CWCAM filed a reply in support of the Motion to Dismiss and in response to the Opposition, stating that each of CWCAM’s arguments is supported by the express language of the agreements between the parties, the documentary evidence and New York case law. On September 30, 2016, RAIT Preferred Funding and CWCAM entered into a confidential Settlement Agreement (the “2016 Settlement”), which provides for a stay of the RAIT Preferred Funding litigation (the “Litigation Stay”) through August 25, 2017. Pursuant to the terms of the 2016 Settlement, upon satisfaction of a term of the 2016 Settlement by August 25, 2017 (or such later date agreed to by the parties), the RAIT Preferred Funding litigation will be dismissed, with prejudice. On May 19, 2017 the Borrower repaid the Loan in accordance with the terms of the notes and satisfied the condition to dismissal with prejudice. RAIT has refused to dismiss the case and is claiming that the B Note should be paid in full. CWCAM believes that it has performed its obligations under the Operative Agreements in good faith, and that the action should be dismissed with prejudice. On August 29, 2017, the RAIT Court granted leave to RAIT Preferred Funding to amend its complaint. On September 20, 2017, RAIT Preferred Funding filed an Amended Complaint (the “RAIT Amended Complaint”), which omits its original claims, adds Wells Fargo Bank as a defendant, and seeks (a) specific performance requiring repayment of the \$18,500,000 principal amount of the B Note or, in the alternative, monetary damages, including the \$18,500,000 principal amount of the B Note, in an amount to be determined at trial, (b) monetary damages on any fees paid to CWCAM as special servicer or Wells Fargo Bank as master servicer in connection with the borrower’s repayment of the Loan, (c) a declaratory judgment that RAIT Preferred Funding is entitled to recover the full \$18,500,000 principal amount of the B Note, (d) punitive damages against CWCAM, and (e) other things. On October 11, 2017, CWCAM filed a motion to dismiss the RAIT Amended Complaint (“CWCAM Motion to Dismiss Amended Complaint”) stating that the RAIT Amended Complaint did not state a claim and the essential facts of the RAIT Amended Complaint are negated by the Operative Agreements and other admissible evidentiary materials. On November 13, 2017, Wells Fargo Bank filed a motion to dismiss the RAIT Amended Complaint (the “Wells Fargo Motion to Dismiss”)

Amended Complaint") and joined the CWCAM Motion to Dismiss Amended Complaint. On January 29, 2018, the court dismissed all claims but for breach of contract and discovery has commenced.

On December 1, 2017, a complaint against CWCAM and others was filed in the United States District Court for the Southern District of New York styled as CWCAPITAL Cobalt Vr Ltd. v. CWCAPITAL Investments LLC, et al., No. 17-cv-9463 (the "Original Complaint"). The gravamen of the Original Complaint alleged breaches of a contract and fiduciary duties by CWCAM's affiliate, CWCAPITAL Investments LLC in its capacity as collateral manager for the collateralized debt obligation transaction involving CWCAPITAL Cobalt Vr, Ltd. In total, there are 14 counts pled in the Original Complaint. Of those 14, 5 claims were asserted against CWCAM for aiding and abetting breach of fiduciary duty, conversion and unjust enrichment. On May 23, 2018, the Original Complaint was dismissed for lack of subject matter jurisdiction. On June 28, 2018, CWCAPITAL Cobalt Vr Ltd. filed a substantially similar complaint in the Supreme Court of the State of New York, County of New York styled as CWCAPITAL Cobalt Vr Ltd. v. CWCAPITAL Investments LLC, et al., Index No. 653277/2018 (the "New Complaint"). The gravamen of the New Complaint is the same as the previous complaint filed in the United States District Court for the Southern District of New York. In total there are 16 counts pled in the New Complaint. Of those 16 counts, 4 claims were asserted against CWCAM for aiding and abetting breach of fiduciary duty, conversion and unjust enrichment, 1 count seeks a declaratory judgement that the plaintiff has the right to enforce the contracts in question and 1 count seeks an injunction requiring the defendants to recognize the plaintiff as the directing holder for the trusts in question. The New Complaint and related summons was not served on the defendants until July 13, 2018 and July 16, 2018. The plaintiff's motion for a preliminary injunction was denied by the court on July 31, 2018. On August 3, 2018, the defendants, including CWCAM, filed a motion to dismiss the New Complaint in its entirety. CWCAM believes that it has performed its obligations under the related pooling and servicing agreements in good faith and the allegations in the New Complaint are without merit. CWCAM intends to vigorously contest each of the claims.

CWCAM may enter into one or more arrangements with any Directing Certificateholder, any Controlling Class Certificateholder, any person with the right to appoint or remove and replace CWCAM as the Special Servicer, or any other person (or an affiliate or a third-party representative of one or more of the preceding) to provide for a discount and/or revenue sharing with respect to certain of the special servicer compensation in consideration of, among other things, the appointment (or continuance) of CWCAM as Special Servicer under the Trust and Servicing Agreement and limitations on the right of such person to replace CWCAM as the Special Servicer.

No securitization transaction involving commercial or multifamily mortgage loans in which CWCAM was acting as special servicer has experienced an event of default as a result of any action or inaction performed by CWCAM as special servicer.

The foregoing information set forth under this heading "*—The Special Servicer*" has been provided by CWCAM. None of the Depositor, the Initial Purchasers, the Servicer, the Trustee, the Certificate Administrator, or any of their affiliates nor any other person or entity other than CWCAM takes any responsibility for this information or makes any representation or warranty as to the accuracy or completeness of such information. CWCAM is providing such information at the Depositor's request to assist it with the preparation of this Offering Circular and CWCAM assumes no responsibility or liability for the contents of this Offering Circular.

The Depositor, the Borrower Sponsor, the Initial Purchasers, the Borrower, the Guarantors, the Servicer, the Trustee and the Certificate Administrator may maintain banking and other commercial relationships with CWCAM and its affiliates.

The Special Servicer will be required to pay all expenses incurred in connection with its respective responsibilities under the Trust and Servicing Agreement (subject to reimbursement as described in this Offering Circular).

The Special Servicer may enter into one or more arrangements with the Directing Certificateholder or any other person who has the right to remove, or vote to remove, the Special Servicer, to provide for a discount and/or revenue sharing with respect to certain Special Servicer compensation. The Directing Certificateholder, a Controlling Class Certificateholder and/or other persons or Certificateholders who have the right to remove, or vote to remove, the Special Servicer may further consider any such economic arrangements with the Special Servicer or a prospective replacement special servicer in entering into any decision to appoint or replace such party from time to time, and such considerations would not be required to take into account the best interests of any Certificateholder. See "*Risk Factors—Risks Related to Conflicts of Interest—Potential Conflicts of Interest of the Servicer and the Special Servicer*" in this Offering Circular.

The Trustee

Wilmington Trust, National Association (“WTNA”) (formerly called M&T Bank, National Association) will act as trustee (the “Trustee”) on behalf of the Certificateholders pursuant to the Trust and Servicing Agreement. WTNA is a national banking association with trust powers incorporated in 1995. WTNA’s principal place of business is located at 1100 North Market Street, Wilmington, Delaware 19890. WTNA is an affiliate of Wilmington Trust Company and both WTNA and Wilmington Trust Company are subsidiaries of Wilmington Trust Corporation and Wilmington Trust Corporation is a wholly-owned subsidiary of M&T Bank Corporation. Since 1998, Wilmington Trust Company has served as trustee in numerous asset-backed securities transactions. As of December 31, 2018, WTNA served as trustee on over 1,718 mortgage-backed related securities transactions having an aggregate original principal balance in excess of \$350 billion, of which approximately 451 transactions were commercial mortgage-backed securities transactions having an aggregate original principal balance of approximately \$296 billion.

The parties to this transaction may maintain banking and other commercial relationships with WTNA and its affiliates. In its capacity as trustee on commercial mortgage securitizations, WTNA and its affiliates are generally required to make an advance if the related servicer or special servicer fails to make a required advance. In the past three years, WTNA and its affiliates have not been required to make an advance on a commercial mortgage-backed securities transaction.

WTNA is subject to various legal proceedings that arise from time to time in the ordinary course of business. WTNA does not believe that the ultimate resolution of any of these proceedings will have a material adverse effect on its services as Trustee for this transaction.

The information set forth above under this heading “*—The Trustee*” has been provided by WTNA. Neither the Depositor nor any other person other than WTNA makes any representation or warranty as to the accuracy or completeness of such information.

The Certificate Administrator

Wells Fargo will act as certificate administrator (in such capacity, the “Certificate Administrator”) under the Trust and Servicing Agreement. Wells Fargo is also the Servicer. Wells Fargo is a national banking association and a wholly-owned subsidiary of Wells Fargo & Company. A diversified financial services company, Wells Fargo & Company is a U.S. bank holding company with approximately \$1.9 trillion in assets and approximately 262,000 employees as of September 30, 2018, which provides banking, insurance, trust, mortgage and consumer finance services throughout the United States and internationally. Wells Fargo provides retail and commercial banking services and corporate trust, custody, securities lending, securities transfer, cash management, investment management and other financial and fiduciary services. The transaction parties may maintain banking and other commercial relationships with Wells Fargo and its affiliates. Wells Fargo maintains principal corporate trust offices at 9062 Old Annapolis Road, Columbia, Maryland 21045 (among other locations) and its office for certificate transfer services is located at 600 South 4th Street, 7th Floor, MAC N9300-070, Minneapolis, Minnesota 55479.

Under the terms of the Trust and Servicing Agreement, the Certificate Administrator is also responsible for securities administration, which includes performance calculations, distribution calculations and the preparation of monthly distribution reports. As Certificate Administrator, Wells Fargo is responsible for the preparation and filing of all REMIC returns on behalf of the Trust REMIC. Wells Fargo has been engaged in the business of securities administration since June 30, 1995, and in connection with commercial mortgage-backed securities since 1997. As of September 30, 2018, Wells Fargo was acting as securities administrator with respect to more than \$467 billion of outstanding commercial mortgage-backed securities.

Wells Fargo is acting as custodian (in such capacity, the “Custodian”) of the mortgage loan files pursuant to the Trust and Servicing Agreement. In that capacity, Wells Fargo is responsible to hold and safeguard the mortgage notes and other contents of the mortgage files on behalf of the Trustee and the Certificateholders. Wells Fargo maintains each mortgage loan file in a separate file folder marked with a unique bar code to assure loan-level file integrity and to assist in inventory management. Files are segregated by transaction or investor. Wells Fargo has been engaged in the mortgage document custody business for more than 25 years. Wells Fargo maintains its commercial document custody facilities in Minneapolis, Minnesota. As of September 30, 2018, Wells Fargo was acting as custodian of more than 253,000 commercial mortgage loan files.

Wells Fargo serves or may have served within the past two years as loan file custodian for various mortgage loans owned by the Depositor or an affiliate of the Depositor. The terms of any such custodial agreement under which those

services are provided by Wells Fargo are customary for the commercial mortgage-backed securities industry and provide for the delivery, receipt, review and safekeeping of mortgage loans files.

For three CMBS transactions in its portfolio, Wells Fargo Bank disclosed material noncompliance on its related 2017 Annual Statement of Compliance furnished pursuant to Item 1123 of Regulation AB to the required recipients for such transactions. For one CMBS transaction, an administrative error caused an underpayment to certain classes and a correlating overpayment to certain classes on one distribution date in 2017. The affected distributions were revised to correct the error before the next distribution date. For the second CMBS transaction, an administrative error resulted in certain holders of definitive certificates not receiving a distribution on one distribution date in 2017. The error was corrected when the required distributions were made the next day. For the third CMBS transaction, required distributions for one distribution date in 2017 were made eight days late as a result of an inadvertent payment systems error.

Since June 18, 2014, a group of institutional investors have filed civil complaints in the Supreme Court of the State of New York, New York County, and later the U.S. District Court for the Southern District of New York (“District Court”) against Wells Fargo Bank, N.A., (“Wells Fargo Bank”) in its capacity as trustee for residential mortgage backed securities (“RMBS”) trusts. The complaints against Wells Fargo Bank alleged that the trustee caused losses to investors and asserted causes of action based upon, among other things, the trustee’s alleged failure to: (i) notify and enforce repurchase obligations of mortgage loan sellers for purported breaches of representations and warranties, (ii) notify investors of alleged events of default, and (iii) abide by appropriate standards of care following alleged events of default. Relief sought included money damages in an unspecified amount, reimbursement of expenses, and equitable relief. Wells Fargo has reached an agreement, in which it denies any wrongdoing, to resolve these claims on a classwide basis for the 271 RMBS trusts currently at issue. The settlement agreement is subject to court approval. Separate lawsuits against Wells Fargo Bank making similar allegations filed by certain other institutional investors concerning 57 trusts in New York federal and state court are not covered by the agreement. With respect to the foregoing litigations, Wells Fargo Bank believes plaintiffs’ claims are without merit and intends to contest the claims vigorously, but there can be no assurances as to the outcome of the litigations or the possible impact of the litigations on Wells Fargo Bank or the RMBS trusts.

The information set forth above under this heading “—*The Certificate Administrator*” has been provided by Wells Fargo.

Using information set forth in this Offering Circular, the Certificate Administrator will be required to develop the cash?ow model for the Trust. Based on the monthly loan information provided by the Servicer, the Certificate Administrator will be required to calculate the amount of principal and interest to be paid to each Class of Certificates on each Distribution Date. In accordance with the cash?ow model and based on the monthly loan information provided by the Servicer, the Certificate Administrator will be required to perform distribution calculations, remit distributions on the Distribution Date to the Certificateholders and prepare a monthly statement to Certificateholders detailing the payments received and the activity on the Mortgage Loan during the Collection Period. In performing these obligations, the Certificate Administrator will be required to be able to conclusively rely on the information provided to it by the Servicer, and the Certificate Administrator will not be required to recompute, recalculate or verify the information provided to it by the Servicer.

The Certificate Administrator will act as the initial paying agent, initial certificate registrar and 17g-5 Information Provider. The Certificate Administrator may vary or terminate with cause the appointment of any paying agent. The certificate registrar may resign or be removed by the Certificate Administrator, the Trustee, the Depositor, the Servicer or the Certificateholders in accordance with the Trust and Servicing Agreement.

As compensation for the performance of its routine duties, Wells Fargo, as Certificate Administrator, will be paid a fee (the “Certificate Administrator Fee”). The Certificate Administrator Fee will be payable monthly from amounts received in respect of the mortgage loan and will be equal to the product of a rate equal to 0.0118% *per annum* (the “Certificate Administrator Fee Rate”) and the principal balance of the mortgage loan and will be computed in the same manner as interest is calculated on such mortgage loan. The Certificate Administrator Fee includes the fee payable to the Trustee (the “Trustee Fee”), and the Certificate Administrator will pay the Trustee Fee to the Trustee in an amount equal to \$290 per month. In addition, the Certificate Administrator will be entitled to recover from the Trust all reasonable unanticipated expenses and disbursements incurred or made on behalf of the trust by it in the performance of its duties as the Certificate Administrator, paying agent, Certificate Registrar, custodian and authenticating agent, as applicable, in accordance with any of the provisions of the Trust and Servicing Agreement, but not including routine expenses incurred in the ordinary course of performing any such duties under the Trust and Servicing Agreement, and not including any expense, disbursement or advance as may arise from its willful misconduct, negligence or bad faith.

The Certificate Administrator, custodian, paying agent, Certificate Registrar and authenticating agent and each of their respective directors, officers, employees, agents and controlling persons will be entitled to indemnification from the Trust against any loss, liability or expense incurred without negligence, bad faith or willful misconduct on their respective parts, arising out of, or in connection with the Trust and Servicing Agreement, the Certificates and the Mortgage Loan.

Wells Fargo, as Certificate Administrator, will generally be entitled to execute any of its powers under the Trust and Servicing Agreement or perform any of its duties under the Trust and Servicing Agreement either directly or through agents or attorneys, but the Certificate Administrator will not be relieved of any of its duties or obligations by virtue of the appointment of any agents or attorneys.

The Operating Advisor

Park Bridge Lender Services LLC (“Park Bridge Lender Services”), a New York limited liability company and an indirect, wholly owned subsidiary of Park Bridge Financial LLC (“Park Bridge Financial”), will act as operating advisor under the Trust and Servicing Agreement with respect to the Mortgage Loan. Park Bridge Lender Services has an address at 600 Third Avenue, 40th Floor, New York, New York 10016 and its telephone number is (212) 230-9090.

Park Bridge Financial is a privately held commercial real estate finance advisory firm headquartered in New York, New York. Since its founding in 2009, Park Bridge Financial and its affiliates have been engaged by commercial banks (community, regional and multi-national), opportunity funds, REITs, investment banks, insurance companies, entrepreneurs and hedge funds on a wide variety of advisory assignments. These engagements have included: mortgage brokerage, loan syndication, contract underwriting, valuations, risk assessments, surveillance, litigation support, expert testimony, loan restructures as well as the disposition of commercial mortgages and related collateral.

Park Bridge Financial’s technology platform is server-based with back-up, disaster recovery and encryption services performed by vendors and data centers that comply with industry and regulatory standards.

As of December 31, 2018, Park Bridge Lender Services was acting as operating advisor or trust advisor for commercial mortgage-backed securities transactions with an approximate aggregate initial principal balance of \$186.9 billion issued in 224 transactions.

Park Bridge Lender Services satisfies each of the criteria set forth in the definition of “Eligible Operating Advisor” set forth in “*Description of The Trust and Servicing Agreement—The Operating Advisor—Eligibility of Operating Advisor*”. Park Bridge Lender Services: (a) is an operating advisor on other CMBS transactions rated by any of Moody’s, Fitch, KBRA, S&P, DBRS and/or Morningstar and none of those NRSROs has qualified, downgraded or withdrawn any of its rating or ratings of one or more classes of certificates for any such transaction citing concerns with Park Bridge Lender Services as the sole or material factor in such rating action; (b) can and is making the representations and warranties as Operating Advisor set forth in the Trust and Servicing Agreement and possesses sufficient financial strength to fulfill its duties and responsibilities pursuant to the Trust and Servicing Agreement; (c) is not (and is not affiliated with) the Depositor, any Mortgage Loan Seller, the Certificate Administrator, the Guarantors, the Third Party Purchaser, the Trustee, the Servicer, the Special Servicer, the Borrower Sponsor, the Borrower, the Directing Certificateholder or any of their respective affiliates; (d) has not been paid by the Special Servicer or any successor special servicer any fees, compensation or other remuneration (x) in respect of its obligations under the Trust and Servicing Agreement or (y) for the recommendation of the replacement of the Special Servicer or the appointment of a successor special servicer to become the Special Servicer; and (e) does not directly or indirectly, through one or more affiliates or otherwise, own any interest in any Certificates or the Mortgage Loan or otherwise have any financial interest in the Waikiki Beach Hotel Trust 2019-WBM securitization transaction, other than its fees from its role as Operating Advisor.

In addition, Park Bridge Lender Services believes that its financial condition will not have any material adverse effect on the performance of its duties under the Trust and Servicing Agreement.

There are no legal proceedings pending against Park Bridge Lender Services, or to which any property of Park Bridge Lender Services is subject, that are material to the Certificateholders, nor does Park Bridge Lender Services have actual knowledge of any proceedings of this type contemplated by governmental authorities.

The information set forth above in this subheading “—*Operating Advisor*” has been provided by Park Bridge Lender Services.

The Operating Advisor will only be liable under the Trust and Servicing Agreement to the extent of the obligations specifically imposed by the Trust and Servicing Agreement, and no implied duties or obligations may be asserted against

the Operating Advisor. For further information regarding the duties, responsibilities, rights and obligations of the Operating Advisor under the Trust and Servicing Agreement, including those related to indemnification, see “*Description of the Trust and Servicing Agreement—The Operating Advisor*” and “*—Certain Matters Regarding the Depositor, the Trustee, the Certificate Administrator, the Trustee, the Servicer, the Special Servicer and the Operating Advisor*”. Certain terms of the Trust and Servicing Agreement regarding the Operating Advisor’s removal, replacement, resignation or transfer are described under “*Description of the Trust and Servicing Agreement—The Operating Advisor*”.

DESCRIPTION OF THE MORTGAGE LOAN PURCHASE AGREEMENT

The Mortgage Loan Purchase Agreement will contain certain limited representations and warranties of the Mortgage Loan Sellers as set forth on Annex D to this Offering Circular. If any Mortgage Loan Document required to be delivered to the custodian is not delivered as and when required, is not properly executed or is defective (any of the foregoing, a “Defect”), or if there is a material breach of a representation or warranty relating to the Mortgage Loan, and in either case the Defect or breach materially and adversely affects the value of the Mortgage Loan or the interests of the Certificateholders in the Mortgage Loan or causes the Mortgage Loan to be other than a “qualified mortgage” within the meaning of Code Section 860G(a)(3) without regard to the rule in Treasury Regulation Section 1.860G-2(F)(2) that treats a defective obligation as a “qualified mortgage” (a “Qualified Mortgage”) (a “Material Document Defect” and a “Material Breach”, respectively), the Mortgage Loan Sellers, on a several but not joint basis, or a Mortgage Loan Seller, as applicable, will be required to (i) repurchase its Loan Percentage Interest in the Mortgage Loan at the Repurchase Price, (ii) promptly cure such Material Breach or Material Document Defect, or (iii) if such Material Document Defect or Material Breach is not related to the Mortgage Loan not being a Qualified Mortgage, indemnify the Trust in respect of the Mortgage Loan for losses directly related to such Material Breach or Material Document Defect, subject to the receipt of a Rating Agency Confirmation from the Rating Agency with respect to such action; *provided*, that no defect (except for defects that cause the Mortgage Loan to be other than a Qualified Mortgage) will be considered to be a Material Document Defect unless the document with respect to which the defect exists is required in connection with (A) an imminent enforcement of the lender’s rights or remedies under the Mortgage Loan, (B) defending any claim asserted by the Borrower or third party with respect to the Mortgage Loan, (C) establishing the validity or priority of any lien on any collateral securing the Mortgage Loan or (D) any immediate significant servicing obligation. With respect to any Material Breach or Material Document Defect that would cause the Mortgage Loan not to be a Qualified Mortgage, the Mortgage Loan Sellers will be required to cure such defect or breach or to repurchase the Mortgage Loan at the Repurchase Price within 90 days of discovery of such defect or breach. In the event that a Material Document Defect or Material Breach is capable of being cured but not within the initial 90-day cure period and the applicable Mortgage Loan Seller has commenced and is diligently proceeding with the cure of such Material Breach or Material Document Defect, such Mortgage Loan Seller will have an additional 90 days to complete such cure; *provided*, that with respect to such additional 90-day period, the Mortgage Loan Sellers will deliver an officer’s certificate to the Trustee, Certificate Administrator, the Operating Advisor and Servicer setting forth the reason why such Material Breach or Material Document Defect is not capable of being cured within the initial 90-day cure period and what actions such Mortgage Loan Seller is pursuing in connection with the cure of such Material Breach or Material Document Defect and stating that such Mortgage Loan Seller anticipates that such Material Breach or Material Document Defect will be cured within the additional 90-day period. The Repurchase Price will become part of the amounts to be distributed to holders of Certificates as described in “*Description of the Certificates—Payment on the Certificates*” in this Offering Circular. Any such repurchase will have substantially the same effect as if the Mortgage Loan had been prepaid in full (or in part, in the case of a repurchase of less than all of the notes) by the Borrower and without payment of a yield maintenance amount or Spread Maintenance Premium, which may adversely affect the yield to maturity of certain Classes of Certificates.

The “Repurchase Price” is an amount (a) with respect to the Mortgage Loan (without duplication) generally equal to the sum of (i) the unpaid principal balance of the Mortgage Loan, (ii) accrued and unpaid interest on each Component of the Mortgage Loan at the related Component Rate (exclusive of the Default Rate) to and including the last day of the related Mortgage Loan Interest Accrual Period in which the repurchase is to occur (or, in the case of a repurchase of a portion of the Mortgage Loan, an amount equal to the aggregate accrued and unpaid interest on each Component of the Mortgage Loan at the related Component Rate (exclusive of the Default Rate) on the portion(s) of the amount in clause (i) being reduced from the principal balance of the Mortgage Loan), (iii) unreimbursed Property Protection Advances and Administrative Advances together with interest on such Advances, (iv) an amount equal to all interest on outstanding Monthly Payment Advances, (v) any unpaid Trust Fund Expenses and (vi) any other out-of-pocket expenses reasonably incurred or expected to be incurred by the Servicer, the Special Servicer, the Certificate Administrator, the Trustee or the Operating Advisor and (b) with respect to any repurchase by a single Mortgage Loan Seller of such Mortgage Loan Seller’s individual Note, with respect to each such Note, an amount (without duplication) generally equal to the sum of (i) the unpaid principal balance of such Note, (ii) accrued and unpaid interest on such Note at the related Component Rate for each Component of the Mortgage Loan (exclusive of the Default Rate) to and including the last day of the Mortgage Loan

Interest Accrual Period in which the repurchase is to occur, (iii) unreimbursed Property Protection Advances and Administrative Advances (in each case, allocable to such Note) together with interest on such Advances, (iv) an amount equal to all interest on outstanding Monthly Payment Advances (allocable to such Note), (v) any unpaid Trust Fund Expenses (allocable to such Note), and (vi) any other out-of-pocket expenses reasonably incurred or expected to be incurred by the Servicer, the Special Servicer, the Operating Advisor, the Certificate Administrator or the Trustee arising out of the enforcement of the repurchase obligation (allocable to such Note). No Liquidation Fee will be payable by the Mortgage Loan Seller in connection with a repurchase of the Mortgage Loan (or an allocable portion of the Mortgage Loan) due to a Material Breach or a Material Document Defect pursuant to the Mortgage Loan Purchase Agreement (so long as such repurchase occurs within the 90 day time period required by the Mortgage Loan Purchase Agreement for the Mortgage Loan Seller to cure or repurchase its interest in the Mortgage Loan (including any applicable extended cure periods)).

In the event that less than all of the Notes are repurchased pursuant to the Mortgage Loan Purchase Agreement and at least one Note remains in the Trust, the Trust and Servicing Agreement will govern the servicing and administration of all Notes and the rights and obligations of the Mortgage Loan Sellers with respect to the Notes.

None of the Mortgage Loan Sellers, the Depositor nor any of their respective affiliates will make any representations or warranties with respect to the Mortgage Loan or the Mortgaged Property or with respect to any characteristics or attributes of the Mortgage Loan or the Mortgaged Property other than the representations and warranties set forth in Annex D to this Offering Circular. It is possible that the Mortgage Loan may contain defects that are not covered by the representations and warranties of the Mortgage Loan Sellers, in which case no claim could be made against the Mortgage Loan Sellers.

The foregoing cure, repurchase and/or indemnity obligations will constitute the sole remedy for any uncured Material Breach of the Mortgage Loan Sellers' representations and warranties regarding the Mortgage Loan, the Mortgaged Property and any Material Document Defect. No other person or entity will be obligated to perform such obligation to repurchase if a Mortgage Loan Seller defaults on its obligation to do so. Each Mortgage Loan Seller will only be liable under the Mortgage Loan Purchase Agreement for the portion of the Mortgage Loan sold to the Depositor by such Mortgage Loan Seller and no Mortgage Loan Seller will have any obligation, liability or responsibility with respect to any obligations of any other Mortgage Loan Seller. See "*Risk Factors—Limitations with Respect to Representations and Warranties of the Mortgage Loan Sellers*" in this Offering Circular.

To the extent that all of the Mortgage Loan Sellers do not repurchase all of their respective percentage interests in the Mortgage Loan, (i) the Mortgage Loan will continue to be serviced by the Servicer and, if applicable, the Special Servicer, in accordance with the terms of the Trust and Servicing Agreement on behalf of the Mortgage Loan Seller repurchasing its interest in the Mortgage Loan and the Certificateholders as a collective whole, and the Servicer or the Special Servicer, as applicable, will be the sole representative of the Mortgage Lender in connection with any enforcement, bankruptcy or other proceeding, (ii) the Trustee will remain the mortgagee of record with respect to the related Mortgage, (iii) the Certificate Administrator Fee, Operating Advisor Fee, Servicing Fee, Special Servicing Fee and/or the CREFC® Intellectual Property Royalty License Fee and any Liquidation Fee or Work-Out Fee with respect to the Mortgage Loan will continue to be calculated based on the entire outstanding principal balance of the Mortgage Loan, (iv) the Certificate Administrator (as custodian) will retain all portions of the loan file other than the related repurchased Note, (v) the Mortgage Loan Seller repurchasing its interest in the Mortgage Loan will be entitled to remittances on or prior to the Distribution Date of its applicable *pro rata* share of amounts allocable to the Mortgage Loan, based upon its respective interest in the Mortgage Loan that would otherwise be available for distribution on such Distribution Date to Certificateholders (other than any amounts in respect of any Monthly Payment Advance) with respect to the Mortgage Loan and such amounts will be wired in accordance with the directions provided to the Certificate Administrator and the Servicer by the Mortgage Loan Seller repurchasing its interest in the Mortgage Loan at least ten (10) Business Days prior to the related Distribution Date, (vi) the Mortgage Loan Seller repurchasing its interest in the Mortgage Loan will be entitled to receive any and all reports and have access to any and all information that a Certificateholder would otherwise have under the terms of the Trust and Servicing Agreement upon submission of an Investor Certification to the Certificate Administrator, (vii) no amendment may be made to the Trust and Servicing Agreement or the related Mortgage Loan Purchase Agreement that would materially and adversely affect the rights of the Mortgage Loan Seller repurchasing its interest in the Mortgage Loan in respect of the repurchased Mortgage Loan Seller interest in the Mortgage Loan without the consent of such repurchasing Mortgage Loan Seller, and (viii) if (in accordance with the Trust and Servicing Agreement) the Special Servicer elects to sell the Trust's share of the Mortgage Loan following a default thereunder, it must sell the entire Mortgage Loan on behalf of the Mortgage Loan Seller repurchasing its interest therein and the Certificateholders (taking into account the interests of each of the holders of a Note). Neither the Servicer nor the Trustee will make any Monthly Payment Advance with respect to any Mortgage Loan Seller's interest in the Mortgage Loan that has been repurchased as described above. All Servicer, Trustee, Certificate Administrator, Operating Advisor and Special Servicer compensation will continue to be paid

on each percentage interest in the Mortgage Loan that has been partially repurchased as set forth in the Trust and Servicing Agreement.

DESCRIPTION OF THE TRUST AND SERVICING AGREEMENT

The following is a summary of certain provisions of the Trust and Servicing Agreement, a copy of the form of which may be obtained upon request to the Depositor or, after the Closing Date, will be made available on the Certificate Administrator's Internet website at www.ctslink.com.

Assignment of the Mortgage Loan

On the Closing Date, the Depositor will assign or cause the assignment of the Mortgage Loan, without recourse, to the Trustee for the benefit of the Certificateholders as provided in the Mortgage Loan Purchase Agreement. On or prior to the Closing Date (or, in the case of the items listed in clauses (ii) through (vii) below, on or prior to the date occurring five days after the Closing Date), the Depositor will deliver or cause to be delivered to the Certificate Administrator, as the custodian of the mortgage loan files pursuant to the Trust and Servicing Agreement, among other things, to the extent not already in the Certificate Administrator's possession, (i) the original Notes, fully executed and endorsed without recourse to the order of the Trustee, in trust for the benefit of the Certificateholders, (ii) the original Mortgage Loan Documents, including all amendments to such documents, (iii) the original recorded counterpart of the Mortgages or certified copies of the Mortgages and originals of all additional security instruments, (iv) where applicable, a copy of the UCC-1 financing statements, (v) the Mortgage Lender's title insurance policies obtained in connection with the origination of the Mortgage Loan (or marked, signed commitments to insure or *pro forma* title insurance policies) which may be an electronically issued policy, (vi) originals or copies of assignments of the items listed in clauses (ii), (iii) and (iv) above (if copies are delivered, originals will be delivered to the Certificate Administrator when returned from applicable recording and filing offices) and (vii) all other instruments, if any, constituting additional security for the repayment of the Mortgage Loan. The Certificate Administrator will hold or cause to be held such documents in trust for the benefit of the Certificateholders. The Certificate Administrator will review or cause to be reviewed such documents and make certain certifications on the Closing Date and 30 days following the Closing Date and will report any exceptions found by it in such documents and any missing documents to the Depositor, the Trustee, the Directing Certificateholder (but only prior to the occurrence of a Consultation Termination Event), the Servicer and the Special Servicer. Upon the conveyance of the Mortgage Loan as provided above, the Certificate Administrator will authenticate and deliver the Certificates at the written direction of the Depositor. The duties of the Certificate Administrator described in this paragraph will be performed by the Certificate Administrator in its role as the custodian of the mortgage loan files pursuant to the Trust and Servicing Agreement.

Servicing of the Mortgage Loan

Responsibilities of the Servicer and the Special Servicer

The Servicer and Special Servicer will be required to service and administer the Mortgage Loan and the Foreclosed Property solely on behalf of the Trust in the best interest of and for the benefit of all the Certificateholders, as a collective whole as if such Certificateholders constituted one lender (as determined by the Servicer or Special Servicer, as applicable, in the exercise of its good faith and reasonable judgment), in accordance with applicable law (including the REMIC Provisions), the terms of the Trust and Servicing Agreement and the Mortgage Loan Documents and, to the extent consistent with the foregoing, the following standards (the "Accepted Servicing Practices"):

- (i) the higher of (a) the same manner in which and with the same care, skill, prudence and diligence with which the Servicer or Special Servicer, as applicable, services and administers similar loans and administers foreclosed properties for other third-party portfolios, giving due consideration to customary and usual standards of practice of prudent institutional commercial mortgage lenders in servicing their own loans and administering their own foreclosed properties, or (b) the same manner in which and with the same care, skill, prudence and diligence the Servicer or Special Servicer, as applicable, uses for loans that it owns or for foreclosed properties it owns and administers;
- (ii) with a view to the timely collection of (a) all scheduled payments of principal and interest under the Mortgage Loan or, if the Mortgage Loan comes into and continues in default and if no satisfactory arrangements can be made for the collection of the delinquent payments, the maximization of the recovery on the Mortgage Loan to the Certificateholders (as a collective whole as if such Certificateholders constituted one lender) on a net present value basis and (b) any unanticipated expenses of the Trust reimbursable or payable by the Borrower and other amounts due under the Mortgage Loan; and
- (iii) without regard to any conflict of interest arising from (A) any relationship that the Servicer or Special Servicer or any affiliate of the Servicer or the Special Servicer may have with any Borrower Affiliate, any Mortgage Loan Seller, the Depositor or any of their respective affiliates, (B) the ownership of any Certificate by the Servicer or Special Servicer or by any affiliate of the Servicer or the Special Servicer, (C) in the case of the Servicer, its obligation to make Advances, (D) the right of the Servicer or Special Servicer (or any affiliate of the Servicer or the Special Servicer) to receive reimbursement of costs, compensation or other fees (other than Advances), or the sufficiency of any compensation payable to it under the Trust and Servicing Agreement or with respect to any

particular transaction or (E) the ownership, servicing or management for others of any other loans or property by the Servicer or the Special Servicer, as applicable, or any of their affiliates. The Servicer is permitted to utilize a sub-servicer at its own expense. The Servicer will not be relieved of any obligation carried out by its sub-servicer. Under certain circumstances, the Servicer will be permitted to utilize agents or attorneys at the expense of the Trust in connection with performing certain servicing obligations.

The Trust and Servicing Agreement will provide that during the continuance of a Special Servicing Loan Event with respect to the Mortgage Loan, the Special Servicer is required to determine the effect of various courses of action with respect to the Mortgage Loan, including without limitation, work-out of the Mortgage Loan or foreclosure on the Mortgaged Property and pursue, subject to the terms of the Trust and Servicing Agreement, the course of action that it determines would maximize recovery on the Mortgage Loan on a net present value basis. All net present value calculations and determinations made under the Trust and Servicing Agreement with respect to the Mortgage Loan, the Mortgaged Property or Foreclosed Property (including for purposes of the definition of Accepted Servicing Practices set forth above) will be made using a discount rate appropriate for the type of cash flows being discounted; namely (i) for principal and interest payments on the Mortgage Loan or sale of the Mortgage Loan if it is a defaulted loan, the higher of (1) the rate determined by the Servicer or Special Servicer, as applicable, that approximates the market rate that would be obtainable by the Borrower on similar debt of the Borrower as of such date of determination and (2) the weighted average of the Component Rates (weighted based on the outstanding principal balance of each Component) and (ii) for all other cash flows, including property cash flow, the "discount rate" set forth in the most recent appraisal (or update of such appraisal).

Subject to the rights of the Directing Certificateholder so long as a Control Event has not occurred is not continuing, while negotiating a workout with the Borrower, the Special Servicer is required to pursue any appropriate remedies to but not including actual foreclosure until such negotiations, in the judgment of the Special Servicer and in accordance with Accepted Servicing Practices, are not reasonably likely to produce a greater recovery on a net present value basis than foreclosure.

Servicing Fee and Special Servicing Fee

The principal compensation to be paid to the Servicer in respect of its servicing activities will be a servicing fee (the "Servicing Fee"), which will be payable with respect to the Mortgage Loan and any Foreclosed Property. The Servicing Fee will be payable monthly out of amounts that represent interest collected on the Mortgage Loan that are on deposit in the Collection Account and will consist of an amount computed on the basis of the same principal amount, in the same manner and for the same period respecting which any related interest payment on the Mortgage Loan is (or would have been) computed at a rate (the "Servicing Fee Rate") of 0.0025% (0.25 basis points) *per annum* with respect to the Mortgage Loan. The Servicer, the Special Servicer or both will also be entitled to retain as additional compensation amounts collected for checks returned for insufficient funds on the Mortgage Loan, charges for beneficiary statements or demands actually paid by the Borrower, other loan processing fees actually paid by the Borrower under the Mortgage Loan and certain other customary charges and fees including, without limitation, late payment charges (to the extent not applied to interest on Advances), Default Interest (to the extent not applied to interest on Advances), assumption fees, assumption application fees, substitution fees, release fees, consent fees, Modification Fees, loan service transaction fees and similar fees and expenses. Such amounts will be paid to the Servicer, the Special Servicer or both, in each case, to the extent actually received from the Borrower and as provided in the Trust and Servicing Agreement. However, the Servicer will not be entitled to retain any Default Interest or any late payment charges with respect to the Mortgage Loan should a default be continuing unless and until such default has been cured and all delinquent amounts (including any Default Interest) due with respect to the Mortgage Loan have been paid, all Special Servicing Fees, Liquidation Fees and Work-out Fees have been reimbursed and all interest on Advances have been paid. In addition, the Servicer will be entitled to retain as additional servicing compensation release fees and any income earned (net of losses) on the investment of funds deposited in the Collection Account and Reserve Accounts (to the extent not payable to the Borrower).

If a Special Servicing Loan Event occurs, a special servicing fee will be payable to the Special Servicer, computed on the basis of the same principal amount and for the same period respecting which any related interest payment on the Mortgage Loan is computed at a rate of 0.125% (12.5 basis points) *per annum* (the "Special Servicing Fee"), until such Special Servicing Loan Event no longer exists. In addition, if a Special Servicing Loan Event is terminated following resolution of such Special Servicing Loan Event by a written agreement with the Borrower negotiated by the Special Servicer, the Special Servicer will be entitled to an additional fee equal to 0.40% (40 basis points) (the "Work-out Fee") of each payment of principal and interest (other than Default Interest) made on the Mortgage Loan following such written agreement for so long as another Special Servicing Loan Event does not occur; *provided* that any such Work-out Fee will be reduced by the Net Modification Fees paid by the Borrower with respect to the Mortgage Loan that were received and retained by the Special Servicer, but only to the extent those Net Modification Fees have not previously been deducted

from a Work-out Fee or Liquidation Fee. If the Special Servicer is terminated (other than for cause) or resigns after such written agreement is entered into and before or after the Special Servicing Loan Event is terminated, it will retain the right to receive any and all Work-out Fees on all payments of interest made on the Mortgage Loan following such written agreement (negotiated by the Special Servicer prior to its termination or resignation) for so long as another Special Servicing Loan Event does not occur and the successor special servicer will have no rights with respect to such Work-out Fee. The Special Servicer will be entitled to receive a liquidation fee with respect to the liquidated Property or the liquidation of the Specially Serviced Mortgage Loan, whether through judicial foreclosure, sale or otherwise, or in connection with the sale, discounted payoff or other liquidation of the Specially Serviced Mortgage Loan, as to which the Special Servicer receives liquidation proceeds (including by way of discounted payoff) (the “Liquidation Fee”); provided that the Special Servicer will not be entitled to receive a Liquidation Fee in connection with (i) a repurchase of the Mortgage Loan (or the allocable portion of the Mortgage Loan) by a Mortgage Loan Seller pursuant to the Mortgage Loan Purchase Agreement (so long as such repurchase occurs within the 90 day time period required by the Mortgage Loan Purchase Agreement for the Mortgage Loan Seller to cure or repurchase the Mortgage Loan or the allocable portion of the Mortgage Loan (including any applicable extended cure periods) or (ii) a sale of the Mortgage Loan by the Special Servicer to an Interested Person pursuant to the Trust and Servicing Agreement; provided, further, that any such Liquidation Fee will be reduced by the Net Modification Fees paid by the Borrower with respect to the Mortgage Loan or the Mortgaged Property that were received and retained by the Special Servicer, but only to the extent those Net Modification Fees have not previously been deducted from a Work-out Fee or Liquidation Fee. The Liquidation Fee will be payable from, and will be calculated by application of a rate of 0.40% (40 basis points) to, the related net liquidation proceeds. With respect to any Collection Period, the Special Servicer will only be entitled to receive a Work-out Fee or a Liquidation Fee, but not both. Each of the foregoing fees will be payable from funds on deposit in the Collection Account out of amounts otherwise available to make distributions on the Certificates as described in “*Description of the Certificates—Payment on the Certificates*” in this Offering Circular. The Servicer and Special Servicer, as applicable, will also be entitled to retain as additional servicing compensation any income earned (net of losses) on the investment of funds deposited in the Collection Account, reserve accounts (to the extent not payable to the Borrower) and any Foreclosed Property Account. The Servicer (with respect to Default Interest accrued prior to the occurrence of a Special Servicing Loan Event) or the Special Servicer will be permitted to waive all or any portion of Default Interest to the extent consistent with Accepted Servicing Practices.

The Trust and Servicing Agreement will provide that, with respect to each Distribution Date, the Special Servicer must deliver or cause to be delivered to the Servicer, on the Determination Date related to such Distribution Date and the Servicer will deliver to the Certificate Administrator, without charge, one Business Day prior to the Distribution Date a report which discloses and contains an itemized listing of any Disclosable Special Servicer Fees received by the Special Servicer or any of its affiliates with respect to such Distribution Date.

“Disclosable Special Servicer Fees” means, with respect to the Mortgage Loan or Foreclosed Property, any compensation and other remuneration (including, without limitation, in the form of commissions, brokerage fees, rebates, or as a result of any other fee-sharing arrangement) received or retained by the Special Servicer or any of its affiliates that is paid by any person (including, without limitation, the Borrower, any Property Manager, any guarantor or indemnitor or any Borrower Affiliate in respect of the Mortgage Loan or any of their affiliates and any purchaser of the Mortgage Loan or Foreclosed Property) in connection with the disposition, workout or foreclosure of the Mortgage Loan, the management or disposition of the Foreclosed Property, and the performance by the Special Servicer or any such affiliate of any other special servicing duties under the Trust and Servicing Agreement, other than (i) any Permitted Special Servicer/Affiliate Fees and (ii) any compensation to which the Special Servicer is entitled pursuant to the Trust and Servicing Agreement; provided, that any compensation and other remuneration that the Servicer or Certificate Administrator is permitted to receive or retain pursuant to the Trust and Servicing Agreement in connection with its duties in such capacity will not be Disclosable Special Servicer Fees.

“Permitted Special Servicer/Affiliate Fees” means any commercially reasonable treasury management fees, banking fees, insurance commissions or fees, property condition report fees and appraisal fees received or retained by the Special Servicer or any of its affiliates in connection with any services performed by such party with respect to the Mortgage Loan or Foreclosed Property in accordance with the Trust and Servicing Agreement.

The Trust and Servicing Agreement will provide that the Special Servicer and its affiliates will be prohibited from receiving or retaining any Disclosable Special Servicer Fees, and that any such fees received will be required to be remitted to the Servicer for deposit into the Collection Account within two Business Days of the receipt of such Disclosable Special Servicer Fees by the Special Servicer or its affiliates.

“Modification Fees” means, with respect to the Mortgage Loan, any and all fees with respect to a modification, extension, waiver or amendment that modifies, extends, amends or waives any term of the Mortgage Loan Documents (as

evidenced by a signed writing) agreed to by the Servicer or the Special Servicer (other than all assumption fees, assumption application fees, consent fees, Special Servicing Fees, Liquidation Fees or Work-out Fees). With respect to each of the Servicer and Special Servicer, the Modification Fees collected and earned by such person from the Borrower (taken in the aggregate with any other Modification Fees collected and earned by such person from the Borrower) will be subject to an aggregate cap of \$1,250,000.

“Net Modification Fees” means, with respect to the Mortgage Loan, the sum of (A) the remainder, if any, of (i) any and all Modification Fees with respect to a modification, waiver, extension or amendment of any of the terms of a Mortgage Loan, *minus* (ii) all unpaid or unreimbursed additional expenses (including, without limitation, reimbursement of Advances and interest on Advances at the Advance Rate to the extent not otherwise paid or reimbursed by the Borrower but excluding Special Servicing Fees, Work-out Fees and Liquidation Fees) either outstanding or previously incurred on behalf of the Trust with respect to the Mortgage Loan and reimbursed from such Modification Fees and (B) expenses previously paid or reimbursed from Modification Fees as described in the preceding clause (A), which expenses have been subsequently recovered from the Borrower or otherwise.

“Special Servicing Loan Event” means, with respect to the Mortgage Loan, (i) the Borrower has not made two consecutive Monthly Payments (other than a Balloon Payment) (and has not cured at least one such delinquency by the next Mortgage Loan Payment Date under the Mortgage Loan Documents) in respect of the Mortgage Loan; (ii) the Servicer, and/or the Trustee have made two consecutive Monthly Payment Advances with respect to the Mortgage Loan (regardless of whether such Monthly Payment Advances have been reimbursed); (iii) the Borrower fails to make the entire Balloon Payment when due, and the Borrower has not delivered to the Servicer, on or before the due date of such Balloon Payment, documentation reasonably satisfactory in form and substance to the Servicer that provides that a refinancing or sale will occur within 120 days after the date on which such Balloon Payment will become due (*provided* that a Special Servicing Loan Event will occur if either (x) such refinancing or sale does not occur before the expiration of the time period for refinancing or sale specified in such documentation or (y) the Servicer is required to make a Monthly Payment Advance at any time prior to such refinancing or sale); (iv) the Servicer and/or Special Servicer has received notice that the Borrower has become the subject as debtor of any bankruptcy, insolvency or similar proceeding, admitted in writing the inability to pay its debts as they come due or made an assignment for the benefit of creditors; (v) the Servicer and/or Special Servicer has received notice of a foreclosure or threatened foreclosure of any lien on the Mortgaged Property; (vi) the Borrower has expressed in writing to the Servicer or the Special Servicer an inability to pay the amounts owed under the Mortgage Loan in a timely manner, (vii) in the judgment of the Servicer (consistent with Accepted Servicing Practices), a default in the payment of principal or interest under the Mortgage Loan is reasonably foreseeable and is not likely to be cured by the Borrower within 60 days; or (viii) a default under the Mortgage Loan of which the Servicer has notice (other than a failure by the Borrower to pay principal or interest) and that materially and adversely affects the interests of the Certificateholders has occurred and remains unremedied for the applicable grace period specified in the Mortgage Loan Documents (or, if no grace period is specified, 60 days); *provided*, that a Special Servicing Loan Event will cease (a) with respect to the circumstances described in clauses (i), (ii) and (iii) above, when the Borrower has brought the Mortgage Loan current and, with respect to clauses (i) and (ii) above, thereafter made three consecutive full and timely Monthly Payments on the Mortgage Loan, and in the case of any of clauses (i), (ii) or (iii) pursuant to the workout of the Mortgage Loan or (b) with respect to the circumstances described in clauses (iv), (v), (vi), (vii) and (viii) above, when such circumstances cease to exist in the judgment of the Servicer and/or Special Servicer, as applicable (consistent with the Accepted Servicing Practices); *provided*, in any case, that at that time no other circumstance exists (as described above) that would constitute a Special Servicing Loan Event.

The Mortgage Loan, while required to be serviced by the Special Servicer after the occurrence of a Special Servicing Loan Event, is referred to in this Offering Circular as the **“Specially Serviced Mortgage Loan”**.

“Monthly Payment” means, with respect to the Mortgage Loan and any Distribution Date, the scheduled payment of interest on the Mortgage Loan and the Balloon Payment with respect to the Mortgage Loan that is due and payable on the preceding Mortgage Loan Payment Date.

Servicing of the Mortgage Loan; Inspections

Until the principal and interest on the Mortgage Loan are paid in full, the Servicer is required to use efforts consistent with Accepted Servicing Practices to collect all payments called for under the terms and provisions of the Mortgage Loan and is required to follow such collection procedures as are consistent with the Trust and Servicing Agreement and in accordance with Accepted Servicing Practices and the Mortgage Loan Documents.

Beginning in 2019, the Servicer will be required to inspect or cause to be inspected the Mortgaged Property not less frequently than once each year so long as a Special Servicing Loan Event is not then continuing; *provided* that the Servicer

will not be required to inspect the Mortgaged Property if the Special Servicer has inspected the Mortgaged Property in the past 12 months. In addition, the Special Servicer will be required to inspect or cause to be inspected the Mortgaged Property promptly following the occurrence of a Special Servicing Loan Event and then annually for so long as a Special Servicing Loan Event is continuing. The Servicer or Special Servicer, as applicable, will be required to further inspect, or cause to be inspected, the Mortgaged Property whenever the Servicer or the Special Servicer, as applicable, receives information that the Mortgaged Property has been materially damaged, left vacant, or abandoned, or that material waste is being committed there. All such inspections are required to be performed in such manner as is consistent with Accepted Servicing Practices. The cost of the annual inspections referred to in the first sentence of this paragraph will be an expense of the Servicer; the cost of all additional inspections referred to in this paragraph will be a Trust Fund Expense and if paid by the Servicer or Special Servicer will constitute a Property Protection Advance or an Administrative Advance.

The Special Servicer will be required to prepare a report (an "Asset Status Report") not later than 60 days after the occurrence of a Special Servicing Loan Event (the "Initial Delivery Date") and will be required to amend, update or create a new Asset Status Report to the extent that during the course of the resolution of the Mortgage Loan material changes in the circumstances and/or strategy reflected in any current Final Asset Status Report are necessary to reflect the then current circumstances and recommendation as to how the Specially Serviced Mortgage Loan might be returned to performing status or otherwise liquidated in accordance with Accepted Servicing Practices (each such report a "Subsequent Asset Status Report"). Each Final Asset Status Report will be required to be delivered in electronic form to the Operating Advisor, the Servicer, the Directing Certificateholder (but only so long as no Consultation Termination Event has occurred) and to the 17g-5 Information Provider (who will be required to promptly make such Asset Status Report available on its website).

Prior to the occurrence and continuance of a Control Event, if the Directing Certificateholder does not disapprove an Asset Status Report within 10 Business Days in writing, the Special Servicer will be required to implement the recommended action as outlined in the Asset Status Report. In addition, so long as no Control Event has occurred or is continuing, the Directing Certificateholder may object to any Asset Status Report within 10 Business Days of receipt; *provided, however,* that (i) following the occurrence of an extraordinary event with respect to the Mortgaged Property or the Mortgage Loan, or if a failure to take any such action at such time would be inconsistent with Accepted Servicing Practices, the Special Servicer may take any such actions with respect to the Mortgaged Property or the Mortgage Loan before the expiration of the 10 Business Day period and (ii) the Special Servicer will be required to implement the recommended action as outlined in the Asset Status Report, in each case if it makes a determination in accordance with Accepted Servicing Practices that the objection is not in the best interest of all the Certificateholders; *provided* that the Asset Status Report is not intended to replace or satisfy any other specific consent or approval right that the Directing Certificateholder may have. If, prior to the occurrence and continuance of a Control Event, the Directing Certificateholder disapproves the Asset Status Report and the Special Servicer has not made the affirmative determination described above, the Special Servicer will be required to revise the Asset Status Report as soon as practicable thereafter, but in no event later than 30 days after the disapproval. Prior to the occurrence and continuance of a Control Event, the Special Servicer will be required to revise the Asset Status Report until the Directing Certificateholder fails to disapprove the revised Asset Status Report as described above, until the Directing Certificateholder's approval is no longer required or until the Special Servicer makes a determination, consistent with Accepted Servicing Practices, that the objection is not in the best interests of the Certificateholders; *provided* that, if the Directing Certificateholder does not approve or is not deemed to have approved an Asset Status Report within 90 days from the first submission of an Asset Status Report, then the Special Servicer will follow the Directing Certificateholder's direction, if such direction is consistent with Accepted Servicing Practices; *provided, however,* that if the Directing Certificateholder's direction would cause the Special Servicer to violate Accepted Servicing Practices, the Special Servicer may take the action recommended in its most recently submitted Asset Status Report. The Asset Status Report and all modifications thereto will be prepared in accordance with Accepted Servicing Practices.

While an Operating Advisor Consultation Event has occurred and is continuing, the Operating Advisor will be required to consult with and provide comments to the Special Servicer in respect of each Asset Status Report, if any, within 10 Business Days following the later of (i) receipt of such Asset Status Report or (ii) receipt of such related additional information reasonably requested by the Operating Advisor, and propose possible alternative courses of action to the extent it determines such alternatives to be in the best interest of the Certificateholders (including any Certificateholders that are holders of the Controlling Class Certificates), as a collective whole. The Special Servicer will be obligated to consider such alternative courses of action, if any, and any other feedback provided by the Operating Advisor (and for so long as no Consultation Termination Event is continuing, the Directing Certificateholder) in connection with the Special Servicer's preparation of any Asset Status Report that is provided while an Operating Advisor Consultation Event has occurred and is continuing. The Special Servicer will revise the Asset Status Report as it deems necessary to take into account any input and/or comments from the Operating Advisor (and for so long as no Consultation Termination Event is continuing, the Directing Certificateholder), to the extent the Special Servicer determines that the Operating Advisor's and/or Directing Certificateholder's input and/or recommendations are consistent with Accepted Servicing Practices and

in the best interest of the Certificateholders, as a collective whole. Promptly upon determining whether or not to revise any Asset Status Report to take into account any input and/or comments from the Operating Advisor or the Directing Certificateholder, the Special Servicer will be required to deliver to the Operating Advisor and the Directing Certificateholder the revised Asset Status Report (until a Final Asset Status Report is issued) or notice that the Special Servicer has decided not to revise such Asset Status Report, as applicable. For additional information, see “*The Operating Advisor—Additional Duties of the Operating Advisor While an Operating Advisor Consultation Event Has Occurred and Is Continuing*” below.

In connection with the approval or consultation rights of the Directing Certificateholder or the consultation rights of the Operating Advisor with respect to any Asset Status Report, if the Special Servicer determines that any action recommended in an Asset Status Report is necessary to protect a Mortgaged Property or the interests of the Certificateholders from potential harm if such action is not taken, or if a failure to take any such action at such time would be inconsistent with Accepted Servicing Practices, the Special Servicer may take actions with respect to such Mortgaged Property before the expiration of the 10 Business Day period if the Special Servicer reasonably determines in accordance with Accepted Servicing Practices that failure to take such actions before the expiration of the 10 Business Day period would materially adversely affect the interest of the Certificateholders, and the Special Servicer has made a reasonable effort to contact the Directing Certificateholder or the Operating Advisor, as applicable.

Prior to an Operating Advisor Consultation Event, the Special Servicer will be required to deliver each Final Asset Status Report to the Operating Advisor following completion of the Directing Certificateholder Asset Status Report Approval Process. See “*The Directing Certificateholder—General*” below for a discussion of the Operating Advisor’s ability to ask the Special Servicer reasonable questions with respect to such Final Asset Status Report.

A “Final Asset Status Report” means, with respect to the Specially Serviced Mortgage Loan, the completed Asset Status Report, together with such other data or supporting information provided by the Special Servicer to the Directing Certificateholder that does not include any communication (other than the related Asset Status Report) between the Special Servicer and the Directing Certificateholder with respect to such Specially Serviced Mortgage Loan. Prior to the occurrence and continuance of a Control Event, no Asset Status Report will be considered to be a Final Asset Status Report unless the Asset Status Report is labeled or otherwise identified or communicated as being final, the Directing Certificateholder has either finally approved of and consented to the actions proposed to be taken in connection therewith, or has exhausted all of its rights of approval or consent, or has deemed to have approved or consented to such action or the Asset Status Report is otherwise implemented by the Special Servicer in accordance with the terms of the Trust and Servicing Agreement.

After the occurrence and during the continuance of a Control Event but so long as no Consultation Termination Event has occurred, the Directing Certificateholder, and after the occurrence and during the continuance of an Operating Advisor Consultation Event, the Operating Advisor, will be entitled to consult with the Special Servicer (on a non-binding basis) and propose alternative courses of action and provide other feedback in respect of any Asset Status Report. The consultation process with the Operating Advisor and any revisions to the Asset Status Report made by the Special Servicer in response to such consultation are collectively referred to as the “ASR Consultation Process”. Following the occurrence of a Consultation Termination Event, the Directing Certificateholder will have no right to consult with the Special Servicer with respect to the Asset Status Reports and the Special Servicer will only be obligated to consult with the Operating Advisor with respect to any Asset Status Report as described above. The Special Servicer may choose to revise the Asset Status Reports as it deems reasonably necessary in accordance with Accepted Servicing Practices to take into account any input and/or recommendations of the Operating Advisor or the Directing Certificateholder during the applicable periods described above, but is under no obligation to follow any particular recommendation of the Operating Advisor or the Directing Certificateholder during the continuance of a Control Event. The consent or consultation process with the Directing Certificateholder and any revisions to the Asset Status Report made by the Special Servicer in response to such consultation are collectively referred to as the “Directing Certificateholder Asset Status Report Approval Process”.

Neither the Servicer nor the Special Servicer will be permitted to follow any objection, advice, direction or consultation provided by the Directing Certificateholder, the Operating Advisor, the Controlling Class Certificateholders or any other person that would require or cause the Servicer or Special Servicer, as applicable, to violate any applicable law, be inconsistent with Accepted Servicing Practices, require or cause the Servicer or Special Servicer, as applicable, to violate provisions of the Trust and Servicing Agreement, require or cause the Servicer or Special Servicer, as applicable, to violate the terms of the Mortgage Loan Documents, expose any Certificateholder or any party to the Trust and Servicing Agreement or their affiliates, officers, directors or agents to any claim, suit or liability, result in the imposition of a tax upon the Trust (other than a tax on net income from foreclosure property) or loss of REMIC status or materially expand the scope of the Servicer’s, Special Servicer’s, Trustee’s or Certificate Administrator’s or the Operating Advisor’s responsibilities under the Trust and Servicing Agreement.

No Asset Status Report will be required to include any strategically sensitive information that the Special Servicer has reasonably determined could compromise the Trust's position in any ongoing or future negotiations with the Borrower or other interested party or information subject to attorney client privilege. The Special Servicer will (x) deliver to the 17g-5 Information Provider, who initially will be the Certificate Administrator (in such capacity, the "17g-5 Information Provider") (who will be required to post on the 17g-5 Information Provider's website) the Final Asset Status Report and (y) deliver a summary of the Final Asset Status Report to the Certificate Administrator (who will be required to post such summary on its Internet website). Subject to the consent and consultation rights of the Directing Certificateholder and the consultation rights of the Operating Advisor as described above, the Special Servicer may, from time to time, modify any Asset Status Report it has previously delivered. Upon such modification, the Special Servicer will be required to prepare an updated summary and deliver the updated summary to the Certificate Administrator and deliver the modified asset status report to the 17g-5 Information Provider. The 17g-5 Information Provider and the Certificate Administrator will be required to post those documents on their respective Internet websites. The Special Servicer will be required to deliver to the Servicer such reports and information as the Servicer needs in its reasonable discretion to perform its obligations under the Trust and Servicing Agreement. In no event, however, will the Special Servicer be required to deliver a summary of any interim or draft Asset Status Report.

The Special Servicer will be required to (x) deliver to the 17g-5 Information Provider (which will be required to post to its website) the Final Asset Status Report, (y) deliver to the Certificate Administrator a proposed notice to the Certificateholders that will include a summary of the Final Asset Status Report in an electronic format which format is reasonably acceptable to the Certificate Administrator (which will be a brief summary of the current status of the Mortgaged Property and current strategy with respect to the resolution and workout of the Mortgage Loan), and the Certificate Administrator will be required to post such summary (but not the Final Asset Status Report itself) on its website and (z) implement the Final Asset Status Report in the form delivered to the 17g-5 Information Provider. Subject to the consent and consultation rights of the Directing Certificateholder, the Special Servicer will not be required to deliver a summary of any interim or draft Asset Status Report. The Special Servicer may, from time to time, modify any asset status report it has previously delivered and, following delivery of the modified report to the 17g-5 Information Provider and a summary of the same to the Certificate Administrator, which the 17g-5 Information Provider and the Certificate Administrator are required to post on their respective websites, and the Special Servicer is required to implement such modified Asset Status Report.

The Directing Certificateholder

General

Except as described in this Offering Circular, prior to the occurrence and continuance of a Control Event, the Directing Certificateholder will be entitled to advise (1) the Special Servicer, with respect to the Mortgage Loan after a Special Servicing Loan Event, (2) the Special Servicer, with respect to the Mortgage Loan prior to a Special Servicing Loan Event, as to all matters for which the Servicer must obtain the consent or deemed consent of the Special Servicer, and (3) the Special Servicer, with respect to any extension of maturity being considered by the Special Servicer or by the Servicer, subject to consent or deemed consent of the Special Servicer.

Except as otherwise described below, (i) the Servicer will not be permitted to take any of the following actions (each, a "Major Decision") unless it has obtained the consent of the Special Servicer which consent will be deemed given if the Special Servicer does not object within 15 Business Days (after delivery of a written recommendation and analysis to the Special Servicer and information reasonably requested by the Special Servicer) unless such actions are part of an Asset Status Report approved by the Directing Certificateholder or is otherwise implemented by the Special Servicer in accordance with the terms of the Trust and Servicing Agreement and (ii) prior to the occurrence and continuance of a Control Event, the Special Servicer will not be permitted to (x) consent to the Servicer's taking any of the following actions, or (y) itself take any of the following actions, as to which the Directing Certificateholder has objected in writing within 10 Business Days after receipt of the written recommendation and analysis and information (the "Major Decision Reporting Package") reasonably requested by the Directing Certificateholder from the Special Servicer (*provided* that if such written objection has not been received by the Special Servicer within such ten Business Day period, the Directing Certificateholder will be deemed to have approved such action):

- (a) any proposed or actual foreclosure upon or comparable conversion (which may include acquisitions of a Foreclosed Property) of the ownership of the Mortgaged Property;
- (b) any modification, consent to a modification or waiver of any monetary term (other than late fees and default interest) or material non-monetary term (including, without limitation, the timing of payments and acceptance of discounted payoffs) of the Mortgage Loan or any extension of the maturity date of the Mortgage Loan, other than a

forbearance with respect to an anticipated refinancing or sale of the Mortgaged Property after the Maturity Date so long as such extension does not extend beyond 120 days;

(c) any sale of the defaulted Mortgage Loan or Foreclosed Property for less than the applicable Mortgage Loan Purchase Price;

(d) any determination to bring the Mortgaged Property or any Foreclosed Property into compliance with applicable environmental laws or to otherwise address hazardous material located at a Foreclosed Property;

(e) any release of collateral or any acceptance of substitute or additional collateral for the Mortgage Loan or any consent to either of the foregoing, other than with respect to a Timeshare Transaction (so long as no Special Servicing Loan Event has occurred and is continuing) or other than if required pursuant to the specific terms of the Mortgage Loan and for which there is no material Mortgage Lender discretion;

(f) any waiver or consent to a waiver of a "due-on-sale" or "due-on-encumbrance" clause with respect to the Mortgage Loan;

(g) any consent to a transfer of the Mortgaged Property or any portion of the Mortgaged Property, or any transfer of any direct or indirect ownership interest in the Borrower to the extent the Mortgage Lender's consent is required under the Mortgage Loan Documents, except in each case as expressly permitted by the Mortgage Loan Documents and for which there is no material Mortgage Lender discretion or in connection with a pending or threatened condemnation;

(h) any consent to the incurrence of additional debt by the Borrower or mezzanine debt by a direct or indirect parent of the Borrower (including, for the avoidance of doubt, any mezzanine loan), including any approval of the terms of any document evidencing or securing any such additional debt and of any intercreditor or subordination agreement executed in connection therewith and any waiver of or amendment or modification to the terms of any such document or agreement, in each case to the extent the Mortgage Lender's approval is required by the Mortgage Loan Documents (other than if required pursuant to the specific terms of the Mortgage Loan and for which there is no material Mortgage Lender discretion);

(i) any termination or replacement of the Property Manager or other property management company with respect to the Mortgaged Property or any modification, waiver or amendment of any management agreement (including the approval of a new management agreement or franchise agreement following notice of termination or non-renewal of the then-existing management agreement or franchise agreement for the Mortgaged Property), any subordination, non-disturbance and attornment agreement, any recognition agreement or any similar agreement (in each case, for which the Mortgage Lender is required to consent or approve under the Mortgage Loan Documents);

(j) releases of any escrow accounts, reserve accounts or letters of credit held as performance or "earn-out" escrows or reserves, other than those related to the Required Renovation Work or Third Floor Renovation Work (so long as no Special Servicing Loan Event has occurred and is continuing) or other than those required pursuant to the specific terms of the Mortgage Loan and for which there is no material Mortgage Lender discretion;

(k) any acceptance of an assumption agreement or any other agreement permitting transfers of interests in the Borrower or the Guarantors releasing the Borrower or the Guarantors from liability under the Mortgage Loan other than pursuant to the specific terms of the Mortgage Loan and for which there is no material Mortgage Lender discretion;

(l) any determination of an Acceptable Insurance Default;

(m) approval of any amendment to the Ground Lease;

(n) following a default or a Mortgage Loan Event of Default with respect to the Mortgage Loan, any exercise of remedies, including any acceleration of the Mortgage Loan or initiation of judicial, bankruptcy or similar proceedings under the Mortgage Loan Documents or with respect to the Borrower, the Mortgaged Property or the other Collateral for the Mortgage Loan;

(o) any proposed modification or waiver of any material provision in the Mortgage Loan Documents governing the type, nature or amount of insurance coverage required to be obtained and maintained by the Borrower;

(p) any approval of any casualty insurance settlements or condemnation settlements, and any determination to apply casualty proceeds or condemnation awards to the reduction of the indebtedness under the Mortgage Loan rather than to the restoration of the Mortgaged Property;

(q) the determination of the Servicer pursuant to clause (vii) or clause (viii) of the definition of "Special Servicing Loan Event";

(r) the execution, termination or renewal of any lease, to the extent Mortgage Lender approval is required under the Mortgage Loan Documents and to the extent such lease constitutes a "Major Lease" as defined in the Mortgage Loan Documents, including entering into any subordination, non-disturbance and attornment agreement with respect to such lease;

(s) any adoption or implementation of the annual budget for which Mortgage Lender consent is required under the Mortgage Loan Documents;

(t) the exercise of the rights and powers granted under a mezzanine intercreditor agreement to the "senior lender" (or such other term as may be set forth therein and is properly construed to refer to the holder of the Mortgage Loan) and/or the "servicer" referred to therein, if and to the extent such rights or powers affect the priority, payments, consent rights or security interest with respect to the "senior lender" (or such other term); or

(u) any modification, waiver or amendment of any intercreditor agreement, co-lender agreement, participation agreement or similar agreement with any mezzanine lender or subordinate debt holder related to the Mortgage Loan, or an action to enforce rights with respect thereto, in each case in a manner that materially and adversely affects the majority holder of the Class HRR Certificates.

provided that in the event that the Servicer or the Special Servicer determines that immediate action, with respect to a Major Decision, or any other matter requiring consent of the Directing Certificateholder prior to the occurrence and continuance of a Control Event pursuant to the Trust and Servicing Agreement (or consultation with the Directing Certificateholder after the occurrence and during the continuance of a Control Event, but prior to the occurrence of a Consultation Termination Event), is necessary to protect the interests of the Certificateholders, the Servicer or the Special Servicer, as the case may be, may take any such action without waiting for the Directing Certificateholder's response (or without such consultation) so long as the Servicer or the Special Servicer, as applicable, has made a reasonable effort to contact the Directing Certificateholder to inform it of such need. The Special Servicer is not required to obtain the consent of the Directing Certificateholder for any of the foregoing actions upon the occurrence and during the continuance of a Control Event; *provided, however*, that after the occurrence and during the continuance of a Control Event, but prior to the occurrence of a Consultation Termination Event, the Special Servicer will not be required to obtain the consent of the Directing Certificateholder but will be required to consult with the Directing Certificateholder in connection with any proposed action described above (and such other matters that are subject to consent, approval, direction or consultation rights of the Directing Certificateholder pursuant to the Trust and Servicing Agreement) and to consider alternative actions recommended by the Directing Certificateholder in respect of such matters.

With respect to any action requiring the Directing Certificateholder's consent, if the Directing Certificateholder does not respond to a request for its consent within 10 Business Days (or such other length of time specified in the Trust and Servicing Agreement with respect to any particular action requiring consent) such consent will be deemed to have been given.

An "Acceptable Insurance Default" means any default arising when the Mortgage Loan Documents require that the Borrower must maintain all risk casualty insurance or other insurance that covers damages or losses arising from acts of terrorism and the Special Servicer has determined, in its reasonable judgment in accordance with Accepted Servicing Practices, that (i) such insurance is not available at commercially reasonable rates and the subject hazards are not commonly insured against by prudent owners of similar real properties located in or near the geographic region in which the Mortgaged Property is located (but only by reference to such insurance that has been obtained by such owners at current market rates), or (ii) such insurance is not available at any rate. Each of the Servicer (at its own expense) and the Special Servicer (at the expense of the Trust Fund), will be entitled to rely on insurance consultants in making the determinations described in this definition.

In the event that no Directing Certificateholder has been appointed or identified to the Servicer or the Special Servicer, as applicable, and the Servicer or Special Servicer, as applicable, has attempted to obtain such information from the Certificate Administrator and no such entity has been identified to the Servicer or the Special Servicer, as applicable, then until such time as the new Directing Certificateholder is identified, the Servicer or the Special Servicer, as applicable,

will have no duty to consult with, provide notice to, or seek the approval or consent of any such Directing Certificateholder as the case may be. The Servicer or the Special Servicer may request that the Certificate Administrator identify the Directing Certificateholder.

For so long as no Consultation Termination Event has occurred, the Special Servicer will be required to provide notice to the Directing Certificateholder of any annual meeting with the Borrower and the Property Managers pursuant to the Mortgage Loan Documents, consult with the Directing Certificateholder regarding an agenda for such meeting, and invite the Directing Certificateholder to attend such meeting (which invitation the Directing Certificateholder may accept or decline in its discretion).

For so long as no Consultation Termination Event has occurred, the Special Servicer will be required to provide notice to the Directing Certificateholder of any material notices that the Special Servicer has received under or related to any franchise agreement, any Management Agreement, any comfort letter, any subordination, non-disturbance and attornment agreement, any recognition agreement or any similar agreement, and the Servicer or Special Servicer is required to consult with the Directing Certificateholder with respect to the contents of such notices.

The Special Servicer will be required to provide each Major Decision Reporting Package to the Operating Advisor simultaneously upon providing such Major Decision Reporting Package to the Directing Certificateholder. With respect to any particular Major Decision and related Major Decision Reporting Package and any Asset Status Report, the Special Servicer will be required to make available to the Operating Advisor servicing officers of the Special Servicer with relevant knowledge regarding the Mortgage Loan and such Major Decision, Major Decision Reporting Package and/or Asset Status Report in order to address reasonable questions that the Operating Advisor may have relating to, among other things, such Major Decision and/or Asset Status Report and potential conflicts of interest and compensation with respect to such Major Decision, Major Decision Reporting Package and/or Asset Status Report.

In addition, if an Operating Advisor Consultation Event has occurred and is continuing the Special Servicer will also be required to consult with the Operating Advisor in connection with any Major Decision for which the Special Servicer has delivered to the Operating Advisor a Major Decision Reporting Package (and such other matters that are subject to consultation rights of the Operating Advisor pursuant to the Trust and Servicing Agreement) and to consider alternative actions recommended by the Operating Advisor in respect of such Major Decision; provided that such consultation is on a non-binding basis. In the event the Special Servicer receives no response from the Operating Advisor within 10 Business Days following the later of (i) its written request, which initial request will be required to include a Major Decision Reporting Package, for input on any required consultation and (ii) delivery of all such additional information reasonably requested by the Operating Advisor related to the subject matter of such consultation, the Special Servicer will not be obligated to consult with the Operating Advisor on the specific matter; provided, however, that the failure of the Operating Advisor to respond will not relieve the Special Servicer from consulting with the Operating Advisor on any future matters with respect to the Mortgage Loan. For additional information, see "*The Operating Advisor—Additional Duties of the Operating Advisor While an Operating Advisor Consultation Event Has Occurred and Is Continuing*" below.

In connection with the Directing Certificateholder's right to consent or consult or the Operating Advisor's right to consult with respect to a Major Decision, as applicable, if the Servicer or Special Servicer determines that action is necessary to protect the Mortgaged Property or the interests of the Certificateholders from potential harm if such action is not taken, or if a failure to take any such action at such time would be inconsistent with Accepted Servicing Practices, the Servicer or Special Servicer may take actions with respect to the Mortgaged Property before the expiration of the period for the Directing Certificateholder or the Operating Advisor to respond as described in this section, if the Servicer or Special Servicer reasonably determines in accordance with Accepted Servicing Practices that failure to take such actions before the expiration of such period would materially adversely affect the interest of the Certificateholders, and the Servicer or Special Servicer has made a reasonable effort to contact the Directing Certificateholder or the Operating Advisor, as applicable.

In addition, unless a Control Event has occurred and is continuing, the Directing Certificateholder may direct the Special Servicer to take, or to refrain from taking, other actions with respect to the Mortgage Loan, as the Directing Certificateholder may reasonably deem advisable.

The Directing Certificateholder may be removed at any time by the written vote of the holder(s) of Certificates representing more than 50% of the Controlling Class by Certificate Balance, and a copy of the results of such vote will be required to be delivered to the Certificate Administrator, the Trustee, the Servicer and the Special Servicer.

Notwithstanding the foregoing, neither the Servicer nor the Special Servicer will be permitted to take or refrain from taking any action pursuant to instructions, directions or objections from the Directing Certificateholder that would cause it

to violate applicable law, be inconsistent with Accepted Servicing Practices, require or cause the Servicer or the Special Servicer to violate provisions of the Trust and Servicing Agreement, require or cause the Servicer or the Special Servicer to violate the terms of the Mortgage Loan Documents, expose any Certificateholder or any party to the Trust and Servicing Agreement or their affiliates, officers, directors or agents to any claim, suit or liability, result in the imposition of a tax upon the Trust or loss of REMIC status or materially expand the scope of the Servicer's, the Special Servicer's, the Trustee's, the Certificate Administrator's or the Operating Advisor's responsibilities under the Trust and Servicing Agreement.

The "Directing Certificateholder" will be the Controlling Class Certificateholder (or its representative) selected by holders of more than 50% of the Controlling Class by Certificate Balance, as determined by the Certificate Registrar from time to time. It is anticipated that the initial Directing Certificateholder will be Waikiki Hotel Grand Avenue Partners, LLC, or one of its affiliates. After the occurrence and during the continuance of a Control Event, the Directing Certificateholder will only retain its consultation rights to the extent specifically provided for in the Trust and Servicing Agreement. After the occurrence of a Consultation Termination Event, neither the Directing Certificateholder nor the Controlling Class will be entitled to exercise any control or consultation, consent or direction rights under the Trust and Servicing Agreement or have any right to receive any notices, reports or information (other than notices, reports or information required to be delivered to all Certificateholders) or any other rights as Directing Certificateholder or Controlling Class and no Class of Certificates will be entitled to appoint a Directing Certificateholder; *provided* that the Directing Certificateholder (if and to the extent that it is a Certificateholder) and a holder of a Controlling Class Certificate will maintain the right to exercise its Voting Rights for the same purposes as any other Certificateholder under the Trust and Servicing Agreement. No Borrower Affiliate may be appointed as or act as the Directing Certificateholder.

A "Controlling Class Certificateholder" is each holder (or Beneficial Owner, if applicable) of a certificate of the Controlling Class as determined by the certificate registrar from time to time, upon request by any party to the Trust and Servicing Agreement; *provided*, that for purposes of determining the Directing Certificateholder, exercising any rights of the Controlling Class or the Directing Certificateholder or receiving Asset Status Reports or any other information under the Trust and Servicing Agreement other than Distribution Date Statements, any holder of any interest in a Controlling Class Certificate who is a Borrower Affiliate, a Property Manager or an agent or affiliate of the foregoing, or is a Restricted Party, will not be deemed to be a holder of the related Controlling Class and will not be entitled to exercise such rights or receive such information, and any Directing Certificateholder previously appointed or selected by such holder will thereafter not be entitled to exercise any rights of the Directing Certificateholder. If, as a result of the preceding sentence, no holder of Controlling Class Certificates would be eligible to exercise such rights, there will be no Directing Certificateholder or Controlling Class.

The "Controlling Class" will be the most subordinate Class of Control Eligible Certificates that has an outstanding Certificate Balance, as notionally reduced by any appraisal reductions allocable to such Class, at least equal to 25% of the initial Certificate Balance of such Class or, if no Class of Control Eligible Certificates meets the preceding requirement, the Class F Certificates until the occurrence of a Consultation Termination Event. No other Class of Certificates will be eligible to act as a Controlling Class or appoint a Directing Certificateholder. If a Consultation Termination Event has occurred, there will be no Controlling Class and no Directing Certificateholder.

The "Control Eligible Certificates" will be any of the Class F and Class HRR Certificates. No other Class of Certificates will be eligible to act as a Controlling Class or appoint a Directing Certificateholder.

A "Consultation Termination Event" will occur when each Class of Control Eligible Certificates no longer has a then-outstanding Certificate Balance at least equal to 25% of the initial Certificate Balance of such Class, without regard to the application of any Appraisal Reduction Amounts. Upon the occurrence of a Consultation Termination Event, no Class of Certificates will act as the Controlling Class or will be entitled to appoint a Directing Certificateholder, and no Class of Certificates (including any previously appointed Directing Certificateholder) will have any rights under the Trust and Servicing Agreement to consent, direct or consult with the Servicer or Special Servicer and any prior Directing Certificateholder will have no right to receive any notices, reports or information (other than notices, reports or information required to be delivered to all Certificateholders) or any other rights as Directing Certificateholder.

A "Control Event" means, with respect to any date of determination, if the Certificate Balance of each Class of Control Eligible Certificates on such date (taking into account the application of any Appraisal Reduction Amounts to notionally reduce the Certificate Balance of such Class) is less than 25% of the initial Certificate Balance of such Class. If a Control Event no longer exists, then the Directing Certificateholder will regain all the consent and direction rights of the Directing Certificateholder described in this Offering Circular, and the Controlling Class will regain the right to appoint a Directing Certificateholder in this Offering Circular. The Certificate Administrator will be required to post a "special notice" of the occurrence or cessation of a Control Event or a Consultation Termination Event on the Certificate Administrator's Internet

website within five (5) Business Days after its determination that such Control Event or Consultation Termination Event has occurred or ceased to exist and will notify the Servicer and the Special Servicer.

The Certificate Administrator and the other parties to the Trust and Servicing Agreement will be entitled to assume that the identity of the Directing Certificateholder has not changed absent a notice of a replacement of the Directing Certificateholder by the holders of more than 50% of the Controlling Class by Certificate Balance or the resignation of the then-current Directing Certificateholder.

The Directing Certificateholder will be responsible for its own expenses.

Limitation on Liability of the Directing Certificateholder

Neither the Controlling Class nor the Directing Certificateholder will be liable to the Trust Fund or the Certificateholders for any action taken, or for refraining from the taking of any action, or for errors in judgment.

The taking of, or refraining from taking, any action by the Servicer or the Special Servicer in accordance with the direction of or approval of the Directing Certificateholder that does not violate any law, Accepted Servicing Practices, or the provisions of the Mortgage Loan Documents or the Trust and Servicing Agreement will not result in any liability on the part of the Servicer or the Special Servicer.

Each Certificateholder acknowledges and agrees, by its acceptance of its certificates, that the Directing Certificateholder and/or the Controlling Class:

- (i) may have special relationships and interests that conflict with those of holders of one or more Classes of Certificates;
- (ii) may act solely in the interests of the holders of the Controlling Class, including the Directing Certificateholder;
- (iii) does not have any liability or duties to the holders of any Class of Certificates;
- (iv) may take actions that favor the interests of one or more Classes of the Certificates, including the holders of the Controlling Class over the interests of the holders of one or more other Classes of Certificates; and
- (v) will have no liability whatsoever to the Trust, any Certificateholder or any other person for having so acted as set forth in clauses (i) through (iv) above, and no Certificateholder may take any action whatsoever against the Directing Certificateholder, the Controlling Class or any director, officer, employee, partner, member, shareholder, agent or principal of the Directing Certificateholder or the Controlling Class, as applicable, for having so acted.

The Operating Advisor

General

The Operating Advisor will act solely as a contracting party to the extent, and in accordance with the Operating Advisor Standard, and will have no fiduciary duty to any party. The Operating Advisor's duties will be limited to its specific duties under the Trust and Servicing Agreement, and the Operating Advisor will have no duty or liability to any particular Class of Certificates or any Certificateholder. The Operating Advisor is not the Special Servicer, Servicer or a sub-servicer and will not be charged with changing the outcome on any particular decision with respect to the Mortgage Loan. By purchasing a Certificate, potential investors acknowledge and agree that there could be a variety of activities or decisions made with respect to, or multiple strategies to resolve, the Mortgage Loan and that the goal of the Operating Advisor's participation is to provide additional input relating to the Special Servicer's compliance with Accepted Servicing Practices in making its determinations as to which strategy to execute.

Potential investors should note that the Operating Advisor is not an "advisor" for any purpose other than as specifically set forth in the Trust and Servicing Agreement and is not an advisor to any person, including without limitation any Certificateholder. For the avoidance of doubt, the Operating Advisor is not an "investment adviser" within the meaning of the Investment Advisers Act of 1940, as amended. See "*Risk Factors—Your Lack of Control Over the Trust Can Adversely Impact Your Investment*" in this Offering Circular.

Duties of Operating Advisor In General

With respect to the Mortgage Loan, the Operating Advisor's obligations will generally consist of the following:

- (a) reviewing (i) the actions of the Special Servicer with respect to the Mortgage Loan when it is a Specially Serviced Mortgage Loan and (ii) the actions of the Special Servicer with respect to Major Decisions relating to the Mortgage Loan with respect to which a Major Decision Reporting Package has been delivered to the Operating Advisor described in "*The Directing Certificateholder—General*" above;
- (b) reviewing (i) all reports by the Special Servicer made available to Privileged Persons that are posted on the Certificate Administrator's website, and (ii) each Asset Status Report and Final Asset Status Report;
- (c) promptly recalculating the accuracy of the mathematical calculations and the corresponding application of the non-discretionary portion of the applicable formulas required to be utilized in connection with: (1) any Appraisal Reduction Amount or (2) net present value calculations used in the Special Servicer's determination of what course of action to take in connection with the workout or liquidation of the Mortgage Loan when it is a Specially Serviced Mortgage Loan, as described below; and
- (d) preparing an annual report (if, at any time during the prior calendar year, (i) the Mortgage Loan was a Specially Serviced Mortgage Loan, (ii) the Special Servicer delivered a Major Decision Reporting Package to the Operating Advisor or (iii) there existed an Operating Advisor Consultation Event) generally in the form attached as Annex I to this Offering Circular to be provided to the Trustee, Depositor, the Rating Agency and the Certificate Administrator (and made available through the Certificate Administrator's website) in accordance with the Operating Advisor Standard, as described in "*Annual Report*" below.

In connection with the performance of the duties described in clause (c) above:

- (i) after the calculation but prior to the utilization by the Special Servicer, the Special Servicer will be required to deliver the foregoing calculations together with information and support materials (including such additional information reasonably requested by the Operating Advisor to confirm the mathematical accuracy of such calculations, but not including any Privileged Information) to the Operating Advisor;
- (ii) if the Operating Advisor does not agree with the mathematical calculations or the application of the applicable non-discretionary portions of the formula required to be utilized for such calculation, the Operating Advisor and Special Servicer will be required to consult with each other in order to resolve any inaccuracy in the mathematical calculations or the application of the non-discretionary portions of the related formula in arriving at those mathematical calculations or any disagreement; and
- (iii) if the Operating Advisor and Special Servicer are not able to resolve such matters, the Operating Advisor will be required to promptly notify the Certificate Administrator and the Certificate Administrator will be required to examine the calculations and supporting materials provided by the Special Servicer and the Operating Advisor and determine which calculation is to apply.

Prior to the occurrence and continuance of an Operating Advisor Consultation Event, the Operating Advisor will have no specific involvement with respect to collateral substitutions, assignments, workouts, modifications, consents, waivers, lockbox management, insurance policies, borrower substitutions, lease changes, additional borrower debt, property management changes, releases from escrow, assumptions and other similar actions that the Special Servicer may perform under the Trust and Servicing Agreement. In addition, with respect to the Operating Advisor's review of net present value or appraisal reduction amount calculations, as applicable, the Operating Advisor's recalculation will not take into account the reasonableness of Special Servicer's property and borrower performance assumptions or other similar discretionary portions of the net present value or appraisal reduction amount calculation, as applicable.

The "Operating Advisor Standard" means the requirement that the Operating Advisor must act solely on behalf of the Trust and in the best interest of, and for the benefit of, the Certificateholders (as a collective whole as if such Certificateholders constituted a single lender), and not to holders of any particular Class of Certificates (as determined by the Operating Advisor in the exercise of its good faith and reasonable judgment), but without regard to any conflict of interest arising from any relationship that the Operating Advisor or any of its affiliates may have with the Borrower, any Property Manager, the Guarantors, the Borrower Sponsor, the Depositor, the Mortgage Loan Sellers, the Servicer, the Special Servicer, the Directing Certificateholder or any of their respective affiliates.

Annual Report

Based on the Operating Advisor's review of any Assessment of Compliance, Attestation Report, Major Decision Reporting Package, Asset Status Report, Final Asset Status Report and other reports by the Special Servicer made available to Privileged Persons that are posted on the Certificate Administrator's website during the prior calendar year, the Operating Advisor will (if, at any time during the prior calendar year, (i) the Mortgage Loan was a Specially Serviced Mortgage Loan, (ii) the Special Servicer delivered a Major Decision Reporting Package to the Operating Advisor or (iii) there existed an Operating Advisor Consultation Event) prepare an annual report substantially in the form attached to this Offering Circular as Annex I (the "Operating Advisor Annual Report") to be provided to the Rating Agency, the Trustee, the Depositor and the Certificate Administrator for the benefit of the Certificateholders (and made available through the Certificate Administrator's website) within 120 days of the end of the prior calendar year and setting forth whether the Operating Advisor believes, in its sole discretion exercised in good faith, that the Special Servicer is operating in compliance with Accepted Servicing Practices with respect to its performance of its duties under the Trust and Servicing Agreement during the prior calendar year and identifying which, if any, standards the Operating Advisor believes, in its sole discretion exercised in good faith, the Special Servicer has failed to comply; *provided, however,* that in the event the Special Servicer is replaced, the Operating Advisor Annual Report will only relate to the entity that was acting as Special Servicer as of December 31 in the prior calendar year and is continuing in such capacity through the date of such annual report. In preparing the Operating Advisor Annual Report, the Operating Advisor will not be required to report on instances of non-compliance with, or deviations from, the Accepted Servicing Practices or the Special Servicer's obligations under the Trust and Servicing Agreement that the Operating Advisor determines, in its sole discretion exercised in good faith, to be immaterial.

The Special Servicer must be given an opportunity to review any Operating Advisor Annual Report produced by the Operating Advisor at least 5 Business Days prior to its delivery to the Rating Agency, the Certificate Administrator, the Trustee and the Depositor; *provided* that the Operating Advisor will have no obligation to adopt any comments to such Operating Advisor Annual Report that are provided by the Special Servicer.

In each Operating Advisor Annual Report, the Operating Advisor will identify any material deviations from (i) Accepted Servicing Practices and (ii) the Special Servicer's obligations under the Trust and Servicing Agreement with respect to the resolution or liquidation of the Specially Serviced Mortgage Loan or Foreclosed Property based on the Operating Advisor's limited review required in the Trust and Servicing Agreement. Each Operating Advisor Annual Report will be required to comply with the confidentiality requirements, subject to the Privileged Information Exception, each as described in this Offering Circular and as provided in the Trust and Servicing Agreement regarding Privileged Information.

The ability to perform the duties of the Operating Advisor and the quality and the depth of any Operating Advisor Annual Report will be dependent upon the timely receipt of information prepared or made available by others and the accuracy and the completeness of such information. In addition, in no event will the Operating Advisor have the power to compel any transaction party to take, or refrain from taking, any action. It is possible that the lack of access to Privileged Information may limit or prohibit the Operating Advisor from performing its duties under the Trust and Servicing Agreement, in which case any Operating Advisor Annual Report will describe any resulting limitations, and the Operating Advisor will not be subject to any liability arising from such limitations or prohibitions. The Operating Advisor will be entitled to conclusively rely on the accuracy and completeness of any information it is provided without liability for any such reliance thereunder.

Additional Duties of the Operating Advisor While an Operating Advisor Consultation Event Has Occurred and is Continuing

While an Operating Advisor Consultation Event has occurred and is continuing, in addition to the duties described above, the Operating Advisor will be required to perform the following additional duties:

- to consult (on a non-binding basis) with the Special Servicer (telephonically or electronically) in respect of any Asset Status Reports in accordance with the Operating Advisor Standard, as described under "*—Servicing of the Mortgage Loan—Servicing of the Mortgage Loan; Inspections*" above; and
- to consult (on a non-binding basis) with the Special Servicer (telephonically or electronically) in accordance with the Operating Advisor Standard with respect to any Major Decisions processed by the Special Servicer as described under "*—The Directing Certificateholder—General*" above.

To facilitate the consultation described above, the Special Servicer will be required to send to the Operating Advisor an Asset Status Report or Major Decision Reporting Package, as applicable, before the action is implemented.

Recommendation of the Replacement of the Special Servicer

If at any time the Operating Advisor determines, in its sole discretion exercised in good faith, that (1) Special Servicer is not performing its duties as required under the Trust and Servicing Agreement or is otherwise not acting in accordance with Accepted Servicing Practices, and (2) the replacement of the Special Servicer would be in the best interest of the Certificateholders as a collective whole, then the Operating Advisor may recommend the replacement of the Special Servicer and deliver a report supporting such recommendation in the manner described in “*—Replacement of the Special Servicer After Operating Advisor Recommendation and Investor Vote*” below.

Eligibility of Operating Advisor

The Operating Advisor will be required to be an Eligible Operating Advisor at all times during the term of the Trust and Servicing Agreement. “Eligible Operating Advisor” means an institution:

- (i) that is a special servicer or operating advisor on a commercial mortgage-backed securities transaction rated by the Rating Agency (including, in the case of the Operating Advisor, this transaction) but has not been special servicer or operating advisor on a transaction for which the Rating Agency has qualified, downgraded or withdrawn its rating or ratings of, one or more classes of certificates for such transaction citing servicing concerns with the special servicer or operating advisor, as applicable, as the sole or a material factor in such rating action;
- (ii) that can and will make the representations and warranties of the Operating Advisor set forth in the Trust and Servicing Agreement, including to the effect that it possesses sufficient financial strength to fulfill its duties and responsibilities pursuant to the Trust and Servicing Agreement over the life of the Trust;
- (iii) that is not (and is not Risk Retention Affiliated with) the Depositor, the Trustee, the Certificate Administrator, the Servicer, the Special Servicer, the Mortgage Loan Sellers, the Borrower Sponsor, the Borrower, the Guarantors, the Third Party Purchaser, the Directing Certificateholder, or any of their respective Risk Retention Affiliates;
- (iv) that has not been paid by the Special Servicer or successor Special Servicer any fees, compensation or other remuneration (x) in respect of its obligations under the Trust and Servicing Agreement or (y) for the appointment or recommendation for replacement of a successor Special Servicer to become the Special Servicer;
- (v) that (x) has been regularly engaged in the business of analyzing and advising clients in commercial mortgage-backed securities matters and has at least five years of experience in collateral analysis and loss projections, and (y) has at least five years of experience in commercial real estate asset management and experience in the workout and management of distressed commercial real estate assets; and
- (vi) that does not directly or indirectly, through one or more affiliates or otherwise, own or have derivative exposure in any interest in any Certificates, the Mortgage Loan or otherwise have any financial interest in the securitization transaction to which the Trust and Servicing Agreement relates, other than in fees from its role as Operating Advisor.

“Risk Retention Affiliate” or “Risk Retention Affiliated” means “affiliate” or “affiliated”, as such terms are defined in §43.2 of the Credit Risk Retention Rules.

Other Obligations of Operating Advisor

At all times, subject to the Privileged Information Exception, the Operating Advisor and its affiliates will be obligated to keep confidential any information appropriately labeled as “Privileged Information” received from the Special Servicer or Directing Certificateholder in connection with the Directing Certificateholder’s exercise of any rights under the Trust and Servicing Agreement (including, without limitation, in connection with any Asset Status Report) or otherwise in connection with the transaction, except under the circumstances described below.

The Operating Advisor is required to keep all such labeled Privileged Information confidential and may not, without the prior written consent of the Special Servicer and (for so long as no Consultation Termination Event is continuing) the

Directing Certificateholder, disclose such Privileged Information to any person (including Certificateholders other than the Directing Certificateholder), other than (1) to the extent expressly required by the Trust and Servicing Agreement, to the other parties to the Trust and Servicing Agreement with a notice indicating that such information is Privileged Information, (2) pursuant to a Privileged Information Exception, or (3) where necessary to support specific findings or conclusions concerning allegations of deviations from Accepted Servicing Practices (i) in the Operating Advisor Annual Report or (ii) in connection with a recommendation by the Operating Advisor to replace the Special Servicer. Each party to the Trust and Servicing Agreement that receives labeled Privileged Information from the Operating Advisor with a notice stating that such information is Privileged Information may not, without the prior written consent of the Special Servicer and (for so long as no Consultation Termination Event is continuing) the Directing Certificateholder, disclose such Privileged Information to any person other than pursuant to a Privileged Information Exception. In addition and for the avoidance of doubt, while the Operating Advisor may serve in a similar capacity with respect to other securitizations that involve the same parties or the Borrower involved in this securitization, any experience or knowledge gained by the Operating Advisor from such other engagements may not be imputed to the Operating Advisor for this transaction; *provided, however,* the Operating Advisor may consider such experience or knowledge as pertinent information for discussion with the Special Servicer during its periodic meetings.

“Privileged Information Exception” means, with respect to any Privileged Information, at any time (a) such Privileged Information becomes generally available and known to the public other than as a result of a disclosure directly or indirectly by the party restricted from disclosing such Privileged Information (the “Restricted Party”), (b) it is reasonable and necessary for the Restricted Party to disclose such Privileged Information in working with legal counsel, auditors, arbitration parties, taxing authorities or other governmental agencies, (c) such Privileged Information was already known to such Restricted Party and not otherwise subject to a confidentiality obligation and/or (d) the Restricted Party is required by law, rule, regulation, order, judgment or decree to disclose such information.

Delegation of Operating Advisor’s Duties

The Operating Advisor may delegate its duties to agents or subcontractors in accordance with the Trust and Servicing Agreement to the extent such agents or subcontractors satisfy clauses (iii), (iv) and (vi) of the definition of “Eligible Operating Advisor”; *provided, however,* the Operating Advisor will remain obligated and primarily liable for any actions required to be performed by it under the Trust and Servicing Agreement without diminution of such obligation or liability or related obligation or liability by virtue of such delegation or arrangements or by virtue of indemnification from any person acting as its agents or subcontractor to the same extent and under the same terms and conditions as if the Operating Advisor alone were performing its obligations under the Trust and Servicing Agreement.

Termination of the Operating Advisor With Cause

The following constitute Operating Advisor termination events under the Trust and Servicing Agreement (each, an **Operating Advisor Termination Event**), whether any such event is voluntary or involuntary or is effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body:

- (a) any failure by the Operating Advisor to observe or perform in any material respect any of its covenants or agreements or the material breach of any of its representations or warranties under the Trust and Servicing Agreement, which failure continues unremedied for a period of 30 days after the date on which written notice of such failure, requiring the same to be remedied, is given to the Operating Advisor by any party to the Trust and Servicing Agreement or to the Operating Advisor, the Certificate Administrator and the Trustee by the holders of Certificates having greater than 25% of the aggregate Voting Rights; *provided* that with respect to any such failure which is not curable within such 30 day period, the Operating Advisor will have an additional cure period of 30 days to effect such cure so long as it has commenced to cure such failure within the initial 30 day period and has provided the Trustee and the Certificate Administrator with an officer’s certificate certifying that it has diligently pursued, and is continuing to pursue, such cure;
- (b) any failure by the Operating Advisor to perform in accordance with the Operating Advisor Standard which failure continues unremedied for a period of 30 days after the date on which written notice of such failure, requiring the same to be remedied, is given in writing to the Operating Advisor by any party to the Trust and Servicing Agreement;
- (c) any failure by the Operating Advisor to be an Eligible Operating Advisor, which failure continues unremedied for a period of 30 days after the date on which written notice of such failure, requiring the same to be remedied, is given in writing to the Operating Advisor by any party to the Trust and Servicing Agreement;

(d) a decree or order of a court or agency or supervisory authority having jurisdiction in the premises in an involuntary case under any present or future federal or state bankruptcy, insolvency or similar law for the appointment of a conservator or receiver or liquidator in any insolvency, readjustment of debt, marshaling of assets and liabilities or similar proceedings, or for the winding up or liquidation of its affairs, will have been entered against the Operating Advisor, and such decree or order will have remained in force undischarged or unstayed for a period of 60 days;

(e) the Operating Advisor consents to the appointment of a conservator or receiver or liquidator or liquidation committee in any insolvency, readjustment of debt, marshaling of assets and liabilities, voluntary liquidation, or similar proceedings of or relating to the Operating Advisor or of or relating to all or substantially all of its property; or

(f) the Operating Advisor admits in writing its inability to pay its debts generally as they become due, files a petition to take advantage of any applicable insolvency or reorganization statute, makes an assignment for the benefit of its creditors, or voluntarily suspends payment of its obligations.

Upon receipt by the Certificate Administrator of notice of the occurrence of any Operating Advisor Termination Event, the Certificate Administrator will be required to promptly provide written notice to all Certificateholders electronically by posting such notice on its internet website and by mail, unless the Certificate Administrator has received notice that such Operating Advisor Termination Event has been remedied.

Rights Upon Operating Advisor Termination Event

After the occurrence of an Operating Advisor Termination Event, the Trustee may, and upon the written direction of Certificateholders representing at least 25% of the Voting Rights (taking into account the application of any Appraisal Reduction Amounts to notionally reduce the Certificate Balance of the Classes of Certificates), the Trustee will, promptly terminate the Operating Advisor for cause and appoint a replacement Operating Advisor that is an Eligible Operating Advisor; *provided* that no such termination will be effective until a successor Operating Advisor has been appointed and has assumed all of the obligations of the Operating Advisor under the Trust and Servicing Agreement. The Trustee may rely on a certification by the replacement Operating Advisor that it is an Eligible Operating Advisor. If the Trustee is unable to find a replacement Operating Advisor that is an Eligible Operating Advisor within 30 days of the termination of the Operating Advisor, the Depositor will be permitted to find a replacement.

Upon any termination of the Operating Advisor and appointment of a successor Operating Advisor, the Trustee will, as soon as possible, be required to give written notice of the termination and appointment to the Special Servicer, the Servicer, the Certificate Administrator, the Depositor, the Directing Certificateholder (only for so long as no Consultation Termination Event has occurred), the Certificateholders and the Rating Agency.

Waiver of Operating Advisor Termination Event

The holders of Certificates representing at least 25% of the Voting Rights affected by any Operating Advisor Termination Event may waive such Operating Advisor Termination Event within 20 days of the receipt of notice from the Certificate Administrator of the occurrence of such Operating Advisor Termination Event. Upon any such waiver of an Operating Advisor Termination Event, such Operating Advisor Termination Event will cease to exist and will be deemed to have been remedied. Upon any such waiver of an Operating Advisor Termination Event by Certificateholders, the Trustee and the Certificate Administrator will be entitled to recover all costs and expenses incurred by it in connection with enforcement action taken with respect to such Operating Advisor Termination Event prior to such waiver from the Trust.

Termination of the Operating Advisor Without Cause

Upon (i) the written direction of Certificateholders evidencing not less than 15% of the Voting Rights (taking into account the application of Appraisal Reduction Amounts to notionally reduce the Certificate Balances of classes to which such Appraisal Reduction Amounts are allocable) requesting a vote to terminate and replace the Operating Advisor with a replacement operating advisor that is an Eligible Operating Advisor selected by such Certificateholders and (ii) payment by such requesting holders to the Certificate Administrator of all reasonable fees and expenses to be incurred by the Certificate Administrator in connection with administering such vote, the Certificate Administrator will promptly provide written notice to all Certificateholders and the Operating Advisor of such request by posting such notice on its internet website, and by mailing such notice to all Certificateholders and the Operating Advisor.

Upon the written direction of holders of more than 50% of the Voting Rights that exercise their right to vote (provided that holders of at least 50% of the Voting Rights exercise their right to vote), the Trustee will terminate all of the rights and

obligations of the Operating Advisor under the Trust and Servicing Agreement (other than any rights or obligations that accrued prior to the date of such termination (including accrued and unpaid compensation) and other than indemnification rights (arising out of events occurring prior to such termination)) by written notice to the Operating Advisor, and the proposed successor Operating Advisor will be appointed.

Resignation of the Operating Advisor

The Operating Advisor may resign upon 30 days' prior written notice to the Depositor, the Servicer, the Special Servicer, the Trustee, the Certificate Administrator and the Directing Certificateholder, if the Operating Advisor has secured a replacement Operating Advisor that is an Eligible Operating Advisor and such replacement Operating Advisor has accepted its appointment as the replacement Operating Advisor and receipt by the Trustee of a Rating Agency Confirmation from the Rating Agency. If no successor Operating Advisor has been so appointed and accepted the appointment within 30 days after the notice of resignation, the resigning Operating Advisor may petition any court of competent jurisdiction for the appointment of a successor Operating Advisor that is an Eligible Operating Advisor. The resigning Operating Advisor must pay all reasonable costs and expenses associated with the transfer of its duties.

Operating Advisor Compensation

The fee of the Operating Advisor (the "Operating Advisor Fee") will be payable monthly out of amounts that represent interest collected on the Mortgage Loan that is on deposit in the Collection Account and will consist of an amount computed on the basis of the same principal amount, in the same manner and for the same period respecting which any related interest payment on each Component is computed at a per annum rate (the "Operating Advisor Fee Rate") equal to 0.0042% (0.42 basis points).

An "Operating Advisor Consulting Fee" will be payable to the Operating Advisor with respect to each Asset Status Report and Major Decision on which the Operating Advisor has consultation obligations and performed its duties with respect to that Asset Status Report or Major Decision, as applicable. The Operating Advisor Consulting Fee will be a fee for each such Asset Status Report or Major Decision equal to \$10,000 (or such lesser amount as the Borrower agrees to pay); *provided* that the Operating Advisor may in its sole discretion reduce the Operating Advisor Consulting Fee with respect to any Asset Status Report or Major Decision; *provided, further*, that the Servicer or the Special Servicer, as applicable, will each be permitted to waive or reduce the amount of any such Operating Advisor Consulting Fee payable by the Borrower if it determines that such full or partial waiver is in accordance with Accepted Servicing Practices, but may in no event take any enforcement action with respect to the collection of such Operating Advisor Consulting Fee other than requests for collection (*provided* that the Servicer or the Special Servicer, as applicable, will be required to consult, on a non-binding basis, with the Operating Advisor prior to any such waiver or reduction).

Each of the Operating Advisor Fee and the Operating Advisor Consulting Fee will be payable from funds on deposit in the Collection Account out of amounts otherwise available to make distributions on the Certificates as described in "*Description of the Certificates—Payment on the Certificates*", but with respect to the Operating Advisor Consulting Fee only as and to the extent that such fee is actually received from the Borrower. If the Operating Advisor has consultation rights with respect to an Asset Status Report or Major Decision, the Trust and Servicing Agreement will require the Servicer or the Special Servicer, as applicable, to use efforts to collect the applicable Operating Advisor Consulting Fee from the Borrower in connection with such Asset Status Report or Major Decision that are consistent with the efforts that the Servicer or the Special Servicer, as applicable, would use to collect any Borrower-paid fees not specified in the Mortgage Loan Agreement owed to it in accordance with Accepted Servicing Practices, but only to the extent not prohibited by the Mortgage Loan Documents.

In addition to the Operating Advisor Fee and the Operating Advisor Consulting Fee, the Operating Advisor will be entitled to reimbursement of Operating Advisor Expenses in accordance with the terms of the Trust and Servicing Agreement. "Operating Advisor Expenses" for each Distribution Date will equal any unreimbursed indemnification amounts or Trust Fund Expenses payable to the Operating Advisor pursuant to the Trust and Servicing Agreement (other than the Operating Advisor Fee and the Operating Advisor Consulting Fee).

In the event the Operating Advisor resigns or is terminated for any reason it will remain entitled to any accrued and unpaid fees and reimbursement of Operating Advisor Expenses and any rights to indemnification provided under the Trust and Servicing Agreement with respect to the period for which it acted as Operating Advisor.

The Operating Advisor will be entitled to reimbursement of certain expenses incurred by the Operating Advisor in the event that the Operating Advisor is terminated without cause. See "*—Termination of the Operating Advisor Without Cause*" above.

Insurance

The Trust and Servicing Agreement will require the Servicer, consistent with Accepted Servicing Practices and the Mortgage Loan Documents, to use efforts consistent with Accepted Servicing Practices to cause the Borrower to maintain insurance with respect to the Mortgaged Property of the types and in the amounts required under the Mortgage Loan Documents as described under “*Description of the Mortgage Loan—Hazard, Liability and Other Insurance*” in this Offering Circular. The Servicer will be required under the Trust and Servicing Agreement to monitor the Borrower’s compliance with such insurance requirements.

The Trust and Servicing Agreement will provide that the Servicer will be required to maintain the foregoing insurance with respect to the Mortgaged Property (other than a Foreclosed Property) if the Borrower fails to maintain such insurance in accordance with the Mortgage Loan Documents, to the extent such insurance is available at commercially reasonable rates and to the extent the Trustee, as mortgagee, has an insurable interest. The cost of any insurance maintained by the Servicer will be advanced by the Servicer as a Property Protection Advance unless it would be a Nonrecoverable Advance. Neither the Servicer nor the Special Servicer will be required to maintain, and will not cause the Borrower to be in default with respect to the failure of the Borrower to obtain, all-risk casualty insurance which does not contain any carve-out for terrorist or similar acts, if and only if the Special Servicer has (and, prior to the occurrence and continuance of a Control Event, with the consent of the Directing Certificateholder) determined, on an annual basis, that such failure is an Acceptable Insurance Default. Neither the Servicer nor the Special Servicer will be required to obtain terrorism insurance pursuant to the Trust and Servicing Agreement to the extent the Borrower would not be obligated to maintain terrorism insurance under the Mortgage Loan Documents as in effect on such date.

The Special Servicer, consistent with Accepted Servicing Practices and the Mortgage Loan Documents, will be required to cause to be maintained such insurance (including environmental insurance), with respect to a Foreclosed Property as the Borrower is required to maintain with respect to the Mortgaged Property under the Mortgage Loan Documents and the Trust and Servicing Agreement or, at the Special Servicer’s election, coverage satisfying insurance requirements consistent with Accepted Servicing Practices. The cost of any such insurance with respect to a Foreclosed Property will be payable out of amounts on deposit in the related Foreclosed Property Account or will be advanced by the Servicer as a Property Protection Advance unless such advance would be a Nonrecoverable Advance. Any such insurance (other than terrorism insurance) that is required to be maintained with respect to the Foreclosed Property will only be so required to the extent such insurance is available at commercially reasonable rates and the Trust has an insurable interest in the Foreclosed Property. If the Special Servicer requests the Servicer to make a Property Protection Advance in respect of the premiums due in respect of such insurance, the Servicer will be required to, as soon as practicable after receipt of such request, make such Property Protection Advance unless such Advance would be a Nonrecoverable Advance, and if the Servicer does not make such Advance, the Trustee (within five Business Days of its receipt of notice of the Servicer’s failure to make such Advance) will be required to make an Advance of the premiums to maintain such insurance; provided that, in each such case, such obligations will be subject to the provisions of the Trust and Servicing Agreement concerning Nonrecoverable Advances, the Trustee as mortgagee having an insurable interest and the availability of such insurance at commercially reasonable rates. The Trust and Servicing Agreement will provide that the Servicer or Special Servicer, as applicable, may satisfy its obligations to cause insurance policies to be maintained by maintaining a master force placed or blanket insurance policy insuring against losses on the Mortgaged Property or Foreclosed Property, as the case may be. The incremental cost of such insurance allocable to the Mortgaged Property or Foreclosed Property, if not borne by the Borrower, will be paid by the Servicer as a Property Protection Advance unless such Property Protection Advance would be a Nonrecoverable Advance. If such master force placed or blanket insurance policy contains a deductible clause, the Servicer or Special Servicer, as applicable, will be obligated to deposit in the Collection Account out of its own funds all sums that would have been deposited in the Collection Account but for such clause to the extent any such deductible exceeds the deductible limitation that pertained to the Mortgage Loan, or in the absence of any such deductible limitation, the deductible limitation that is consistent with Accepted Servicing Practices.

Any losses incurred with respect to the Mortgage Loan due to uninsured risks or insufficient hazard insurance proceeds could adversely affect distributions to the Certificateholders.

Fidelity Bonds and Errors and Omissions Insurance

Each of the Servicer and the Special Servicer will be required to obtain and maintain, at its own expense, and keep in full force and effect throughout the term of the Trust and Servicing Agreement, a blanket fidelity bond and an errors and omissions insurance policy with an insurance company with a claims-paying ability rating at least equal to one of the following: “A” by S&P, “A-” by Fitch, “A3” by Moody’s, “A(low)” by DBRS or “A:VIII” by A.M. Best (or such other rating as to which a Rating Agency Confirmation has been obtained) covering the Servicer’s or Special Servicer’s, as applicable, officers and employees in connection with its activities under the Trust and Servicing Agreement. The amount of coverage

is required to be in such form and amount as are consistent with Accepted Servicing Practices. In the event that any such bond or policy ceases to be in effect, the Servicer or Special Servicer, as applicable, will be required to obtain a comparable replacement bond or policy.

In lieu of the foregoing, the Servicer and the Special Servicer may self-insure with respect to such risks so long as the long-term debt obligations or deposits of the Servicer or the Special Servicer, as applicable (or its immediate or remote parent), are rated at least "A-" by S&P.

Resignation of Servicer, Trustee, Certificate Administrator or Operating Advisor Upon Prohibited Risk Retention Affiliation

Upon the occurrence of (i) a servicing officer of the Servicer or a responsible officer of the Certificate Administrator or the Trustee, as applicable, obtaining actual knowledge that the Servicer, the Certificate Administrator or the Trustee, as applicable, is or has become a Risk Retention Affiliate of the Third Party Purchaser (an "Impermissible TPP Affiliate"), (ii) the Servicer, Certificate Administrator or the Trustee receiving written notice by any other party to the Trust and Servicing Agreement, the Third Party Purchaser, a Mortgage Loan Seller or an Initial Purchaser that the Servicer, Certificate Administrator or the Trustee, as applicable, is or has become an Impermissible TPP Affiliate, or (iii) the Operating Advisor obtaining actual knowledge that it is or has become a Risk Retention Affiliate of the Third Party Purchaser or any other party to the Trust and Servicing Agreement (such Operating Advisor, an "Impermissible Operating Advisor Affiliate"; and either of an Impermissible TPP Affiliate and an Impermissible Operating Advisor Affiliate being an "Impermissible Risk Retention Affiliate"), then in each such case the Impermissible Risk Retention Affiliate is required to promptly notify the Retaining Sponsor and the other parties to the Trust and Servicing Agreement and resign in accordance with the terms of the Trust and Servicing Agreement. The resigning Impermissible Risk Retention Affiliate will be required to bear all reasonable out-of-pocket costs and expenses of each other party to the Trust and Servicing Agreement, the Trust and the Rating Agency in connection with such resignation as and to the extent required under the Trust and Servicing Agreement; provided, however, if the affiliation causing an Impermissible Risk Retention Affiliate is the result of Third Party Purchaser acquiring an interest in such Impermissible Risk Retention Affiliate or an affiliate of such Impermissible Risk Retention Affiliate, then such costs and expenses will be an expense of the Trust.

Modification of the Mortgage Loan Documents

The Trust and Servicing Agreement will permit the Servicer, if no Special Servicing Loan Event has occurred or is continuing (subject to the consent of the Special Servicer in the case of a Major Decision), or the Special Servicer, if a Special Servicing Loan Event occurs and is continuing (subject to (x) the Special Servicer obtaining the consent of the Directing Certificateholder prior to the occurrence and continuance of a Control Event, (y) the consultation and review rights of the Directing Certificateholder after the occurrence and during the continuance of a Control Event but prior to the occurrence of a Consultation Termination Event, and (z) the consultation and review rights of the Operating Advisor after the occurrence and during the continuance of an Operating Advisor Consultation Event) to modify, waive or amend any term of the Mortgage Loan if such modification, waiver or amendment (a) is consistent with the Accepted Servicing Practices and (b) does not (i) cause the Trust REMIC to fail to qualify as a REMIC under the Code or (ii) subject such Trust REMIC to any tax under the REMIC Provisions of the Code (and the Servicer or Special Servicer, as applicable, may obtain and be entitled to rely on an opinion of counsel in connection with such determination). In no event may the Servicer or the Special Servicer permit an extension of the Maturity Date beyond the date that is five years prior to the Rated Final Distribution Date.

The Servicer or the Special Servicer, as applicable, is required to notify the Servicer (if the notice is given by the Special Servicer), the Special Servicer (if the notice is given by the Servicer), the Trustee, the Certificate Administrator and the Depositor and the Directing Certificateholder (so long as no Consultation Termination Event has occurred), and (in the case of the Special Servicer) the Operating Advisor (after the occurrence and during the continuance of an Operating Advisor Consultation Event) in writing, of any modification, waiver or amendment of any term of the Mortgage Loan and the date of the modification and deliver to the custodian (with a copy to the Trustee and the Servicer (if the notice is given by the Special Servicer)) an original recorded (if applicable) counterpart of the agreement relating to such modification, waiver or amendment within 10 Business Days following the execution and recordation (if applicable) of such modification, waiver or amendment. In the event the Servicer or Special Servicer or a court of competent jurisdiction in connection with a workout or proposed workout of the Mortgage Loan, modifies the interest rate applicable to the Mortgage Loan, the aggregate adverse economic effect of the modification (if any) will be applied to the Certificates, in reverse order or seniority. If the Mortgage Loan is modified, the Component Rate on each Component will not change for purposes of distributions on the Certificates. Neither the Servicer nor the Special Servicer can modify the Component Rates unless the Mortgage Loan is in default or default is reasonably foreseeable.

Flow of Funds; Accounts

Collection Account

Within two Business Days receipt of properly identified and available funds by the Servicer of any amounts allocable in respect of principal and interest and certain other amounts owed on the Mortgage Loan, the Servicer will be required to remit such amounts to the Collection Account. The Servicer will apply amounts on deposit in the Collection Account with respect to the Mortgage Loan on each Remittance Date as described in *“Description of the Certificates—Payment on the Certificates”* in this Offering Circular. The Collection Account may be maintained with the Servicer, or with a depository institution that is an affiliate of any of the foregoing or the Depositor, on behalf of the Trustee for the benefit of the Certificateholders; *provided* that any such entity must be an eligible institution meeting the requirements of the Trust and Servicing Agreement. The Servicer will be entitled to the income from the investment of funds maintained in the Collection Account and, subject to certain limitations, will be responsible for losses on such investments.

Distribution Account

The Certificate Administrator will remit funds on deposit in the Distribution Account with respect to the Mortgage Loan on the Distribution Date to holders of record of the Certificates as described in *“Description of the Certificates—Payment on the Certificates”* in this Offering Circular.

Foreclosed Property Account

In the event that title to the Mortgaged Property or other Collateral securing the Mortgage Loan (each, a *“Foreclosed Property”*) has been acquired on behalf of or in the name of the Trustee on behalf of the Trust through foreclosure or otherwise, the Special Servicer will establish an account related to such Foreclosed Property held in the name of the Special Servicer on behalf of the Trustee for the benefit of the Certificateholders or in the name of the limited liability company wholly owned by the Trust and which is managed by the Special Servicer, formed to hold title to the Foreclosed Property, and deposit in such account all properly identified funds collected and received in connection with the operation or ownership of the Foreclosed Property (such account, a *“Foreclosed Property Account”*). On or before the last day of each Collection Period, the Special Servicer will withdraw the funds in any Foreclosed Property Account, net of certain expenses and/or reserves (the amount of such reserves determined in the Special Servicer’s reasonable discretion), and deposit them into the Collection Account.

The Collection Account, the Distribution Account and any Foreclosed Property Account must each be an account maintained with an eligible institution meeting the requirements of the Trust and Servicing Agreement. The Servicer (and, with respect to the Foreclosed Property Account, the Special Servicer) may direct any depository institution maintaining the Collection Account and any Foreclosed Property Account to invest the funds in the Collection Account and any Foreclosed Property Account in certain United States government securities and other high-quality investments specified in the Trust and Servicing Agreement. Interest or other income earned (net of any losses) on funds in the Collection Account, the Reserve Accounts (to the extent not payable to the Borrower) and any Foreclosed Property Account will be paid as additional compensation to the Servicer or the Special Servicer, as applicable. Any net losses on funds in the Collection Account, the Reserve Accounts and any Foreclosed Property Account will be required to be reimbursed by the Servicer and the Special Servicer, respectively, to the extent provided in the Trust and Servicing Agreement. Notwithstanding the above, neither the Servicer nor the Special Servicer will be required to deposit any loss on an investment of funds in the Collection Account, the Distribution Account and/or any Foreclosed Property Account if (i) such loss was incurred solely as a result of the insolvency of the federal or state chartered depository institution or trust company that holds such account so long as such depository institution or trust company met the requirements for an eligible institution under the Trust and Servicing Agreement at the time such investment was made, (ii) such loss was incurred within 30 days of the date of such insolvency, (iii) such loss is not the result of fraud, negligence or the willful misconduct of the Servicer or the Special Servicer, as applicable, and (iv) such institution was not an affiliate of the Servicer, the Special Servicer, the Certificate Administrator, the Trustee or the Operating Advisor, as applicable. Amounts held in the Distribution Account will be uninvested.

Realization Upon the Mortgage Loan

Within 60 days after the occurrence of a Special Servicing Loan Event, the Special Servicer will be required to order an appraisal (which will not be required to be received within that 60-day period). The Servicer is required to promptly notify in writing the Special Servicer, the Trustee, the Operating Advisor, the Certificate Administrator and, so long as no Consultation Termination Event is continuing, the Directing Certificateholder of the occurrence of such Special Servicing

Loan Event. Upon delivery by the Servicer of the notice described in the preceding sentence and subject to the rights of the Directing Certificateholder, the Trust and Servicing Agreement will provide that the Special Servicer may offer to sell to any person the Mortgage Loan or may offer to purchase the Mortgage Loan, if and when the Special Servicer determines, consistent with Accepted Servicing Practices, that no satisfactory arrangements can be made for collection of delinquent payments on the Mortgage Loan and such sale would be in the best economic interests of the Trust on a net present value basis. The Special Servicer is required to give the Trustee, the Certificate Administrator, the Operating Advisor and the Directing Certificateholder (prior to the occurrence of a Consultation Termination Event) not less than five Business Days' prior written notice of its intention to sell the Mortgage Loan, in which case the Special Servicer will be required to accept the highest offer received from any person, other than any Interested Person, for the Mortgage Loan so long as such offer is at least equal to the Mortgage Loan Purchase Price. At the Special Servicer's option, if it has received no offer at least equal to the Mortgage Loan Purchase Price for the Mortgage Loan, an Interested Person (other than any Property Manager or Borrower Affiliate) may purchase the Mortgage Loan at the Mortgage Loan Purchase Price.

"Mortgage Loan Purchase Price" means an amount (without duplication) equal to the sum of (i) the unpaid principal balance of the Mortgage Loan, (ii) accrued and unpaid interest on each Component of the Mortgage Loan at the applicable Component Rate through and including the last day of the related Mortgage Loan Interest Accrual Period in which the repurchase is to occur, (iii) unreimbursed Property Protection Advances and Administrative Advances and fees and amounts owed to the Servicer, the Special Servicer, the Certificate Administrator, the Trustee and the Operating Advisor, together with interest on Advances, (iv) an amount equal to all interest on outstanding Monthly Payment Advances and (v) any unpaid Trust Fund Expenses and any amounts owed to the parties to the Trust and Servicing Agreement.

In the absence of any such offer and purchase of the Mortgage Loan in an amount at least equal to the Mortgage Loan Purchase Price or above, the Special Servicer will be required to accept the highest offer received from any person that is determined by the Special Servicer to be a fair price for the Mortgage Loan. In determining whether any offer from a person other than an Interested Person constitutes a fair price for any defaulted Mortgage Loan, the Special Servicer is required to take into account (in addition to the results of any appraisal, updated appraisal or narrative appraisal that it may have obtained pursuant to the Trust and Servicing Agreement within the prior nine months), among other factors, the period and amount of the occupancy level and physical condition of the Mortgaged Property and the state of the local economy. However, if the highest offeror is the Depositor, the Servicer, the Special Servicer, the Certificate Administrator, the Directing Certificateholder (or any of its affiliates), the Operating Advisor, any Property Manager, any Borrower Affiliate, any independent contractor engaged by the Special Servicer or any known Affiliate of any of them (any such person, an **"Interested Person"**), then the Trustee (based upon, among other things, the appraisals ordered by the Special Servicer after a Special Servicing Loan Event as described above (the cost of which will be an Advance by the Servicer, or if determined a Nonrecoverable Advance, a Trust Fund Expense) and copied or otherwise delivered to the Trustee and any other information reasonably requested by the Trustee), will be required to determine if the highest offer is a fair price; *provided* that no offer from an Interested Person will constitute a fair price unless (A) it is the highest offer received and (B) if the offer is less than the applicable Mortgage Loan Purchase Price, at least two other offers are received from independent third parties. Any such determination by the Trustee will be binding on all parties. All reasonable costs and fees of the Trustee and any third party hired by the Trustee in accordance with the Trust and Servicing Agreement in making such determination will be reimbursable to it by the Servicer as an Advance or if determined a Nonrecoverable Advance, as a Trust Fund Expense. If the Trustee designates any such third party to make such determination, the Trustee will be entitled to rely conclusively upon such third party's determination. The Directing Certificateholder may submit bids on the defaulted Mortgage Loan in the same manner and at the same time and place as any other bidder. Neither the Trustee, in its individual capacity, nor any of its affiliates will be permitted to make an offer for or purchase the Mortgage Loan.

Notwithstanding anything contained in the preceding paragraph to the contrary, if an Interested Person offers to purchase the Mortgage Loan and the Trustee is required to determine whether a cash offer by an Interested Person constitutes a fair price, the Trustee may (at its option and at the expense of the Interested Person or as a Trust Fund Expense, as described below) designate an independent third party expert in real estate or commercial mortgage loan matters with at least five years' experience in valuation of or investment in loans similar to the Mortgage Loan, that has been selected with reasonable care by the Trustee for the sole purpose of determining whether any such cash offer constitutes a fair price for the Mortgage Loan. If the Trustee designates any such third party to make such determination, the Trustee will be entitled to rely conclusively upon such third party's determination. The reasonable fees of, and the reasonable costs of all such appraisals, property condition assessments and broker opinions of value incurred by, the Trustee or any such third party pursuant to this paragraph will be covered by, and will be reimbursable by, the Interested Person, and if such fees or costs are not reimbursed by such Interested Person, such expense will be reimbursable to it first, by the Servicer as an Advance, subject to the Servicer's determination that such amounts are not Nonrecoverable Advances, and then, if not paid by the Servicer as an Advance, paid as a Trust Fund Expense; *provided* that the Trustee will not engage a third party expert whose fees exceed a commercially reasonable amount as determined by the Trustee.

The Trust and Servicing Agreement will not obligate the Special Servicer to accept a higher offer if the Special Servicer determines, in accordance with Accepted Servicing Practices, that rejection of such offer would be in the best interests of the Certificateholders. In addition, the Special Servicer may accept a lower cash offer if it determines, in accordance with Accepted Servicing Practices, that acceptance of such offer would be in the best interests of the Certificateholders (for example, if the prospective buyer making the lower offer is more likely to perform its obligations, or the terms offered by the prospective buyer making the lower offer are more favorable in other respects), *provided* that the offeror is not the Special Servicer or a person affiliated with the Special Servicer. The Special Servicer is required to use reasonable efforts to sell the Mortgage Loan prior to the Rated Final Distribution Date.

Prior to the occurrence and continuance of a Control Event, any sale of the Mortgage Loan will be subject to the consent rights of the Directing Certificateholder and after the occurrence and continuance of a Control Event but prior to the occurrence of a Consultation Termination Event, any sale of the Mortgage Loan will be subject to the consultation rights of the Directing Certificateholder as described above under “*The Directing Certificateholder*”. In addition, if an Operating Advisor Consultation Event has occurred, any sale of the Mortgage Loan will be subject to the consultation rights of the Operating Advisor as described above under “*The Directing Certificateholder*”.

The Special Servicer may not purchase or sell the Mortgage Loan if the Mortgage Loan is no longer delinquent because (i) the Special Servicing Loan Event has ceased in accordance with “*Servicing of the Mortgage Loan—Servicing Fee and Special Servicing Fee*” above, (ii) the defaulted Mortgage Loan has been subject to a work-out arrangement or (iii) the Mortgage Loan has otherwise been resolved (including by a full or discounted pay-off).

Following the occurrence of a Special Servicing Loan Event, the Special Servicer on behalf of the Trustee (with notification to and consent of the Directing Certificateholder prior to the occurrence and continuance of a Control Event and upon consultation with the Directing Certificateholder after the occurrence and during the continuance of a Control Event but so long as no Consultation Termination Event has occurred) and upon consultation with the Operating Advisor (after the occurrence and during the continuance of the Operating Advisor Consultation Event), for the benefit of the Certificateholders, subject to the terms of the Mortgage Loan Documents, must promptly pursue the remedies set forth in such Mortgage Loan Documents or otherwise available, each in accordance with Accepted Servicing Practices, including foreclosure or other realization on the Mortgaged Property and the other collateral for the Mortgage Loan. In connection with any foreclosure, enforcement of the applicable Mortgage Loan Documents or other realization on the Collateral, the Special Servicer will direct the Servicer to, and the Servicer will, pay the costs and expenses in any such proceedings as a Property Protection Advance unless the Servicer determines, in accordance with the Accepted Servicing Practices, that such Advance would constitute a Nonrecoverable Advance.

Notwithstanding the foregoing, the Special Servicer may not foreclose on the Mortgaged Property on behalf of the Trust, or take any other action with respect to such Mortgaged Property that would cause the Trustee, on behalf of the Trust, to be considered to hold title to, to be a “mortgagee-in-possession” of, or to be an “owner” or “operator” of, the Mortgaged Property within the meaning of CERCLA or any comparable law, unless, subject to the rights of the Directing Certificateholder to consent or consult in respect of such action (and upon consultation with the Operating Advisor after the occurrence and during the continuance of the Operating Advisor Consultation Event), as applicable, the Special Servicer has previously determined, based on a report prepared as a Trust Fund Expenses by an independent person who regularly conducts site assessments for purchasers of comparable properties (a copy of such report to be provided to the Certificate Administrator and the Trustee by the Special Servicer), that (i) such Mortgaged Property is in compliance with applicable environmental laws or that taking the remedial actions necessary to comply with such laws is reasonably likely to produce a greater recovery on a net present value basis than not taking such actions and (ii) there are no circumstances known to the Special Servicer relating to the use of hazardous substances or petroleum-based materials that require investigation or remediation, or that if such circumstances exist taking such remedial actions is reasonably likely to produce a greater recovery on a net present value basis than not taking such actions.

If the Special Servicer has so determined based on satisfaction of the criteria above that it would be in the best economic interest of the Trust (as determined in accordance with the Accepted Servicing Practices) to institute a foreclosure or take any other actions described in the preceding paragraph, subject to the rights of the Directing Certificateholder to consent to and/or consult in respect of such action, and the rights of the Operating Advisor to consult in respect of such action, as applicable, pursuant to the terms of the Trust and Servicing Agreement, the Special Servicer will be required to take such proposed action. The Special Servicer will not be permitted to foreclose upon or otherwise cause the Trust to acquire ownership of any Collateral other than the Mortgaged Property unless it receives an opinion of counsel (the cost of which will be paid by the Servicer as a Property Protection Advance unless the Servicer determines that such Property Protection Advance would constitute a Nonrecoverable Advance) that such acquisition will not cause the Trust REMIC to fail to qualify as a REMIC and will not subject the Trust REMIC to tax (other than an REO Tax, as defined below).

Notwithstanding any acquisition of title to the Mortgaged Property or other Collateral following a Mortgage Loan Event of Default and cancellation of the Mortgage Loan, the Mortgage Loan will be deemed to remain outstanding and held in the Trust for purposes of the application of collections and will be reduced only by collections net of expenses.

If the Special Servicer or an affiliate acquires the Foreclosed Property in the name of and on behalf of the Trust, the Special Servicer will be empowered, subject to the Code and to the specific requirements and prohibitions of the Trust and Servicing Agreement, to do any and all things in connection with the management and operation of such Foreclosed Property in accordance with Accepted Servicing Practices, all on terms and for such period as the Special Servicer deems to be in the best interest of the Certificateholders and consistent with the REMIC Provisions.

Subject to the consent and consultation rights of the Directing Certificateholder, as applicable, as described above under “*The Directing Certificateholder*” and the consultation rights of the Operating Advisor as described above under “*The Operating Advisor*”, the Special Servicer is required to accept the highest cash offer for Foreclosed Property received from any person. In no event may such offer be less than an amount at least equal to the sum of (i) the portion of the outstanding principal balance of the Mortgage Loan with respect to such Foreclosed Property, (ii) unreimbursed Property Protection Advances and Administrative Advances and all accrued and unpaid interest on Advances, (iii) fees and amounts owed to the Servicer, the Special Servicer, the Certificate Administrator and the Trustee with respect to such Foreclosed Property, and (iv) all unpaid interest, if any, accrued with respect to the outstanding principal balance of the Mortgage Loan with respect to such Foreclosed Property through the date of sale and all reasonably estimated liquidation expenses. In the absence of any such offer, the Special Servicer must accept the highest cash offer that it determines is a fair price based on appraisals obtained within the last nine months. If the highest offeror is an Interested Person or any Certificateholder, the Trustee will be required to determine the fairness of the highest offer based upon an independent appraisal at the expense of the Trust. These requirements of the Trust and Servicing Agreement may result in lower sales proceeds than would otherwise be the case. Notwithstanding the foregoing, subject to the consent rights of the Directing Certificateholder prior to the occurrence and continuance of a Control Event and the consultation rights of the Operating Advisor, the Special Servicer will not be obligated to accept the higher cash offer if the Special Servicer determines, in accordance with the Accepted Servicing Practices, that rejection of such offer would be in the best interests of the Certificateholders, and the Special Servicer may accept a lower cash offer (from any person other than itself or an affiliate) if it determines, in accordance with the Accepted Servicing Practices, that acceptance of such offer would be in the best interests of the Certificateholders. For avoidance of doubt, the Directing Certificateholder may submit bids on the Foreclosed Property in the same manner and at the same time and place as any other bidder. Neither the Trustee, in its individual capacity, nor any of its affiliates will be permitted to make an offer for or purchase the Foreclosed Property.

Notwithstanding anything contained in the preceding paragraph to the contrary, if the Trustee is required to determine whether a cash offer by an Interested Person constitutes a fair price, the Trustee may (at its option and as a Trust Fund Expense) designate an independent third party expert in real estate or commercial mortgage loan matters with at least five years’ experience in valuing or investing in loans similar to the Foreclosed Property, that has been selected with reasonable care by the Trustee to determine if such cash offer constitutes a fair price for the Foreclosed Property. If the Trustee designates such a third party to make such determination, the Trustee will be entitled to rely conclusively upon such third party’s determination. The reasonable costs of all such appraisals, inspection reports and broker opinions of value incurred by the Trustee or any such third party pursuant to this paragraph will be covered by, and will be reimbursable from, the Trust.

If title to the Foreclosed Property is acquired by the Trustee or the Special Servicer on behalf of the Certificateholders, the Special Servicer will be required to sell the Foreclosed Property prior to the close of the third calendar year following the year of acquisition of such Foreclosed Property by the Trust, unless (i) the IRS grants (or does not deny) an extension of time to sell such Property or (ii) the Special Servicer or the Trustee obtains an opinion of counsel (at the expense of the Trust) generally to the effect that the holding of the Foreclosed Property beyond the close of the third calendar year after its acquisition will not result in the imposition of a tax on the Trust or cause the Trust REMIC to fail to qualify as a REMIC under the Code. Subject to the foregoing, the Special Servicer will generally be required to solicit offers for the Foreclosed Property so acquired in such a manner as will be reasonably likely to realize a fair price for such Property. The Special Servicer may retain (and under the REMIC Provisions may be required to retain) an independent contractor to operate and manage the Foreclosed Property; however, the retention of an independent contractor will not relieve the Special Servicer of its obligations with respect to such Foreclosed Property. The independent contractor generally will be permitted to perform construction (including renovation) on a Foreclosed Property only if the construction was more than 10% completed at the time default on the Mortgage Loan became imminent.

In general, the Special Servicer, through an independent contractor employed by the Special Servicer at the expense of the Trust, will be obligated to operate and manage the Foreclosed Property in a manner that would, to the extent commercially feasible, maximize the Trust’s net after-tax proceeds from such Foreclosed Property. Generally, the Trust

REMIC will not be taxable on income received with respect to Property acquired by the Trust to the extent that it constitutes “rents from real property,” within the meaning of Section 856(c)(3)(A) of the Code and Treasury regulations under the Code. Rents from real property include fixed rents and rents based on the receipts or sales of a tenant but do not include the portion of any rental based on the net income or profit of any tenant or sub-tenant. No determination has been made whether rent, if any, on the Mortgaged Property meets this requirement. Rents from real property include charges for services customarily furnished or rendered in connection with the rental of real property, whether or not the charges are separately stated. Services furnished to the tenants of a particular building will be considered as customary if, in the geographic market in which the building is located, tenants in buildings that are of similar class are customarily provided with the service. No determination has been made whether the services furnished to the tenants of the Mortgaged Property are “customary” within the meaning of applicable regulations. It is therefore possible that a portion of the rental income with respect to a Foreclosed Property owned by the Trust would not constitute rents from real property, or that none of such income would qualify if a separate charge is not stated for such non-customary services or they are not performed by an independent contractor. Rents from real property also do not include income from the operation of a trade or business on the Mortgaged Property, such as a hotel, or rental income attributable to personal property leased in connection with a lease of real property, if the rent attributable to the personal property exceeds 15% of the total rent for the taxable year. Any of the foregoing types of income will instead constitute “net income from foreclosure property” within the meaning of the REMIC Regulations, which would be taxable to the Trust REMIC (such tax referred to in this Offering Circular as the “REO Tax”) at the federal corporate rate (which, as of January 1, 2018, is 21%) and may also be subject to state or local taxes. After the Special Servicer reviews the operation of such Foreclosed Property and considers the Trust’s federal income tax reporting position with respect to the income it is anticipated that the Trust would derive from such Foreclosed Property, the Special Servicer could determine that it would not be commercially feasible to manage and operate such Foreclosed Property in a manner that would avoid the imposition of any REO Tax. The determination as to whether income from a Foreclosed Property would be subject to an REO Tax will depend on the specific facts and circumstances relating to the management and operation of Foreclosed Property. In addition, income from the Foreclosed Property may be subject to state or local income taxes or withholding taxes. Any REO Tax or other tax imposed on the Trust’s income from a Foreclosed Property would reduce the amount available for distribution to Certificateholders. Certificateholders are advised to consult their tax advisors regarding the possible imposition of REO Taxes in connection with the operation of commercial and residential real estate owned properties by REMICs. See “*Certain Federal Income Tax Considerations*” in this Offering Circular.

Excess Liquidation Proceeds Option

In connection with the acquisition of Foreclosed Property, if the value of the Foreclosed Property on the date of the completion of the transfer of the last remaining portion of the Mortgaged Property by foreclosure is less than the estimated Excess Liquidation Purchase Price as of that date, then the holders or beneficial owners of Certificates representing more than 50% of the Certificate Balance (without regard to Appraisal Reductions or Realized Losses) of the Class HRR Certificates will be able to exercise their option (the “Excess Liquidation Proceeds Option”) in connection with a “qualified liquidation” (as defined in the REMIC Provisions) of the Trust REMIC to acquire all of the interests in the Foreclosed Property (or, if the Special Servicer has transferred the entire Foreclosed Property to a single member limited liability company holding only the Foreclosed Property (the “REO LLC”), all of the interests in the REO LLC) for the Excess Liquidation Purchase Price. The Excess Liquidation Proceeds Option will be assignable only to an affiliate of such holder.

The Excess Liquidation Proceeds Option may only be cash-settled on the closing of a sale of all of the Foreclosed Property to a third-party purchaser if the net sales proceeds will exceed the Excess Liquidation Purchase Price as of the closing of such sale by at least 5%. Upon the closing of a qualifying sale, the Special Servicer will be required to deliver, or cause the REO LLC to deliver, to the holder of the Excess Liquidation Proceeds Option a cash settlement amount equal to the excess of the net sales proceeds of the Foreclosed Property over the Excess Liquidation Purchase Price.

The “Excess Liquidation Purchase Price” is, with respect to a Mortgage Loan, without duplication, the sum of (i) the unpaid principal balance of such Mortgage Loan, (ii) accrued and unpaid interest on the Mortgage Loan at the applicable weighted average interest rate of the Components (exclusive of the Default Rate) to and including the last day of the related Mortgage Loan Interest Accrual Period in which the purchase is to occur, (iii) unreimbursed Property Protection Advances and Administrative Advances together with interest on such Advances, (iv) any interest accrued on any Monthly Advances, (v) any unpaid Trust Fund Expenses, (vi) without duplication, any unpaid expenses incurred by the Servicer, the Special Servicer, the Operating Advisor, the Certificate Administrator, the Custodian or the Trustee that would, if paid through the Trust, have been considered Trust Fund Expenses, and (vii) any other expenses reasonably incurred or expected to be incurred by the Servicer, the Special Servicer, the Operating Advisor, the Certificate Administrator, the Custodian and/or the Trustee arising out of the sale of the Foreclosed Property, including Liquidation Fees, or the exercise or implementation of the Excess Liquidation Proceeds Option.

Rating Agency Confirmations

The Trust and Servicing Agreement will provide that, notwithstanding the terms of the Mortgage Loan Documents or other provisions of the Trust and Servicing Agreement, if any action under the Mortgage Loan Documents or the Trust and Servicing Agreement requires a Rating Agency Confirmation or a written confirmation from any Rating Agency that a particular action will not cause a downgrade, withdrawal or qualification of the then-current ratings of the Certificates as a condition precedent to such action, if the party (the “Requesting Party”) seeking to obtain such Rating Agency Confirmation or written confirmation has made a request to the Rating Agency for such Rating Agency Confirmation or written confirmation and, within 10 Business Days of such request being sent to any Rating Agency, such Rating Agency has not replied to such request or has responded in a manner that indicates that such Rating Agency is either declining to review such request or waiving the requirement for Rating Agency Confirmation or written confirmation, then such Requesting Party will be required to (i) confirm that such Rating Agency has received the Rating Agency Confirmation or written confirmation request, and, if it has, promptly request such Rating Agency Confirmation or written confirmation again, (ii) if there is no response to either such Rating Agency Confirmation or written confirmation request within five Business Days of such second request, then (a) with respect to any condition in any Mortgage Loan Document requiring such Rating Agency Confirmation or such written confirmation or any other matter under the Trust and Servicing Agreement relating to the servicing of the Mortgage Loan (other than as set forth in clause (b) below), such condition will be deemed to be satisfied (*provided* that granting such request is in accordance with Accepted Servicing Practices), and (b) with respect to a replacement of the Servicer or Special Servicer, such condition will be deemed to be satisfied if the replacement Servicer or Special Servicer is on S&P’s Select Servicer List as a U.S. Commercial Mortgage Master Servicer or U.S. Commercial Mortgage Special Servicer, as applicable.

With respect to any action that requires a Rating Agency Confirmation, unless such Rating Agency Confirmation is actually obtained we cannot assure you that the Rating Agency will not downgrade, qualify or withdraw its ratings as a result of any such action taken by the Servicer or the Special Servicer in accordance with the procedures discussed above. See “*Risk Factors—Credit Ratings of the Certificates Are Not Assurance of Performance and May Change Over Time*” in this Offering Circular.

Promptly following the Servicer’s or Special Servicer’s determination to take any action discussed above following any requirement to obtain Rating Agency Confirmation being considered satisfied, the Servicer or Special Servicer, as applicable, will be required to provide written notice to the 17g-5 Information Provider, who will be required to promptly post such notice to the 17g-5 Information Provider’s Internet website pursuant to the Trust and Servicing Agreement.

As used above, “Rating Agency Confirmation” means, with respect to any matter, confirmation in writing (which may be in electronic format) by the Rating Agency that a proposed action, failure to act or other event specified in this Offering Circular or in the Trust and Servicing Agreement will not in and of itself result in the downgrade, withdrawal or qualification of the then-current rating assigned to any Class of Certificates (if then rated by the Rating Agency) immediately prior to the occurrence of the action, failure to act or other event with respect to which Rating Agency Confirmation is sought; *provided* that a written waiver (which may be in electronic format) or other acknowledgment from the Rating Agency indicating its decision not to review or decline to review the matter for which the Rating Agency Confirmation is sought will be deemed to satisfy the requirement for the Rating Agency Confirmation from the Rating Agency with respect to such matter. At any time during which no Certificates are rated by the Rating Agency, no Rating Agency Confirmation will be required from the Rating Agency.

Any Rating Agency Confirmation requests made by the Servicer, the Special Servicer, the Certificate Administrator, the Trustee or the Operating Advisor, as applicable, pursuant to the Trust and Servicing Agreement, will be required to be made in writing (and email will be sufficient as a writing), which writing will contain a cover page indicating the nature of the Rating Agency Confirmation request, and will contain all back-up material the Servicer, Special Servicer, Certificate Administrator, Trustee or the Operating Advisor, as applicable, deem necessary for the Rating Agency to process such request. Such written Rating Agency Confirmation request will be provided in electronic format to the 17g-5 Information Provider, and the 17g-5 Information Provider will be required to post such request on the 17g-5 Information Provider’s Internet website in accordance with the Trust and Servicing Agreement.

The Servicer, the Special Servicer, the Certificate Administrator, the Trustee and the Operating Advisor will be permitted (but not required to) to orally communicate with the Rating Agency *provided* that such party summarizes the information provided to the Rating Agency in such communication in writing and provides the 17g-5 Information Provider with such written summary the same day such communication takes place. The 17g-5 Information Provider will be required to post such written summary on the 17g-5 Information Provider’s Internet website in accordance with the provisions of the Trust and Servicing Agreement. All other information required to be delivered to the Rating Agency pursuant to the Trust and Servicing Agreement or requested by the Rating Agency will first be provided to the 17g-5 Information Provider in

electronic format, who will be required to post such information to the 17g-5 Information Provider's website in accordance with the Trust and Servicing Agreement, and thereafter be delivered by the applicable party to the Rating Agency in accordance with the delivery instructions set forth in the Trust and Servicing Agreement.

The Trust and Servicing Agreement will provide that the Depositor may amend the Trust and Servicing Agreement to change the procedures set forth in the Trust and Servicing Agreement regarding compliance with Rule 17g-5, without the consent of any Certificateholder, Servicer, Special Servicer, Certificate Administrator, Trustee or the Operating Advisor, *provided* that such amendment does not materially increase the responsibilities of any of the Servicer, the Special Servicer, the Certificate Administrator, the 17g-5 Information Provider, the Trustee or the Operating Advisor without such party's consent.

Advances

In the event that all or a portion of any Monthly Payment (or an Assumed Monthly Payment, as applicable) (other than a Balloon Payment and Default Interest) on the Mortgage Loan has not been made by the close of the Business Day immediately prior to the Remittance Date, the Servicer, subject to its determination that such amounts are not Nonrecoverable Advances, will be obligated to make an advance (a "Monthly Payment Advance"), for deposit into the Distribution Account on such Remittance Date, in an amount equal to such Monthly Payment (or an Assumed Monthly Payment, as applicable) (in each case, net of the Servicing Fee with respect to the Mortgage Loan) or portion of such Monthly Payment (or Assumed Monthly Payment, as applicable) on the Mortgage Loan that has not been received by the close of business on the Business Day immediately prior to such Remittance Date; *provided* that neither the Servicer nor any other party will be entitled to interest accrued on the amount of any Monthly Payment Advance if the delinquent amount of the related Monthly Payment (or, if applicable, the Assumed Monthly Payment) is received by the Servicer by 2:00 p.m. New York time, on such Remittance Date. In the event that the amount of interest and/or principal on the Mortgage Loan is reduced as a result of any modification to the Mortgage Loan, any future Monthly Payment Advance made with respect to the modified Mortgage Loan will be such amounts as may be required as a result of such reduction. The Servicer is also obligated to advance in respect of each Mortgage Loan Payment Date following a delinquency in the payment of the Balloon Payment of the Mortgage Loan or foreclosure (or acceptance of a deed-in-lieu of foreclosure or comparable conversion) of the Mortgage Loan, for deposit into the Distribution Account not later than the related Remittance Date, the amount of any Assumed Monthly Payment deemed due on such Mortgage Loan Payment Date. Notwithstanding anything to the contrary of the above and subject to the determination of nonrecoverability provided in the Trust and Servicing Agreement, in the event that the Mortgaged Property becomes a Foreclosed Property, the Servicer will continue to make advances as required by the Trust and Servicing Agreement with respect to each Mortgage Loan Payment Date following such event in an amount equal to the interest portion of the Monthly Payment or Assumed Monthly Payment, as applicable, due or deemed due with respect to the Mortgage Loan on such Mortgage Loan Payment Date, as if the Mortgaged Property had not become a Foreclosed Property and the Mortgage Loan continued to be outstanding. The "Assumed Monthly Payment" with respect to any Distribution Date (including any Distribution Date following a delinquency in the payment of the Balloon Payment or the foreclosure of the Mortgage Loan or acceptance by the Trustee on behalf of the Trust of a deed-in-lieu of foreclosure or comparable conversion of the Mortgage Loan), will be equal to the scheduled monthly payment of interest that would have been due in respect of the Mortgage Loan on its Maturity Date (excluding the principal portion of the Balloon Payment and Default Interest) and each subsequent Mortgage Loan Payment Date (or assumed Mortgage Loan Payment Date) if the Mortgage Loan had been required to continue to accrue interest in accordance with its terms (other than Default Interest) in effect immediately prior to, and without regard to the occurrence of the Maturity Date or after the occurrence of a foreclosure of the Mortgage Loan or acceptance of a deed-in-lieu of foreclosure or comparable conversion of the Mortgage Loan, in respect of the Mortgage Loan on the last Mortgage Loan Payment Date (or assumed Mortgage Loan Payment Date) prior to its foreclosure or acceptance by the Trustee on behalf of the Trust of a deed-in-lieu, in each case as such terms may have been modified, and such Maturity Date may have been extended, in connection with a bankruptcy or similar proceeding involving the Borrower or Borrower Affiliates or otherwise or a modification, waiver or amendment granted or agreed to by the Servicer or the Special Servicer.

To the extent the Servicer fails to make an Advance required under the Trust and Servicing Agreement, the Trustee will be required to make such Advance subject to the terms of the Trust and Servicing Agreement. The obligations of the Servicer and the Trustee to make Advances are mandatory under the Trust and Servicing Agreement, and such obligations will continue to apply after any modification or amendment of the Mortgage Loan, beyond the Maturity Date of the Mortgage Loan if a payment default has occurred on such date and through any court appointed stay period or similar payment delay resulting from any insolvency of the Borrower or Borrower Affiliates or related bankruptcy, subject to the requirement of recoverability, until the earliest of (i) the payment in full of the Mortgage Loan, (ii) the date on which the entirety of the Mortgaged Property becomes liquidated or (iii) the date on which the Mortgage Loan is sold.

The “Balloon Payment” means, with respect to the Mortgage Loan, the payment of the outstanding principal balance of the Mortgage Loan, together with all unpaid interest, due and payable on the Maturity Date.

At any time that an Appraisal Reduction Amount exists, the amount that would otherwise be required to be advanced by the Servicer in respect of delinquent payments of interest on the Mortgage Loan will be reduced by multiplying such amount by a fraction, the numerator of which is the then-outstanding principal balance of the Mortgage Loan minus the Appraisal Reduction Amount (including any deemed Appraisal Reduction Amount) and the denominator of which is the then-outstanding principal balance of the Mortgage Loan.

The Servicer is also required to advance, to the extent it determines such amount is recoverable, all customary and reasonable out-of-pocket costs and expenses incurred by the Servicer or the Special Servicer in the performance of its respective servicing obligations, including, but not limited to, the costs and expenses incurred in connection with (i) the preservation, restoration, operation and protection of the Mortgaged Property that, in the Servicer’s sole discretion exercised in accordance with Accepted Servicing Practices, are necessary to prevent an immediate or material loss to the Trust’s interest in such Property, (ii) the payment of (A) real estate taxes, assessments and governmental charges that may be levied or assessed against the Borrower or any of its affiliates or any applicable Property or revenues therefrom or that become liens on such Property, (B) insurance premiums, (C) amounts necessary to purchase a replacement interest rate cap agreement to the extent that the Borrower fails to purchase and deliver the Interest Rate Cap Agreement or a replacement Interest Rate Cap Agreement and (D) the out-of-pocket costs and expenses of the Servicer or the Special Servicer, as applicable (including, without limitation, reasonable attorneys’ fees and expenses) to the extent not paid by the Borrower that are incurred in connection with a sale of the Mortgage Loan, the negotiation of a workout of the Mortgage Loan, an assumption of the Mortgage Loan or a release of the Mortgaged Property securing the Mortgage Loan from the lien of the Mortgage, (iii) any enforcement or judicial proceedings, including foreclosures and including, but not limited to, court costs, reasonable attorneys’ fees and expenses and costs for third-party experts, including appraisers, environmental and engineering consultants, and (iv) the management, operation and liquidation of the Mortgaged Property if such Mortgaged Property is acquired by the Trust (collectively, “Property Protection Advances”). In addition, the Servicer will be required to make Administrative Advances (together with Monthly Payment Advance and Property Protection Advances, “Advances”). The Special Servicer will have no obligation to make any Advances.

The Servicer or the Trustee, as applicable, will be obligated to make an Advance only to the extent that it determines that the amount so advanced and interest on such Advances will not constitute a Nonrecoverable Advance if made. A “Nonrecoverable Advance” is any portion of an Advance previously made and not previously reimbursed, or proposed to be made, including interest on such Advance, which the Servicer or the Trustee has determined in accordance with Accepted Servicing Practices (in the case of the Servicer) or good faith and reasonable business judgment (in the case of the Trustee), would not be ultimately recoverable from subsequent payments or collections (including liquidation proceeds, condemnation awards and insurance proceeds) in respect of the Mortgage Loan or the Mortgaged Property. The Servicer or the Trustee may consider, among other things, the following when making a non-recoverability determination: (a) the existence of any outstanding Nonrecoverable Advance (plus accrued and unpaid interest on such Nonrecoverable Advance) with respect to the Mortgage Loan or the Foreclosed Property the reimbursement of which, at the time of such consideration, is being deferred or delayed by the Servicer or the Trustee, (b) the obligations of the Borrower under the terms of the Mortgage Loan as it may have been modified, (c) the Mortgaged Property in its “as-is” or then-current conditions and occupancies, as modified by such party’s assumptions (consistent with Accepted Servicing Practices in the case of the Servicer and the Special Servicer or in its commercially reasonable judgment in the case of the Trustee, solely in its capacity as Trustee) regarding the possibility and effects of future adverse changes with respect to the Mortgaged Property, (d) future expenses and (e) the timing of recoveries. The Trustee and the Servicer, in that order, will be entitled to reimbursement for any such Advances from amounts relating to the Mortgage Loan on deposit in the Collection Account as provided in “*Description of the Certificates—Payment on the Certificates*” in this Offering Circular. In addition, any such Advance will accrue interest for each day that such Advance is outstanding at a rate of interest (the “Advance Rate”) equal to the “prime rate” published in the “Money Rates” Section of *The Wall Street Journal*. If *The Wall Street Journal* ceases to publish the “prime rate”, then the Servicer is required to select an equivalent publication that publishes such “prime rate” and if such “prime rate” is no longer generally published or is limited, regulated or administered by a governmental or quasi-governmental body, then the Servicer is required to reasonably select a comparable interest rate index. If the context requires, each reference to the reimbursement or payment of an Advance also includes, whether or not specifically referred to, payment or reimbursement of interest on such Advance at the Advance Rate through but excluding the date of payment or reimbursement. Interest on Advances, if unreimbursed, will compound annually.

The determination by the Servicer or the Trustee, as applicable, that it has made a Nonrecoverable Advance or that any proposed Advance, if made, would constitute a Nonrecoverable Advance, must be evidenced by an officer’s certificate delivered to the Operating Advisor, the Certificate Administrator, the Trustee (if such determination is made by the Servicer), the Servicer and the Special Servicer that sets forth the determination of nonrecoverability and the

considerations forming the basis of such determination. Such officer's certificate will be made available to any Privileged Person by the Certificate Administrator posting such officer's certificate to the Certificate Administrator's Internet website. The Trustee will be entitled to rely conclusively on the Servicer's reasonable determination that an Advance is a Nonrecoverable Advance. If the Special Servicer requests that the Servicer make an Advance, the Servicer may conclusively rely on such request as evidence that such advance is not a Nonrecoverable Advance. The cost of obtaining any appraisals, environmental reports, engineering reports, surveys, and other information required by the Servicer or the Trustee, as applicable, in making such determination will be treated as Trust Fund Expenses, payable from the Collection Account, and will constitute a Property Protection Advance or an Administrative Advance, as applicable, if paid by the Servicer or the Trustee from its own funds. The Servicer or the Trustee, as applicable, will not be responsible for advancing (i) any Balloon Payment with respect to the Mortgage Loan (but are required to advance the Assumed Monthly Payment), (ii) any Default Interest, late payment charges or Spread Maintenance Premiums, (iii) amounts required to cure any damages resulting from uninsured causes, any failure of the Mortgaged Property to comply with any applicable law, including any environmental law, or (except in connection with the foreclosure or other acquisition of the Mortgaged Property upon the occurrence of a Mortgage Loan Event of Default) to investigate, test, monitor, contain, clean up, or remedy an environmental condition present at the Mortgaged Property, (iv) any losses arising with respect to defects in the title to the Mortgaged Property, or (v) any costs of capital improvements to the Mortgaged Property other than those necessary to prevent an immediate or material loss to the Trust Fund's interest in such Mortgaged Property. The obligations of the Servicer and the Trustee to make Advances are intended to provide liquidity but do not represent insurance with respect to the payment obligations of the Borrower under the Mortgage Loan or similar credit enhancement.

Upon the determination that a previously made Advance is a Nonrecoverable Advance, and to the extent funds in the Collection Account allocable to principal and available for distribution on the next Distribution Date are insufficient to fully reimburse the party entitled to reimbursement, then the Servicer or the Trustee, as applicable, may elect, on a monthly basis, each at its own option and in its sole discretion, to defer reimbursement of the portion that exceeds such amount allocable to principal (in which case interest will continue to accrue on the unreimbursed portion of the Advance at the Advance Rate) for such successive one month period as is required to reimburse such excess portion from principal, for a period not to exceed 12 months. If the Servicer or the Trustee, as applicable, determines, in its sole discretion, that it should recover the Nonrecoverable Advances without deferral, then the Servicer or the Trustee, as applicable, will be entitled to immediate reimbursement of Nonrecoverable Advances with interest thereon at the Advance Rate from all amounts in the Collection Account for such Distribution Date. Any such election by any such party to refrain from reimbursing itself or obtaining reimbursement for any Nonrecoverable Advance or portion thereof with respect to any one or more Collection Periods will not limit the accrual of interest at the Advance Rate on such Nonrecoverable Advance for the period prior to the actual reimbursement of such Nonrecoverable Advance. The Servicer's or the Trustee's, as applicable, election to defer reimbursement of such Nonrecoverable Advances as set forth above is an accommodation to the Certificateholders and will not be construed as an obligation on the part of the Servicer or the Trustee, as applicable, or a right of the Certificateholders. The decision to defer reimbursement or to seek immediate reimbursement of Nonrecoverable Advances will be deemed to be (a) in accordance with Accepted Servicing Practices, with respect to the Servicer and (b) in accordance with good faith business judgment, with respect to the Trustee, and in each case, neither the Servicer, the Trustee nor the other parties to the Trust and Servicing Agreement will have any liability to one another or to any of the Certificateholders for any such election that such party makes as described above, or for any losses, damages or other adverse economic or other effects that may arise from such an election.

The portion of any Advance equal to the CREFC[®] Intellectual Property Royalty License Fee for the Mortgage Loan and such Distribution Date will not be remitted to the Certificate Administrator but will be deposited in the Collection Account for payment to CREFC[®].

Servicer and Special Servicer Termination Events

The following constitute Servicer or Special Servicer, as applicable, termination events under the Trust and Servicing Agreement (each, a "Servicer Termination Event" or "Special Servicer Termination Event", as applicable):

(i) any failure by the Servicer or the Special Servicer, as applicable, to remit any payment required to be made or remitted by it (other than Advances described under clause (ii) below) when required to be remitted under the terms of the Trust and Servicing Agreement by 11:00 a.m., New York time, on the Business Day following the date on which such remittance was required to be made;

(ii) any failure of the Servicer (a) to make any Monthly Payment Advance required to be made pursuant to the Trust and Servicing Agreement on or prior to the applicable Remittance Date that is not cured by 11:00 a.m., New York time, on the related Distribution Date, (b) to make any Administrative Advance required to be made

pursuant to the Trust and Servicing Agreement on or prior to the applicable Remittance Date that is not cured by 11:00 a.m., New York time, on the related Distribution Date, or (c) to make any Property Protection Advance required to be made pursuant to the Trust and Servicing Agreement when the same is due and such failure continues unremedied for 10 Business Days (or such shorter period (not less than one Business Day) as would prevent a lapse in insurance or a delinquent payment of real estate taxes or ground rents) following the date on which the Servicer receives notice of such lapse or delinquency or should have received such notice if it had been acting in accordance with the Accepted Servicing Practices;

(iii) any failure by the Servicer or the Special Servicer, as applicable, to observe or perform in any material respect any other of its covenants or agreements or the material breach of its representations or warranties under the Trust and Servicing Agreement, which failure will continue unremedied for a period of 30 days after the date on which written notice of such failure is given to the Servicer or Special Servicer, as applicable, by the Trustee or to the Servicer or Special Servicer, as applicable, and the Trustee by the holders of Sequential Pay Certificates evidencing not less than 25% of the aggregate Voting Rights of all then outstanding Sequential Pay Certificates; *provided, however,* that with respect to any such failure that is not curable within such 30-day period, the Servicer or the Special Servicer, as applicable, will have an additional cure period of 30 days to effect such cure so long as it has commenced to cure such failure within the initial 30-day period and has provided the Trustee with an officer's certificate certifying that it has diligently pursued, and is continuing to diligently pursue, such cure;

(iv) certain events of bankruptcy, insolvency, readjustment of debt, marshaling of assets and liabilities or similar proceedings and certain actions by, on behalf of or against the Servicer or Special Servicer, as applicable, and such decree or order has remained in force undischarged or unstayed for a period of 60 days; *provided, however,* that, with respect to any such decree or order that cannot be discharged, dismissed or stayed within such 60 day period, the Servicer or the Special Servicer, as applicable, will have an additional period of 30 days to effect such discharge, dismissal or stay so long as it has commenced proceedings to have such decree or order dismissed, discharged or stayed within the initial 60 day period and has diligently pursued, and is continuing to pursue, such discharge, dismissal or stay; or

(v) the Servicer or the Special Servicer, as applicable, is removed from S&P's Select Servicer List as a U.S. Commercial Mortgage Master Servicer or a U.S. Commercial Mortgage Special Servicer, as applicable, and is not restored to such status on such list within 60 days.

Upon the occurrence of any Servicer Termination Event or Special Servicer Termination Event, the Certificate Administrator upon receiving a written notice from a responsible officer of the Trustee who has actual knowledge of the same or receipt of notice from the Servicer or a servicing officer of the Servicer or the Special Servicer who has actual knowledge of the same, will be required to (i) post notice of the same on its Internet website, (ii) provide written notice to the 17g-5 Information Provider who will be required to post written notice of such event to its Internet website, and (iii) provide notice of the same to all Certificateholders by mail to the addresses set forth on the certificate register, unless such Servicer Termination Event or Special Servicer Termination Event has been cured or waived.

Rights Upon Servicer and Special Servicer Termination Event

If a Servicer Termination Event or Special Servicer Termination Event occurs then, and in each and every such case, so long as such Servicer Termination Event or Special Servicer Termination Event has not been remedied, either (i) the Trustee may, or (ii) upon the written direction of holders of Sequential Pay Certificates having at least 25% of the Voting Rights (taking into account the application of the Appraisal Reduction Amount to notionally reduce the Certificate Balances of the Certificates) of the Sequential Pay Certificates, the Trustee is required to, terminate all of the rights and obligations of the Servicer or the Special Servicer, as applicable, under the Trust and Servicing Agreement, other than rights and obligations accrued prior to such termination, and in and to the Mortgage Loan and the proceeds of the Mortgage Loan by notice in writing to the Servicer or the Special Servicer, as applicable. Upon any termination of the Servicer or the Special Servicer, as applicable, or appointment of a successor to the Servicer or the Special Servicer, as applicable, the Trustee will notify the Certificate Administrator and the Certificate Administrator will be required to post written notice of such termination to its Internet website and provide the same to the 17g-5 Information Provider who will be required to post such written notice to its Internet website, and, thereafter, provide written notice of such termination to the Rating Agency, the Depositor and all of the Certificateholders by mail to the addresses set forth on the certificate register. Prior to the occurrence and continuance of a Control Event, the Directing Certificateholder will have the right to appoint a successor special servicer. The Trustee will serve as successor to the Servicer or Special Servicer, as applicable, until a replacement Servicer or Special Servicer, as applicable, is appointed; *provided, however,* if the Trustee is unwilling or unable to so act, or, after the occurrence and during the continuance of a Control Event, the holders of Sequential Pay Certificates evidencing at least 25% of the aggregate Voting Rights (taking into account the application of the Appraisal

Reduction Amount to notionally reduce the Certificate Balances of the Certificates) of the holders of Sequential Pay Certificates so request, or if the Trustee is not an “approved” servicer or “special servicer”, as applicable, by the Rating Agency for mortgages similar to the one held by the Trust, the Trustee will be required to promptly appoint or petition a court of competent jurisdiction for the appointment of a mortgage loan servicing institution reasonably satisfactory to the Trustee to act as successor to the Servicer or the Special Servicer, as applicable, under the Trust and Servicing Agreement, subject to receipt of Rating Agency Confirmation.

In addition, neither the Operating Advisor nor its affiliates may be appointed as a successor Servicer or Special Servicer.

Waiver of Servicer or Special Servicer Termination Event

The Holders of Sequential Pay Certificates evidencing not less than 66-2/3% of the aggregate Voting Rights of all then outstanding Sequential Pay Certificates may, on behalf of all Certificateholders and upon adequate indemnification of the Trustee by the requesting Holders of Sequential Pay Certificates, waive any Servicer Termination Event or Special Servicer Termination Event, as applicable, except a failure to make any required deposits (including Monthly Payment Advances) to or payments from the Collection Account, the Distribution Account or the Foreclosed Property Account or to remit payments as received, in each case in accordance with the Trust and Servicing Agreement. Upon any such waiver of a past Servicer Termination Event or Special Servicer Termination Event, such Servicer Termination Event or Special Servicer Termination Event will cease to exist, and such Servicer Termination Event or Special Servicer Termination Event will be deemed to have been remedied for every purpose of the Trust and Servicing Agreement. No such waiver will extend to any subsequent or other default or impair any related right.

Replacement of the Special Servicer After Operating Advisor Recommendation and Investor Vote

If at any time the Operating Advisor determines, in its sole discretion exercised in good faith, that (1) the Special Servicer is not performing its duties as required under the Trust and Servicing Agreement or is otherwise not acting in accordance with Accepted Servicing Practices and (2) the replacement of the Special Servicer would be in the best interest of the Certificateholders as a collective whole, then the Operating Advisor will have the right to recommend the replacement of the Special Servicer. In such event, the Operating Advisor will be required to deliver to the Trustee and the Certificate Administrator, with a copy to the Special Servicer, a written recommendation detailing the reasons supporting its position (along with relevant information justifying its recommendation) and recommending a suggested replacement Special Servicer (which must be a Qualified Replacement Special Servicer). The Certificate Administrator will be required to promptly notify each Certificateholder of the recommendation and post such notice and report on the Certificate Administrator’s website, and to conduct the solicitation of votes with respect to such recommendation.

The Operating Advisor’s recommendation to replace the Special Servicer must be confirmed within 180 days after the notice is posted to the Certificate Administrator’s website by an affirmative vote of holders of Sequential Pay Certificates evidencing at least a majority of a quorum of Certificateholders (which, for this purpose, is the holders of Certificates that (i) evidence at least 20% of the Voting Rights (taking into account the application of any Appraisal Reduction Amounts to notionally reduce the respective Certificate Balances) of all Sequential Pay Certificates on an aggregate basis, and (ii) consist of at least three Certificateholders or Certificate Owners that are not Risk Retention Affiliates). In the event the holders of such Sequential Pay Certificates elect to remove and replace the Special Servicer, the Certificate Administrator will be required to receive a Rating Agency Confirmation from the Rating Agency at that time. In the event the Certificate Administrator receives such a Rating Agency Confirmation from the Rating Agency (and the successor Special Servicer agrees to be bound by the terms of the Trust and Servicing Agreement), the Trustee (upon receipt of written confirmation from the Certificate Administrator, if the Certificate Administrator and the Trustee are different entities) will then be required to terminate all of the rights and obligations of the Special Servicer under the Trust and Servicing Agreement and to appoint the successor Special Servicer approved by the Certificateholders (provided, that such successor Special Servicer is a Qualified Replacement Special Servicer), subject to the terminated Special Servicer’s rights to indemnification, payment of outstanding fees, reimbursement of Advances and other rights set forth in the Trust and Servicing Agreement that survive termination. The reasonable out-of-pocket costs and expenses associated with obtaining such Rating Agency Confirmations and administering the vote of the applicable holders of the Sequential Pay Certificates and the Operating Advisor’s identification of a Qualified Replacement Special Servicer will be a Trust Fund Expense.

In any case, the Trustee will notify the outgoing Special Servicer promptly of the effective date of its termination. Any replacement Special Servicer recommended by the Operating Advisor must be a Qualified Replacement Special Servicer.

A “Qualified Replacement Special Servicer” is a replacement Special Servicer (i) that satisfies all of the eligibility requirements applicable to Special Servicers in the Trust and Servicing Agreement, (ii) that is not the Operating Advisor or

an affiliate of the Operating Advisor, (iii) that is not obligated to pay the Operating Advisor (x) any fees or otherwise compensate the Operating Advisor in respect of its obligations under the Trust and Servicing Agreement, or (y) for the appointment of the successor Special Servicer or the recommendation by the Operating Advisor for the replacement Special Servicer to become the Special Servicer, (iv) that is not entitled to receive any compensation from the Operating Advisor other than compensation that is not material and is unrelated to the Operating Advisor's recommendation that such party be appointed as the replacement Special Servicer, (v) that is not entitled to receive any fee from the Operating Advisor for its appointment as successor Special Servicer, in each case, unless expressly approved by 100% of the Certificateholders and (vi) that is listed on S&P's Select Servicer List as a U.S. Commercial Mortgage Special Servicer.

Replacement of the Special Servicer

For so long as no Control Event has occurred and is continuing, the Special Servicer may be removed, and a successor special servicer appointed at any time, other than after the occurrence of and during the continuance of a Control Event, by the Directing Certificateholder; *provided* that the Rating Agency provides a Rating Agency Confirmation with respect to such replacement and otherwise in accordance with the terms of the Trust and Servicing Agreement. All costs and expenses of any such termination made by the Directing Certificateholder without cause will be required to be paid by the holders of the Controlling Class. In no event will any replacement special servicer appointed by the Directing Certificateholder be required to meet any independent net worth or similar financial covenant; *provided, however,* that any successor special servicer will be required to satisfy any Rating Agency conditions set forth in the Rating Agency Confirmation delivered by the Rating Agency with respect to such successor special servicer.

In addition, during the continuance of a Control Event, upon the written direction of holders of Sequential Pay Certificates evidencing not less than 25% of the Voting Rights (taking into account the application of any Appraisal Reduction Amounts to notionally reduce the Certificate Balances of the Certificates) of the Sequential Pay Certificates requesting a vote to replace the Special Servicer with a new special servicer designated in such written direction, the Certificate Administrator is required to promptly post such written direction to the Certificate Administrator's Internet website. Upon (i) delivery by such Certificateholders to the Certificate Administrator of a Rating Agency Confirmation with respect to the termination of the Special Servicer and the appointment of a new Special Servicer (which confirmation will be obtained at the expense of such holders) and (ii) payment by such holders to the Certificate Administrator of the reasonable fees and expenses (including any legal fees and expenses and any Rating Agency fees and expenses) to be incurred by the Certificate Administrator in connection with administering such vote (which fees and expenses will not be additional Trust Fund Expenses), the Certificate Administrator will be required to promptly provide written notice to all Certificateholders of a request for such a vote by posting such notice on its Internet website, provide written notice to all Certificateholders of such request by mail and conduct the solicitation of votes of all Certificates. Such votes will be effective only if received by the Certificate Administrator within 180 days of posting of such notice on its Internet website. Any votes not received within such 180-day period will have no force and effect. If holders of Sequential Pay Certificates evidencing at least 75% of a Certificateholder Quorum vote in favor of replacing the Special Servicer within such 180-day period, the Certificate Administrator will be required to notify the Trustee and the Trustee will be required to terminate all of the rights (subject to the replaced Special Servicer's indemnification, payment of outstanding fees, reimbursement of Advances and other rights of the replaced special servicer set forth in the Trust and Servicing Agreement) and obligations of the Special Servicer under the Trust and Servicing Agreement and appoint the successor special servicer designated by such Certificateholders; *provided, however,* such successor special servicer (i) satisfies all of the eligibility requirements applicable to the Special Servicer contained in the Trust and Servicing Agreement and which survive such termination and (ii) such successor special servicer may not also be a Borrower Affiliate, the current special servicer or an affiliate of the current special servicer. The Certificateholders that initiated the vote to replace the Special Servicer will be responsible for paying the costs and expenses incurred in connection with the removal and replacement of the Special Servicer described in this paragraph. The Certificate Administrator will include on each Distribution Date Statement a statement that each Certificateholder may access such notices on the Certificate Administrator's Internet website and that each Certificateholder may register to receive electronic mail notifications when such notices are posted on the Certificate Administrator's Internet website.

Certificateholder Quorum means, in connection with any solicitation of votes in connection with the replacement of the Special Servicer (other than at the recommendation of the Operating Advisor) as described above, the holders of the Sequential Pay Certificates evidencing at least 50% of the aggregate Voting Rights (taking into account the application of any Realized Losses and the application of any Appraisal Reduction Amounts to notionally reduce the Certificate Balances of the Certificates) of all Sequential Pay Certificates.

The Trustee will be required to notify the outgoing Servicer or Special Servicer promptly of the effective date of its termination.

Evidence as to Compliance

On or before April 15, of each year, commencing in 2019, each of the Servicer and the Special Servicer (regardless of whether the Special Servicer has commenced special servicing of the Mortgage Loan) will be required to furnish (and each such party will be required, with respect to each servicing function participant (as such term is defined in the Trust and Servicing Agreement) with which it has entered into a servicing relationship with respect to the Mortgage Loan, to cause such servicing function participant, to the extent a party as described under Item 1108(a)(2)(i)-(iii) of Regulation AB to furnish) to the Operating Advisor (if delivered by the Special Servicer), the Trustee, the Certificate Administrator, the 17g-5 Information Provider (who will be required to post it to its Internet website) and the Depositor an officer's certificate of an officer responsible for the servicing activities of such party stating, among other things, that (i) a review of that party's activities during the preceding calendar year or portion of that year and of performance under the Trust and Servicing Agreement or the sub-servicing agreement in the case of an additional servicer, as applicable, has been made under such officer's supervision and (ii) to the best of such officer's knowledge, based on the review, such party has fulfilled all of its obligations under the Trust and Servicing Agreement or the sub-servicing agreement in the case of an additional servicer, as applicable, in all material respects throughout the preceding calendar year or portion of such year, or, if there has been a failure to fulfill any such obligation in any material respect, specifying the failure known to such officer and the nature and status of the failure.

In addition, on or before April 15, of each year, commencing in 2019, each of the Servicer and the Special Servicer (regardless of whether the Special Servicer has commenced special servicing of the Mortgage Loan) will be required to furnish (and each such party will be required, with respect to each servicing function participant with which it has entered into a servicing relationship with respect to the Mortgage Loan, to cause such servicing function participant to furnish) to the Operating Advisor (if delivered by the Special Servicer), the Trustee, the Depositor, the Certificate Administrator, the 17g-5 Information Provider (who will be required to post it to its Internet website) a report (an "Assessment of Compliance") assessing compliance by that party with the servicing criteria set forth in Item 1122(d) of Regulation AB that contains the following:

- (i) a statement of the party's responsibility for assessing compliance with the servicing criteria set forth in Item 1122 of Regulation AB applicable to it;
- (ii) a statement that, to the best of such reporting servicer's knowledge, the party used the criteria in Item 1122(d) of Regulation AB to assess compliance with the applicable servicing criteria;
- (iii) the party's Assessment of Compliance with the applicable servicing criteria during and as of the end of the prior fiscal year, setting forth any material instance of noncompliance identified by the party, a discussion of each such failure and the nature and status of such failure; and
- (iv) a statement that a registered public accounting firm has issued an attestation report (an "Attestation Report") on the party's Assessment of Compliance with the applicable servicing criteria during and as of the end of the prior fiscal year.

Each party that is required to deliver an Assessment of Compliance will also be required to simultaneously deliver an Attestation Report of a registered public accounting firm, prepared in accordance with the standards for attestation engagements issued or adopted by the public company accounting oversight board, that expresses an opinion, or states that an opinion cannot be expressed (and the reasons for this), concerning the party's Assessment of Compliance with the applicable servicing criteria set forth in Item 1122(d) of Regulation AB.

"Regulation AB" means subpart 229.1100 – Asset Backed Securities (Regulation AB), 17 C.F.R. §§229.1100-229.1125, as such may be amended from time to time, and subject to such clarification and interpretation as have been provided by the Securities and Exchange Commission or by the staff of the Securities and Exchange Commission, or as may be provided by the Securities and Exchange Commission or its staff from time to time.

Certain Matters Regarding the Depositor, the Certificate Administrator, the Trustee, the Servicer, the Special Servicer and the Operating Advisor

The Trust and Servicing Agreement provides that each of the Servicer and the Special Servicer may not resign from its obligations and duties as Servicer or Special Servicer, as applicable, under the Trust and Servicing Agreement, except upon the determination that performance of its duties is no longer permissible under applicable law and except as described below. In the event that the Special Servicer becomes a Borrower Affiliate, the Special Servicer will be required to promptly notify the Trustee and the Certificate Administrator of such affiliation. Upon receipt of such notice, the

Trustee will be required to promptly send a request to the Special Servicer requesting that the Special Servicer resign as the Special Servicer and promptly appoint a replacement special servicer in accordance with the terms of the Trust and Servicing Agreement. In the event that no replacement Special Servicer is appointed within 30 days for any reason after receipt by the Trustee of a notice of such affiliation, the Trustee may petition the court for appointment of a successor Special Servicer at the expense of the resigning Special Servicer.

No such resignation may become effective until the Trustee or a successor servicer or special servicer, as the case may be, has assumed the obligations of the Servicer or the Special Servicer, as applicable, under the Trust and Servicing Agreement. Notwithstanding the previous sentence, each of the Servicer and the Special Servicer may resign and assign its duties and obligations under the Trust and Servicing Agreement upon the satisfaction of certain conditions as described in the Trust and Servicing Agreement, including, among other things, receipt of a Rating Agency Confirmation.

The Trustee or the Certificate Administrator may resign at any time by giving written notice to the Depositor, the Initial Purchasers, the Servicer, the Special Servicer, the Rating Agency, the Certificate Registrar (if other than the Certificate Administrator), the 17g-5 Information Provider, the Certificateholders and the Trustee or the Certificate Administrator, as applicable, not less than 60 days before the date specified in such notice for such resignation to take effect; *provided* that a successor Trustee or the Certificate Administrator must have been appointed by the Depositor and must have accepted such appointment before such resignation can take effect. If no successor Trustee or Certificate Administrator is appointed within 30 days after the giving of such notice of resignation, the resigning Trustee or Certificate Administrator may petition the court for the appointment of a successor Trustee or Certificate Administrator, as applicable, any expenses associated with such petition will be an expense of the Trust.

In the event of any resignation or removal of the Trustee or the Certificate Administrator, as applicable (other than a resignation of the Trustee that is required solely due to a change in law or a conflict of interest arising after the Closing Date that is not waived by all of the parties in conflict or is unwaivable), such resignation or removal will be effective with respect to each of such party's other capacities under the Trust and Servicing Agreement (including, without limitation, such party's capacities as Trustee, Certificate Administrator, custodian, Certificate Registrar and 17g-5 Information Provider, as the case may be).

The Trust and Servicing Agreement also provides that the Trustee and the Certificate Administrator, by reason of the action or inaction of its directors, officers, members, managers, partners, employees or agents will have no liability to the Trust or the Certificateholders for any action taken or for refraining from the taking of any action in good faith pursuant to the Trust and Servicing Agreement, or for errors in judgment other than any liability incurred by reason of willful misconduct, bad faith or negligence or by reason of negligent disregard of its obligations and duties of the Trustee or the Certificate Administrator, as applicable. The Trustee, the Certificate Administrator (in each of its capacities under the Trust and Servicing Agreement) and any of their respective directors, officers, members, managers, partners, employees, affiliate or "controlling person" within the meaning of the Securities Act or the Exchange Act will be entitled to indemnification by the Trust Fund, and held harmless against any loss, liability, claim, demand or expense (including reasonable legal fees and expenses, including in connection with the enforcement of this indemnity) incurred in connection with any legal action or other claims, losses, penalties, fines, foreclosures, judgments or liabilities incurred in connection with or related to the Trustee's or the Certificate Administrator's performance of their powers and duties under the Trust and Servicing Agreement other than any liability incurred by reason of willful misconduct, bad faith or negligence or by reason of negligent disregard of its obligations and duties as determined by a court of competent jurisdiction. The payment of any such indemnification will reduce the amount available for distribution to the Certificateholders to the extent described in this Offering Circular. The indemnification provided under the Trust and Servicing Agreement will survive the resignation or removal of the Trustee or the Certificate Administrator and the termination of the Trust and Servicing Agreement. Notwithstanding anything in the Trust and Servicing Agreement, to the contrary, the Trustee will be responsible for its acts or failure to act as Servicer and/or Special Servicer (in accordance with Accepted Servicing Practices) during the time and to the extent the Trustee is serving as the Servicer to the same extent that the Servicer or Special Servicer would be liable for the Servicer's or Special Servicer's, as applicable, acts or failures to act under the Trust and Servicing Agreement. Under the Trust and Servicing Agreement, the Depositor will not have any obligations to monitor or supervise the performance of the Trustee or the Certificate Administrator. If no successor Trustee or Certificate Administrator is appointed within 30 days after the giving of such notice of removal, the removed Trustee or Certificate Administrator may petition the court for the appointment of a successor Trustee or Certificate Administrator, as applicable, any expenses associated with such petition will be an expense of the Trust.

The Trust and Servicing Agreement also provides that none of the Depositor, the Servicer, the Special Servicer, the Trustee, the Certificate Administrator, the Operating Advisor or any of their respective directors, officers, members, managers, partners, employees, affiliates, or agents will have any liability to the Trust, the Certificateholders or the Directing Certificateholder for any action taken or for refraining from the taking of any action in good faith pursuant to the

Trust and Servicing Agreement, or for actions taken or not taken at the direction of Certificateholders, or for errors in judgment that do not violate any law or Accepted Servicing Practices or the provisions of the Trust and Servicing Agreement; *provided, however,* that none of the Depositor, the Servicer, the Special Servicer, the Trustee, the Certificate Administrator, the Operating Advisor or any such other person or entity will be protected against any breach of its representations and warranties made in the Trust and Servicing Agreement or any liability that would otherwise be imposed by reason of willful misconduct, bad faith or negligence in the performance of its duties under the Trust and Servicing Agreement or by reason of negligent disregard of its obligations and duties under the Trust and Servicing Agreement. The Trust and Servicing Agreement further provides that the Depositor, the Servicer, the Special Servicer, the Operating Advisor, the Trustee, the Certificate Administrator and any director, officer, members, managers, partners, employee, affiliate or “controlling person” within the meaning of the Securities Act, or agent of the Depositor, the Servicer, the Special Servicer, the Trustee, the Certificate Administrator or the Operating Advisor will be entitled to indemnification by the Trust Fund and will be held harmless by the Trust Fund against any loss, liability, claim, demand or expense (including reasonable legal fees and expenses (including in connection with the enforcement of such indemnified party’s rights under the Trust and Servicing Agreement) incurred in connection with any legal action or other claims, losses, penalties, fines, foreclosures, judgments or liabilities relating to the Trust and Servicing Agreement, the Mortgage Loan, the Mortgaged Property or the Certificates other than any loss, liability or expense incurred by reason of willful misconduct, bad faith or negligence by it in the performance of its duties or by reason of negligent disregard of its obligations and duties under the Trust and Servicing Agreement. The payment of such indemnification will reduce the amount available for distribution to Certificateholders to the extent described in this Offering Circular. See “*Description of the Certificates—Payment on the Certificates*” in this Offering Circular. Under the Trust and Servicing Agreement, the Depositor will not have any rights or obligations to monitor or supervise the performance of the Servicer, the Special Servicer or the Operating Advisor.

Under the Trust and Servicing Agreement, neither the Trustee nor the Certificate Administrator is under any obligation to exercise any of the trusts or powers vested in it by the Trust and Servicing Agreement or to institute, conduct or defend any litigation under the Trust and Servicing Agreement or in relation to the Trust and Servicing Agreement at the request, order or direction of any of the Certificateholders, pursuant to the provisions of the Trust and Servicing Agreement, unless such Certificateholders have offered to the Trustee or the Certificate Administrator security or indemnity reasonably satisfactory to it against the costs, expenses and liabilities, including reasonable legal fees, which may be incurred in or by such litigation; *provided, however,* that nothing contained in the Trust and Servicing Agreement will relieve the Trustee or the Certificate Administrator of the obligation, upon the occurrence of a Servicer Termination Event or Special Servicer Termination Event, as the case may be, that a responsible officer of the Trustee or the Certificate Administrator, as the case may be, has actual knowledge of (which has not been cured or waived), to exercise such of the rights and powers vested in it by the Trust and Servicing Agreement, and to use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of such person’s own affairs.

No Certificateholder, solely by virtue of its status as a Certificateholder, will have any right by virtue of or by availing itself of any provisions of the Trust and Servicing Agreement or any Certificate to institute any suit, action or proceeding in equity or at law upon or under or with respect to the Trust and Servicing Agreement or the Certificates, unless such Holder has previously given to the Trustee a written notice of a Servicer Termination Event or Special Servicer Termination Event, as the case may be, and of the continuance of such event, and unless the Holders of Certificates aggregating not less than 50% of the Voting Rights of the Certificates have also made written request upon the Trustee to institute such action, suit or proceeding in its own name as Trustee and have offered to the Trustee such reasonable indemnity as it may require against the costs, expenses, and liabilities to be incurred therein or thereby, and the Trustee, for 60 days after its receipt of such notice, request and offer of indemnity, have neglected or refused to institute any such action, suit or proceeding. No one or more Holders of Certificates will have any right in any manner whatever by virtue of or by availing itself or themselves of any provisions of the Trust and Servicing Agreement or the Certificates to affect, disturb or prejudice the rights of the Holders of any other of the Certificates, or to obtain or seek to obtain priority over or preference to any other such Holder except as provided in the Trust and Servicing Agreement with respect to entitlement to payments or to enforce any right under the Trust and Servicing Agreement or the Certificates, except in the manner in the Trust and Servicing Agreement and for the common benefit of all Certificateholders. For the protection and enforcement of the provisions described above, each and every Certificateholder and the Trustee will be entitled to such relief as can be given either at law or in equity. By virtue of its purchase of a certificate, each certificateholder will be deemed to have acknowledged that it will make its own decisions regarding its rights and protections relevant to the trust and will not be relying on the Trustee or any other deal party.

In addition, the Trust and Servicing Agreement provides that none of the Depositor, the Operating Advisor, the Servicer or the Special Servicer will be under any obligation to appear in, prosecute or defend any legal action that is not incidental to its respective duties under the Trust and Servicing Agreement and that in its opinion may, involve it in any expense or liability. The Depositor, the Operating Advisor, the Servicer or the Special Servicer may, however, in its

discretion undertake any such action that it may deem necessary or desirable in the case of the Servicer or Special Servicer, in accordance with Accepted Servicing Practices, with respect to the Trust and Servicing Agreement, the rights and duties of the parties to the Trust and Servicing Agreement and the interests of the Certificateholders under the Trust and Servicing Agreement. In such event, the legal expenses and costs of such action and any liability resulting therefrom will be expenses, costs and liabilities of the Trust, and the Depositor, the Operating Advisor, the Servicer or the Special Servicer, as applicable, will be entitled to be reimbursed therefor from the Collection Account, or the Distribution Account, as applicable, as described in this Offering Circular.

Under the Trust and Servicing Agreement, neither the Trustee nor the Certificate Administrator will be under any obligation to appear in, prosecute or defend any legal action which is not incidental to its respective duties under the Trust and Servicing Agreement and which in its opinion may involve it in any expense or liability and for which it would not be indemnified pursuant to the Trust and Servicing Agreement; *provided, however,* that the Trustee or the Certificate Administrator may, in its discretion, undertake any such action which it may deem necessary or desirable in respect of the Trust and Servicing Agreement and the rights and duties of the parties to the Trust and Servicing Agreement and the interests of the Certificateholders under the Trust and Servicing Agreement. In such event, the legal expenses and costs of such action and any liabilities of the Trust, and the Trustee and the Certificate Administrator will be entitled to be reimbursed from funds on deposit in the Collection Account unless such legal action arises out of the negligence, willful misconduct or bad faith of the Trustee or the Certificate Administrator, as applicable, or any breach of a representation or warranty by the Trustee or the Certificate Administrator, as applicable, contained in the Trust and Servicing Agreement.

Any person into which the Servicer, the Special Servicer, the Operating Advisor or the Depositor may be merged or consolidated, or any person resulting from any merger or consolidation to which the Servicer, the Special Servicer, the Operating Advisor or the Depositor, as applicable, is a party, or any person or entity succeeding to the business of the Servicer, the Special Servicer, the Operating Advisor or the Depositor, as applicable, will, subject to the provisions of the Trust and Servicing Agreement, be the successor of the Servicer, the Special Servicer, the Operating Advisor or the Depositor, as applicable, under the Trust and Servicing Agreement and will be deemed to have assumed all of the liabilities and obligations of the Servicer, the Special Servicer, the Operating Advisor or the Depositor, as applicable, under the Trust and Servicing Agreement; *provided* each of the Trustee and the Certificate Administrator has received a Rating Agency Confirmation regarding such replacement; *provided, further, however,* that if the successor or surviving person is the Servicer, the Special Servicer, the Operating Advisor or the Depositor, as applicable, the obligation to provide such Rating Agency Confirmation will not apply.

Each of the Servicer, the Special Servicer, the Operating Advisor and the Depositor, as applicable and severally and not jointly, are required to indemnify and hold harmless the Trust from and against any claims, losses, damages, penalties, fines, forfeitures, reasonable legal fees and expenses and related costs, judgments and other costs and expenses incurred by the Trust that arise out of or are based upon (i) a breach by the Servicer, the Special Servicer, the Operating Advisor or the Depositor, as the case may be, of its representations and warranties under the Trust and Servicing Agreement or (ii) negligence, bad faith or willful misconduct on the part of the Servicer, the Special Servicer, the Operating Advisor or the Depositor, as applicable, in the performance of its obligations under the Trust and Servicing Agreement or its negligent disregard of its obligations and duties under the Trust and Servicing Agreement.

The Trustee and the Certificate Administrator, as applicable, severally and not jointly, are required to indemnify and hold harmless the Trust from and against any claims, losses, damages, penalties, fines, forfeitures, reasonable legal fees and expenses and related costs, judgments and other costs and expenses incurred by the Trust that arise out of or are based upon (i) a breach by the Trustee or the Certificate Administrator (including in its capacity as the 17g-5 Information Provider), as applicable, of its representations and warranties, as applicable, under the Trust and Servicing Agreement or (ii) negligence, bad faith or willful misconduct on the part of the Trustee or the Certificate Administrator (including in its capacities as custodian, Certificate Registrar, authenticating agent, paying agent and 17g-5 Information Provider), as applicable, in the performance of its obligations or its negligent disregard of such obligations under the Trust and Servicing Agreement.

Amendments

The Trust and Servicing Agreement may be amended by the parties to the Trust and Servicing Agreement, without the consent of any of the Certificateholders:

- (i) to correct any inconsistency, defect or ambiguity in the Trust and Servicing Agreement or to correct any manifest error in any provision of the Trust and Servicing Agreement;
- (ii) to cause the provisions in the Trust and Servicing Agreement to conform or be consistent with or in furtherance of the statements made in this Offering Circular with respect to the Certificates, the Trust or the Trust and Servicing Agreement or to correct or supplement any of its provisions which may be inconsistent with any other provisions in the Trust and Servicing Agreement or to correct any error;
- (iii) to change the timing and/or nature of deposits in the Collection Account, the Distribution Account or the Foreclosed Property Account; *provided* that (x) the Remittance Date may in no event be later than the Business Day prior to the related Distribution Date and (y) either (A) the change would not adversely affect in any material respect the interests of any Certificateholder not consenting thereto, as evidenced by an opinion of counsel (at the expense of the party requesting the amendment or at the expense of the Trust if the requesting party is the Certificate Administrator) or (B) Rating Agency Confirmation is obtained;
- (iv) to modify, eliminate or add to any of its provisions (A) to the extent as will be necessary to maintain the qualification of the Trust REMIC as a REMIC at all times that any Certificate is outstanding, or to avoid or minimize the risk of imposition of any tax on the Trust REMIC that would be a claim against the Trust REMIC; *provided* that the Trustee and the Certificate Administrator have received an opinion of counsel (at the expense of the party requesting the amendment or if the requesting party is the Certificate Administrator or the Trustee, at the expense of the Trust) to the effect that (1) the action is necessary or desirable to maintain such qualification or to avoid or minimize the risk of imposition of any such tax and (2) the action will not adversely affect in any material respect the interests of any Certificateholder or (B) to the extent necessary for the Trust to comply with the Investment Company Act of 1940, as amended, the Trust Indenture Act of 1939, as amended, the Exchange Act, Regulation AB, and/or any related regulatory actions and/or interpretations;
- (v) to modify, eliminate or add to any of its provisions to restrict (or to remove any existing restrictions with respect to) the transfer of the Class R Certificates; *provided* that the Depositor has determined that the amendment will not give rise to any tax with respect to the transfer of the Class R Certificates to a non-Permitted Transferee; *provided, further,* that the Depositor may conclusively rely upon an opinion of counsel to such effect (see "*Description of the Certificates—Delivery, Form, Transfer and Denomination—The Class R Certificates*" in this Offering Circular);
- (vi) to make any other provisions with respect to matters or questions arising under the Trust and Servicing Agreement or any other change; *provided* that (x) the required action will not adversely affect in any material respect the interests of any Certificateholder not consenting thereto, as evidenced by an opinion of counsel or (y) Rating Agency Confirmation is obtained;
- (vii) to amend or supplement any provision of the Trust and Servicing Agreement to the extent necessary to maintain the then-current ratings assigned to each Class of Certificates by the Rating Agency, as evidenced by the corresponding Rating Agency Confirmation; *provided* that such amendment or supplement would not adversely affect in any material respect the interests of any Certificateholder not consenting to such amendment or supplement, as evidenced by an opinion of counsel;
- (viii) to modify the provisions of the Trust and Servicing Agreement with respect to reimbursement of Nonrecoverable Advances if (a) the Depositor, the Servicer, the Certificate Administrator and the Trustee, determine that the CMBS industry standard for such provisions has changed, in order to conform to such industry standard, (b) such modification does not cause the Trust REMIC to fail to qualify as a REMIC, as evidenced by an opinion of counsel and (c) Rating Agency Confirmation is obtained;
- (ix) to modify the procedures set forth in the Trust and Servicing Agreement relating to Exchange Act Rule 17g-5 or Rule 15Ga-1 compliance; *provided* that such amendment does not materially increase the responsibilities of any of the Servicer, the Special Servicer, the Certificate Administrator, the 17g-5 Information Provider, the Operating Advisor or the Trustee, unless such party consents to such amendment and that such amendment will

not adversely affect in any material respects the interests of any Certificateholders, as evidenced by (x) an opinion of counsel or (y) if any Certificate is then rated, receipt of a Rating Agency Confirmation; and

(x) to modify, eliminate or add to any of its provisions in the event the Credit Risk Retention Rules, Regulation RR or any other regulations applicable to the risk retention requirements for this securitization transaction are amended or repealed, to the extent required to comply with any such amendment or to modify or eliminate the risk retention requirements in the event of such repeal; *provided* that no such modification, elimination or addition may change in any manner the rights or obligations of the Third Party Purchaser under the Trust and Servicing Agreement or the related risk retention agreement without the consent of the Third Party Purchaser.

The Trust and Servicing Agreement may also be amended by the parties to the Trust and Servicing Agreement with the consent of the holders of Certificates of each Class adversely affected by such amendment evidencing, in each case, not less than 51% of the aggregate Percentage Interests in such Class for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the Trust and Servicing Agreement or of modifying in any manner the rights of the Certificateholders, except that the amendment may not (1) reduce in any manner the amount of, or delay the timing of, payments received on the Mortgage Loan that are required to be distributed on any Certificate; (2) alter in any manner the liens on any Collateral securing payments of the Mortgage Loan, (3) alter the obligations of the Servicer or the Trustee to make an Advance or alter the Accepted Servicing Practices; (4) change the percentages of Voting Rights or Percentage Interests of Certificateholders that are required to consent to any action or inaction under the Trust and Servicing Agreement; (5) change in any manner any defined term used in the Mortgage Loan Purchase Agreement or the obligation of any Mortgage Loan Seller under the Mortgage Loan Purchase Agreement or otherwise or change any rights of any Mortgage Loan Seller as a third party beneficiary under the Trust and Servicing Agreement without the consent of such Mortgage Loan Seller; or (6) amend the section in the Trust and Servicing Agreement relating to the amendment of the Trust and Servicing Agreement.

Notwithstanding the foregoing, no amendment to the Trust and Servicing Agreement may be made that changes in any manner the rights and/or obligations of a Mortgage Loan Seller under the Trust and Servicing Agreement or Mortgage Loan Purchase Agreement without the consent of such Mortgage Loan Seller, or the rights of the Initial Purchasers under the Trust and Servicing Agreement without the consent of the Initial Purchasers.

The costs and expenses associated with any such amendment, including without limitation, opinions of counsel and Rating Agency Confirmations, will be borne by the party requesting such amendment (or, if such amendment is required by the Rating Agency to maintain the rating issued by it or requested by the Trustee or the Certificate Administrator (which do not modify or otherwise relate solely to the obligations, duties or rights of the Trustee or the Certificate Administrator), then at the expense of the Depositor and, if neither the Depositor nor any successor thereto is in existence, the Trust Fund).

Reports to Certificateholders

On each Distribution Date, based on information provided by the Servicer or the Special Servicer, as applicable, the Certificate Administrator will prepare and make available pursuant to the Trust and Servicing Agreement to any Privileged Person (including for this purpose the Property Manager, Borrower Affiliates and any of their respective affiliates), a statement, based solely on the information provided by the Servicer or the Special Servicer, as applicable, in respect of the distributions made on such Distribution Date in substantially the form attached as Annex F to this Offering Circular (a "Distribution Date Statement") setting forth, among other things:

- (i) for each Class of Regular Certificates, (A) the amount of the distributions made on such Distribution Date allocable to interest at the Pass-Through Rate and/or the amount allocable to principal (separately identifying the amount of any principal payments (specifying the source of such payments)), (B) the amount of any Spread Maintenance Premiums collected on the Mortgage Loan allocable to the Class P Certificates, and (C) the amount of interest paid on Advances from Default Interest and allocable to such Class;
- (ii) if the amount of the distributions to the holders of any Class of Certificates was less than the full amount that would have been distributable to such holders if there had been sufficient Available Funds, the amount of the shortfall allocable to such Class, stating separately the amounts allocable to interest and principal);
- (iii) the amount of any Monthly Payment Advance for such Distribution Date;

- (iv) the Certificate Balance of each Class of Sequential Pay Certificates after giving effect to any distribution in reduction of the Certificate Balance on such Distribution Date and the allocation of Realized Losses on such Distribution Date;
- (v) the principal balance of the Mortgage Loan, the principal balance of each Component and the Certificate Balance of each Class of Certificates as of the end of the Collection Period for such Distribution Date and the amount of Realized Losses allocated to each Class;
- (vi) the aggregate amount of unscheduled payments (and the source of such payments) made with respect to the Mortgage Loan during the related Collection Period;
- (vii) identification of any Mortgage Loan Event of Default, any Special Servicing Loan Event, any Servicer Termination Event, any Special Servicer Termination Event or any Operating Advisor Termination Event that in either case has been declared as of the close of business on the second Business Day prior to the end of the preceding calendar month;
- (viii) the amount of the servicing compensation (other than the Servicing Fee) paid to the Servicer and the Special Servicer with respect to such Distribution Date, separately listing any Liquidation Fees or Work-out Fees and any other Borrower charges retained by the Servicer or Special Servicer and the amount of compensation paid to the Servicer, the Special Servicer, the Certificate Administrator, the Trustee, the Operating Advisor and CREFC®, separately listing the Certificate Administrator Fee (including the portion that is the Trustee Fee), the Special Servicing Fee, the Operating Advisor Fee and the CREFC® Intellectual Property Royalty License Fee with respect to such Distribution Date;
- (ix) the number of days the Borrower is delinquent in the event that the Borrower is delinquent at least 30 days and the date upon which any foreclosure proceedings have been commenced;
- (x) whether the Mortgaged Property, as of the close of business on the Mortgage Loan Payment Date preceding such Distribution Date, had become a Foreclosed Property, together with an identification of same;
- (xi) information with respect to any declared bankruptcy of the Borrower or the Guarantors;
- (xii) as to any item of Collateral released, liquidated or disposed of during the preceding Collection Period, the identity of such item and the amount of proceeds of any liquidation or other amounts, if any, received during the related Collection Period;
- (xiii) a list of conveyances or transfers of any portion of the Mortgaged Property by the Borrower reported to the Certificate Administrator (to the extent not already reported on the CREFC® Reports provided by the Servicer and posted on the Certificate Administrator's website);
- (xiv) the aggregate amount of all Advances, if any, not yet reimbursed;
- (xv) the amount of any reimbursement of Nonrecoverable Advances paid to the Servicer or the Trustee;
- (xvi) a report identifying any Appraisal Reduction Amount;
- (xvii) the amount of Default Interest, if any, and late payment charges, if any, paid by the Borrower during the related Collection Period;
- (xviii) an itemized listing of any Disclosable Special Servicer Fees received by the Special Servicer or any of its affiliates with respect to the related Distribution Date;
- (xix) the aggregate amount of any unanticipated expenses of the Trust reimbursable or payable by the Borrower under the Mortgage Loan Agreement;
- (xx) the amount of the Spread Maintenance Premiums, if any, collected in respect of the Mortgage Loan during the related Collection Period and distributed on such Distribution Date to the Class P Certificateholders;
- (xxi) LIBOR (or the Alternate Rate) for the current Distribution Date and for the next Distribution Date; and

(xxii) the Component Rate and Net Component Rate for each Component for the related Mortgage Loan Interest Accrual Period.

The Depositor, the Trustee, the Certificate Administrator, the Operating Advisor, the Servicer and the Special Servicer may agree to enhance the reporting requirements of the Distribution Date Statement without Certificateholder approval. The Certificate Administrator may, with the consent of the Depositor, make certain information concerning the Mortgage Loan and the Certificates, including the Distribution Date Statements, CREFC® Reports, the Trust and Servicing Agreement, this Offering Circular and supplemental notices, available to Bloomberg Financial Markets, L.P., Trepp, LLC, Intex Solutions, Inc., BlackRock Financial Management, Inc., Interactive Data Corporation, CMBS.com, Inc., Moody's Analytics, Thompson Reuters, MBS Data, LLC, RealInsight and Markit Group Limited, upon receipt by the Certificate Administrator from such persons of a certification in the form attached to the Trust and Servicing Agreement, which certification may be submitted electronically via the Certificate Administrator's Internet website. Assistance in using the Certificate Administrator's website can be obtained by calling the Certificate Administrator's customer service desk at (866) 846-4526.

Within a reasonable period of time after the end of each calendar year, the Certificate Administrator is required to furnish to each person who at any time during the calendar year was a Certificateholder, upon written request to the Certificate Administrator, a statement containing the information set forth in clauses (i) and (ii) above as to the applicable Class, aggregated for the calendar year or applicable portion of such year during which such person was a Certificateholder, together with such other information required by applicable law, or that a Certificateholder or Beneficial Owner of a Certificate reasonably requests, to enable Certificateholders to prepare their tax returns for such calendar year. This obligation of the Certificate Administrator will be deemed to have been satisfied to the extent that substantially comparable information is provided by the Certificate Administrator pursuant to any requirements of the Code as from time to time are in force.

The Certificate Administrator and the Trustee will be entitled to rely on such information provided to it by the Servicer or the Special Servicer without independent verification. The Servicer, the Special Servicer, the Certificate Administrator and the Trustee will be entitled to rely on information supplied by the Borrower without independent verification.

Information Available Electronically

The Certificate Administrator, to the extent prepared or received by it, will make available to any Privileged Person (which for this purpose excludes Borrower Affiliates) via the Certificate Administrator's Internet website (to the extent such items have been prepared by or delivered to and received by the Certificate Administrator in electronic format):

- The following "deal documents":
 - (a) this Offering Circular (and any other disclosure document relating to the Certificates provided by the Depositor to the Certificate Administrator);
 - (b) the Trust and Servicing Agreement and any amendments and exhibits to the Trust and Servicing Agreement;
 - (c) the Mortgage Loan Purchase Agreement and any amendments and exhibits to the Mortgage Loan Purchase Agreement; and
 - (d) the CREFC® loan setup file prepared by the Servicer and delivered to the Certificate Administrator;
- The following "periodic reports":
 - (a) the Distribution Date Statements;
 - (b) the CREFC® Reports (provided they are prepared by, or received by the Certificate Administrator, as applicable) other than the CREFC® loan setup file; and
 - (c) the annual reports prepared by the Operating Advisor;

- The following “additional documents”:
 - (a) summaries of Asset Status Reports;
 - (b) inspection reports and environmental reports and any updates to such reports;
 - (c) appraisals and any updates to appraisals; and
 - (d) the CREFC® Appraisal Reduction Template;
- The following “special notices”:
 - (a) notice of final payment on the Certificates;
 - (b) any notice of termination of the Servicer, the Special Servicer or the Operating Advisor received by the Certificate Administrator;
 - (c) all notices of Servicer Termination Events, Special Servicer Termination Events or Operating Advisor Termination Events received by the Certificate Administrator;
 - (d) any request by the Certificateholders representing at least 25% of the Voting Rights of all the then-outstanding Sequential Pay Certificates to terminate the Special Servicer or the Operating Advisor;
 - (e) notice of resignation of the Trustee, the Certificate Administrator or the Operating Advisor and notice of the acceptance of appointment by the successor Trustee, successor Certificate Administrator or successor Operating Advisor, as applicable;
 - (f) any notice to Certificateholders of the Operating Advisor’s recommendation to replace the Special Servicer and the related report prepared by the Operating Advisor in connection with such recommendation;
 - (g) officer’s certificates supporting the determination that any Advance was (or, if made, would be) a Nonrecoverable Advance;
 - (h) any “special notice” by a Certificateholder that wishes to communicate with others, pursuant to the Trust and Servicing Agreement;
 - (i) any amendment to the Trust and Servicing Agreement;
 - (j) any assessment of compliance with servicing criteria and related officer’s certificates delivered to the Certificate Administrator;
 - (k) any attestation reports related to assessments of compliance with servicing criteria delivered to the Certificate Administrator;
 - (l) notice of any request by the holders of Certificates evidencing at least 25% of the Voting Rights of the Certificates (taking into account the application of the Appraisal Reduction Amount to notionally reduce the Certificate Balance of the Certificates) to terminate and replace the Special Servicer;
 - (m) notice of the occurrence or cessation of an Operating Advisor Consultation Event, a Control Event or a Consultation Termination Event;
 - (n) any notice sent by the Trustee requesting the resignation of the Special Servicer or providing notice of the appointment of a replacement Special Servicer in the event that the Special Servicer becomes a Borrower Affiliate or is otherwise required to resign as Special Servicer under the terms of the Trust and Servicing Agreement;
 - (o) any notice or documents provided to the Certificate Administrator by the Depositor or the Servicer directing the Certificate Administrator to post to the “Special Notices” tab; and

- (p) any notice from the Servicer that the Mortgage Loan has been converted to an interest rate based on the Alternate Rate;
- the “risk retention special notices” tab, which will contain any notices relating to ongoing compliance by the Retaining Sponsor;
- The “Investor Q&A Forum”; and
- The “Investor Registry” (solely to the Certificateholders and Beneficial Owners).

The Certificate Administrator will, in addition to posting the applicable notices on the “risk retention special notices” tab described above, provide email notification to any Privileged Person (other than financial market publishers) that has registered to receive access to the Certificate Administrator’s Website that a notice has been posted to the “risk retention special notices” tab.

The 17g-5 Information Provider will make available to the Depositor, to the Rating Agency and to NRSROs the following items via the 17g-5 Information Provider’s Internet website (to the extent delivered to the 17g-5 Information Provider):

- (i) Asset Status Reports;
- (ii) notice of final payments on the Certificates;
- (iii) environmental reports;
- (iv) appraisals and any updates to appraisals;
- (v) assessments of compliance with servicing criteria;
- (vi) attestation reports related to assessments of compliance with servicing criteria;
- (vii) notices to the Rating Agency relating to the determination of the Servicer or the Special Servicer, as applicable, to take action without receiving a Rating Agency Confirmation;
- (viii) any additional information requested by the Depositor or the Rating Agency pursuant to the terms of the Trust and Servicing Agreement;
- (ix) requests for Rating Agency Confirmation;
- (x) notice of any resignation of the Trustee or the Certificate Administrator or the acceptance of appointment by the successor trustee or successor certificate administrator, as applicable;
- (xi) officer’s certificates supporting nonrecoverable determinations relating to Advances;
- (xii) notices of Servicer Termination Events and Special Servicer Termination Events;
- (xiii) any summary of oral communications with the Rating Agency;
- (xiv) notice of any amendments to the Mortgage Loan Purchase Agreement;
- (xv) notice of any material modifications or amendments to the Mortgage Loan Documents;
- (xvi) any amendment to the Trust and Servicing Agreement;
- (xvii) notice of any change in the identity of the Property Manager;
- (xviii) any notice sent by the Trustee requesting the resignation of the Special Servicer or providing notice of the appointment of a replacement Special Servicer in the event that the Special Servicer becomes a Borrower Affiliate or is otherwise required to resign as Special Servicer under the terms of the Trust and Servicing Agreement; and

(xix) the “Rating Agency Q&A Forum and Document Request Tool”.

The Certificate Administrator will make the “Investor Q&A Forum” available only to Privileged Persons (which for this purpose excludes Borrower Affiliates) via the Certificate Administrator’s Internet website, where (i) Certificateholders and Beneficial Owners who provide the Certificate Administrator with an Investor Certification substantially in the form of an exhibit to the Trust and Servicing Agreement may submit inquiries to (1) the Certificate Administrator relating to the Distribution Date Statement, or submit inquiries to the Servicer or the Special Servicer relating to reports, the Mortgage Loan or the Mortgaged Property, and (2) the Operating Advisor relating to annual or other reports (including recommendations to replace the Special Servicer) prepared by the Operating Advisor or actions by the Special Servicer referenced in such reports, and (ii) Privileged Persons may view previously submitted inquiries and related answers. Upon receipt of an inquiry for the Servicer, the Special Servicer or the Operating Advisor, the Certificate Administrator will be required to forward such inquiry to the appropriate person at the Servicer, the Special Servicer or the Operating Advisor, as applicable, in each case via electronic mail within a commercially reasonable period of time following receipt of such inquiry. Following receipt of such an inquiry, the Certificate Administrator, the Servicer, the Special Servicer or the Operating Advisor, as applicable, will be required to answer each inquiry, unless such party determines (1) that any inquiry is beyond the scope of the topics described above, (2) that answering the inquiry (a) would not be in the best interests of the Trust and/or the Certificateholders, (b) would be in violation of applicable law, the Trust and Servicing Agreement or the Mortgage Loan Documents, (c) would materially increase the duties of, or would result in significant additional cost or expense to, the Certificate Administrator, the Trustee, the Servicer, the Special Servicer or the Operating Advisor, as applicable, (d) would require the disclosure of Privileged Information, (e) would, or is reasonably expected to, result in a waiver of attorney client privilege or the disclosure of attorney client work product or (f) would result in the disclosure of communications between the Directing Certificateholder and the Special Servicer or (3) that it is otherwise not advisable to answer. The Certificate Administrator will be required to post the inquiries and related answers on the Investor Q&A Forum, subject to and in accordance with the Trust and Servicing Agreement. Answers posted on the Investor Q&A Forum will be attributable only to the respondent, and will not be deemed to be answers from any of the Depositor, the Initial Purchaser or any of their respective affiliates. None of the Initial Purchaser, the Depositor, the Servicer, the Special Servicer, the Trustee or the Certificate Administrator or any of their respective affiliates will certify to any of the information posted in the Investor Q&A Forum and no such party will have any responsibility or liability for the content of any such information. The Certificate Administrator will not be required to post to the Certificate Administrator’s Internet website any investor inquiry or answer to an inquiry that the Certificate Administrator determines, in its sole discretion, is administrative or ministerial in nature. The Certificate Administrator is not under any obligation to review whether any inquiry or response contains such direct communication with the Directing Certificateholder. The Investor Q&A Forum will not reflect questions, answers and other communications that are not submitted via the Certificate Administrator’s Internet website.

“Privileged Information” means any (i) correspondence between the Directing Certificateholder, on the one hand, and the Trustee, the Servicer or the Special Servicer, on the other hand, related to the Specially Serviced Mortgage Loan or the exercise of the Directing Certificateholder’s consent or consultation rights under the Trust and Servicing Agreement, (ii) strategically sensitive information that the Special Servicer has reasonably determined could compromise the Trust’s position in any ongoing or future negotiations with the Borrower or other interested party, or (iii) information subject to attorney-client privilege.

The Certificate Administrator will make the “Investor Registry” available to any Certificateholder and Beneficial Owner via the Certificate Administrator’s Internet website. Certificateholders and Beneficial Owners may register on a voluntary basis for the investor registry and obtain contact information for any other Certificateholder or Beneficial Owner that has also registered; *provided that they comply with certain requirements as provided for in the Trust and Servicing Agreement.*

The Certificate Administrator’s Internet website will initially be located at www.ctslink.com. Access will be provided by the Certificate Administrator to Privileged Persons. In connection with providing access to the Certificate Administrator’s Internet website, the Certificate Administrator may require registration and the acceptance of a disclaimer. The Certificate Administrator will not be liable for the dissemination of information in accordance with the terms of the Trust and Servicing Agreement. The Certificate Administrator will make no representations or warranties as to the accuracy or completeness of such information and will assume no responsibility for them. In addition, the Certificate Administrator may disclaim responsibility for any information distributed by the Certificate Administrator for which it is not the original source. Assistance in using the Certificate Administrator’s Internet website can be obtained by calling the Certificate Administrator’s customer service desk at 866-846-4526.

The 17g-5 Information Provider will make the “Rating Agency Q&A Forum and Document Request Tool” available to the Depositor and NRSROs (including the Rating Agency) via the 17g-5 Information Provider’s Internet website in accordance with the terms of the Trust and Servicing Agreement.

The 17g-5 Information Provider’s Internet website will initially be located within the Certificate Administrator’s Internet website (www.ctslink.com), under the “NRSRO” tab on the page relating to this transaction. Access will be provided by the 17g-5 Information Provider to the Rating Agency and to NRSROs upon receipt by the 17g-5 Information Provider of an NRSRO Certification. The 17g-5 Information Provider will not be liable for the dissemination of information in accordance with the terms of the Trust and Servicing Agreement. The 17g-5 Information Provider will make no representations or warranties as to the accuracy or completeness of any information being made available and will assume no responsibility for same. The Certificate Administrator will not be deemed to have knowledge of any information posted on its Internet website solely by virtue of posting by the 17g-5 Information Provider on such Internet website. The 17g-5 Information Provider may disclaim responsibility for any information for which it is not the original source. Assistance in using the 17g-5 Information Provider’s Internet website can be obtained by calling the Certificate Administrator’s customer service desk at 866-846-4526.

Borrower Affiliate means any of the Borrower, the Borrower Sponsor, the Guarantors, the general partner or managing member of any of the foregoing or any of their respective Control Affiliates. The Investor Certification is required to be substantially in the form of one or more exhibits to the Trust and Servicing Agreement or may be in the form of an electronic certification contained on the Certificate Administrator’s Internet website. Investor Certifications may be submitted electronically via the Certificate Administrator’s Internet website. The Certificate Administrator may require that Investor Certifications be resubmitted from time to time in accordance with its policies and procedures.

Investor Certification means a certificate representing that such person executing the certificate is a Certificateholder, a Beneficial Owner of a Certificate, a prospective purchaser of a Certificate, the Directing Certificateholder or any Mortgage Loan Seller if it has repurchased a portion of the Mortgage Loan in accordance with the Trust and Servicing Agreement and the Mortgage Loan Purchase Agreement and that either (a) such person is not a Borrower Affiliate, a Property Manager, or an agent or affiliate of any of the foregoing, in which case such person will have access to all the reports and information made available to Privileged Persons pursuant to the Trust and Servicing Agreement, or (b) such person is a Borrower Affiliate or a Property Manager, or an agent or affiliate of the foregoing, in which case such person will only be permitted to receive access to the Distribution Date Statements prepared by the Certificate Administrator. The Investor Certification is required to be substantially in the form of one or more exhibits to the Trust and Servicing Agreement or may be in the form of an electronic certification contained on the Certificate Administrator’s Internet website. Investor Certifications may be submitted electronically via the Certificate Administrator’s Internet website. The Certificate Administrator may require that Investor Certifications be resubmitted from time to time in accordance with its policies and procedures.

Control Affiliate means, as to any particular person, any person, directly or indirectly through one or more intermediaries, Controlling, Controlled by or under common Control with, the person in question. As used solely in this definition of “Control Affiliate”, **Control** means (a) the ownership, directly or indirectly, in the aggregate of 10% or more of the beneficial ownership interests of an entity, or (b) the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of an entity, whether through the ability to exercise voting power, by contract or otherwise. “Controlled by,” “Controlling” and “under common Control with” have the respective correlative meanings to such terms.

CREFC means the Commercial Real Estate Finance Council®, or any association or organization that is a successor to the Commercial Real Estate Finance Council®.

CREFC Reports collectively refers to the various reports as may be amended, updated or supplemented from time to time that are part of the CREFC® Investor Reporting Package.

NRSRO Certification means a certification (a) executed by an NRSRO (including the Rating Agency) or (b) provided electronically and executed by such NRSRO by means of a “click-through” confirmation on the 17g-5 Information Provider’s Internet website, in either case, in favor of the 17g-5 Information Provider in the form attached to the Trust and Servicing Agreement that states that such NRSRO is the Rating Agency, or that such NRSRO has provided the Depositor with the appropriate certifications under Rule 17g-5(e), that such NRSRO has access to the Depositor’s 17g-5 Internet website and that any confidentiality provisions relating to information on the Depositor’s 17g-5 Internet website apply equally to information on the Certificate Administrator’s Internet website and the 17g-5 Information Provider’s Internet website.

"Privileged Person" includes the Depositor and its designees, the Initial Purchasers, the Servicer, the Special Servicer, the Trustee, the Certificate Administrator, the Operating Advisor, the Mortgage Loan Sellers or Directing Certificateholder that delivers an Investor Certification, any other person who provides the Certificate Administrator with an Investor Certification and any NRSRO that delivers an NRSRO Certification to the Certificate Administrator, which Investor Certification and NRSRO Certification may be submitted electronically via the Certificate Administrator's Internet website. For purposes of obtaining access to information in the possession of the Certificate Administrator and/or receiving any information or report from the Certificate Administrator's Internet website (including accessing the Investor Q&A Forum), other than Distribution Date Statements only, the Borrower Affiliate, each Property Manager and any of their respective agents or affiliates of the foregoing (in each case, as evidenced by an Investor Certification) will be deemed to not be a "Privileged Person".

Other Information

The Certificate Administrator will make available at its offices, during normal business hours upon reasonable prior written request, for review by any Privileged Person (which for this purpose excludes any Borrower Affiliates, the Property Manager and any of their respective agents or affiliates of the foregoing) originals or copies of any documentation regarding the Mortgage Loan or the assets of the Trust that are in its possession or within its control, including without limitation:

- (i) the mortgage loan files, including any and all modifications, waivers and amendments to the terms of the Mortgage Loan entered into or consented to by the Servicer or the Special Servicer and delivered to the Certificate Administrator;
- (ii) the annual, quarterly and monthly operating statements, if any, collected by or on behalf of the Servicer or the Special Servicer, as applicable, and delivered to the Certificate Administrator; and
- (iii) all notices and reports delivered to the Certificate Administrator with respect to the Mortgaged Property as to which environmental testing revealed any failure of such Mortgaged Property to comply with any applicable law, including any environmental law, or which revealed an environmental condition present at such Mortgaged Property requiring further investigation, testing, monitoring, containment, clean up, or remediation.

The Certificate Administrator will provide copies of the items described above to the extent in its possession upon reasonable written request to the Certificateholders (other than a Borrower Affiliate, the Property Manager and any of their respective agents or affiliates of the foregoing). The Certificate Administrator may require payment for the reasonable costs and expenses of providing the copies and may also require a confirmation executed by the requesting person or entity, in a form reasonably acceptable to the Certificate Administrator, to the effect that the person or entity making the request is a Beneficial Owner or prospective purchaser of Certificates, is requesting the information solely for use in evaluating its investment in the Certificates and will otherwise keep the information confidential. Certificateholders, by the acceptance of their Certificates, will be deemed to have agreed to keep this information confidential.

Duties of the Trustee and the Certificate Administrator

Neither the Trustee nor the Certificate Administrator will make representations as to the validity or sufficiency of the Trust and Servicing Agreement (other than its execution of the Trust and Servicing Agreement), the Certificates, the Mortgage Loan or Mortgage Loan Documents, except as specifically set forth in the Trust and Servicing Agreement. Neither the Trustee nor the Certificate Administrator will be accountable for the use or application by the Depositor of any of the Certificates or of the proceeds of such Certificates or for the use or application of any funds paid to the Servicer or the Special Servicer, as applicable, in respect of the Mortgage Loan deposited into or withdrawn from the Collection Account or any account maintained by or on behalf of the Servicer or the Special Servicer (except to the extent that the any such account is held by the Trustee or the Certificate Administrator in its commercial capacity), or for investment of such amounts (other than, and to the extent of, investments made with the Trustee or the Certificate Administrator, as applicable, in its commercial capacity). The Trustee (or the Servicer or the Special Servicer on its behalf) and the Certificate Administrator (or the Servicer or the Special Servicer on its behalf) will have the power to exercise all the rights of a holder of the Mortgage Loan on behalf of the Certificateholders, subject to the terms of the Mortgage Loan Documents.

The Trustee or the Certificate Administrator may resign at any time by giving written notice to the Depositor, the Initial Purchasers, the Servicer, the Special Servicer, the Rating Agency, the Certificateholders and the Trustee or the Certificate Administrator, as applicable, not less than 60 days before the date specified in such notice for such resignation to take effect; *provided* that a successor trustee must have been appointed by the Depositor and must have accepted such appointment before such resignation can take effect. If no successor trustee or certificate administrator is appointed within

30 days after the giving of such notice of resignation, the resigning trustee or certificate administrator may petition the court for appointment of a successor trustee or certificate administrator, as applicable. Such petition will be made at the expense of the Trust.

The Depositor may remove (or any Certificateholder who has been a *bona fide* Certificateholder for at least six months may, on behalf of itself and all others similarly situated, may petition any court of competent jurisdiction to remove) the Trustee or the Certificate Administrator if (i) the Trustee or Certificate Administrator, as applicable, ceases to be eligible to continue as such under the Trust and Servicing Agreement and fails to resign after written request for the Trustee's or the Certificate Administrator's resignation, as applicable, by the Depositor, the Servicer, the Special Servicer or the Operating Advisor, as applicable, (ii) the Trustee or the Certificate Administrator materially defaults in the performance of its obligations under the Trust and Servicing Agreement, as applicable, or (iii) if, at any time, the Trustee or the Certificate Administrator becomes incapable of acting, or is adjudged bankrupt or insolvent, or a receiver of the Trustee or the Certificate Administrator, as applicable, or of its property is appointed, or any public officer takes charge or control of the Trustee or Certificate Administrator, as applicable, or of its property for the purpose of rehabilitation, conservation, or liquidation. In addition, upon 30 days' notice, Certificateholders evidencing not less than a majority of the Voting Rights of the Certificates may remove the Trustee or the Certificate Administrator at any time upon written notice to the Depositor, the Servicer, the Special Servicer and the removed Certificate Administrator or Trustee, as applicable. Any removal of the Trustee or the Certificate Administrator and appointment of a successor trustee or certificate administrator, as applicable, will not become effective until acceptance of the appointment by the successor trustee or certificate administrator, as applicable.

The Trustee or the Certificate Administrator may resign at any time as described under See “*—Certain Matters Regarding the Depositor, the Certificate Administrator, the Trustee, the Servicer, the Special Servicer and the Operating Advisor*” above.

In the event of any resignation or removal of the Trustee or the Certificate Administrator, as applicable, (other than a resignation of the Trustee that is required solely due to a change in law or a conflict of interest arising after the Closing Date that is not waived by all of the parties in conflict or is unwaivable), such resignation or removal will be effective with respect to each of such party's other capacities under the Trust and Servicing Agreement (including, without limitation, such party's capacities as Trustee, custodian, Certificate Administrator, Certificate Registrar and 17g-5 Information Provider, as the case may be).

Neither the Trustee or the Certificate Administrator, by reason of the action or inaction of a responsible officer or officers of the Trustee or the Certificate Administrator, as applicable, nor any of their directors, officers, employees or agents will have any liability to the Trust or the Certificateholders for any action taken or for refraining from the taking of any action in good faith pursuant to the Trust and Servicing Agreement, or for errors in judgment; *provided, however,* that the Trustee, the Certificate Administrator or any such person will not be protected against any liability that would otherwise be imposed by reason of willful misconduct, bad faith or negligence of the Trustee, the custodian, the Certificate Administrator, or any such person or by reason of negligent disregard of its obligations and duties. The Trustee, the Certificate Administrator and any director, officer, employee, agent or “controlling person” (within the meaning of the Securities Act) of the Trustee or the Certificate Administrator, as applicable, will be indemnified by the Trust and held harmless against any loss, liability, claim, demand or expense (including reasonable legal fees and expenses) incurred in connection with any legal action or other claims, losses, penalties, fines, foreclosures, judgments or liabilities incurred in connection with or related to the Trustee's or the Certificate Administrator's, as applicable, performance of its powers and duties under the Trust and Servicing Agreement unless caused by the Trustee's or the Certificate Administrator's, as applicable, willful misconduct, bad faith, or negligence or by reason of negligent disregard of its obligations and duties. The payment of any such indemnification will reduce the amount available for distribution to the Certificateholders to the extent described in this Offering Circular. See “*Description of the Certificates—Payment on the Certificates*” in this Offering Circular. The Trustee will be responsible for the acts or failure to act as servicer or special servicer during any time and to the extent the Trustee is serving as Servicer pursuant to the Trust and Servicing Agreement. Under the Trust and Servicing Agreement, the Depositor will not have any obligations to monitor or supervise the performance of the Trustee or the Certificate Administrator.

Governing Law

The Trust and Servicing Agreement will be governed by the laws of the State of New York without the application of conflict of laws principles.

USE OF PROCEEDS

The net proceeds from the sale of the Certificates will be applied by the Depositor towards the purchase of the Mortgage Loan from the Mortgage Loan Sellers. The net proceeds from the Mortgage Loan will be used by the Borrower to repay existing indebtedness, fund certain renovations at the Mortgaged Property, and pay transaction fees and expenses incurred with respect to the transactions described in this Offering Circular.

YIELD, PREPAYMENT AND MATURITY CONSIDERATIONS

General

The yield to maturity on the Regular Certificates will be affected by the price (par, discount or premium to par) paid by the holder, the related Pass-Through Rate (and in the case of the Sequential Pay Certificates, the levels of LIBOR (or the Alternate Rate)), and the rate and timing of principal payments on the Notes and the allocation of such amounts to the Components of the Mortgage Loan and therefore the reduction of the Certificate Balances of the Certificates.

The rate of principal payments on the Notes (and thus the Certificates) will be affected by the rate and timing of principal payments (including partial prepayments or prepayments in whole, and unscheduled collections of principal due to casualty, condemnation, default and liquidation) on, and payments in connection with any repurchase of the Mortgage Loan by the Mortgage Loan Sellers.

We make no representation as to the anticipated rate of payments (including partial prepayments, prepayments in whole, defaults, liquidations and losses) on the Mortgage Loan or as to the anticipated yield to maturity of any Certificate. Generally, prepayments on the Mortgage Loan and the Notes will tend to shorten the weighted average life of the corresponding Class of Certificates whereas an extension of the Maturity Date of the Mortgage Loan and delays in liquidation will tend to lengthen the weighted average life of the Certificates. Any changes in such weighted average lives may adversely affect the yield to maturity of Certificateholders.

The Borrower may voluntarily prepay the Mortgage Loan, in whole or in part, at any time and from time to time, subject to the satisfaction of certain conditions, including a payment of a Spread Maintenance Premium if such voluntary prepayment is made on or prior to the Spread Maintenance End Date. See "*Description of the Mortgage Loan—Prepayment*" in this Offering Circular. In addition, the Mortgage Loan provides for mandatory prepayments in certain circumstances such as casualty and condemnation without a Spread Maintenance Premium. Any such payments would result in an earlier than expected repayment of the Mortgage Loan. Any prepayments of the Mortgage Loan will be required to be allocated to the Certificates in Sequential Order as described under "*Description of the Certificates—Payment on the Certificates*" in this Offering Circular.

The Mortgage Loan is a floating rate commercial mortgage loan. We are not aware of any publicly available statistics that set forth principal prepayment experience or prepayment forecasts of commercial mortgage loans over an extended period of time. Floating rate commercial mortgage loans may be subject to a greater rate of principal prepayments in a declining interest rate environment. We cannot assure you as to the rate of prepayments on the Mortgage Loan in stable or changing interest rate environments.

The Mortgage Loan Purchase Agreement contains certain limited representations and warranties that could result in a repurchase of the Mortgage Loan as described under "*Description of the Mortgage Loan Purchase Agreement*" in this Offering Circular. Such repurchase for any material breach of such representations or in certain cases for a material document defect would have a similar effect as a voluntary prepayment on the Mortgage Loan and there would be no payment of any yield maintenance amount or Spread Maintenance Premium in connection with such repurchase.

In the event of prepayments, the Certificate Balance of one or more Classes of Sequential Pay Certificates may be reduced to zero prior to their respective Assumed Final Distribution Dates or Fully Extended Final Distribution Dates as specified on the cover. In addition, delinquencies could result in distributions on one or more Classes of Certificates occurring after their respective Assumed Final Distribution Dates or Fully Extended Final Distribution Dates. As a result, the Certificate Balance of any Class of Sequential Pay Certificates may be reduced to zero earlier or later than its respective Assumed Final Distribution Date or Fully Extended Final Distribution Date.

The Certificate Balance of a Class of Sequential Pay Certificates may also be reduced without distributions on such Class of Sequential Pay Certificates as a result of the allocation of Realized Losses to such Class. Reductions due to Realized Losses would result in a reduction in the maximum amount distributable to such Class in respect of its Certificate Balance as well as the amount of interest that would have accrued on that Certificate Balance in the absence of such reduction. In general, a Realized Loss occurs when the aggregate principal balance of the Mortgage Loan is reduced without a ratable distribution to the holders of the applicable Sequential Pay Certificates in reduction of the Certificate Balances of such Certificates. Realized Losses are likely to occur in connection with a default on the Mortgage Loan and the liquidation of the Mortgaged Property or a reduction in the principal balance of the Notes by a bankruptcy court.

The Mortgage Loan is expected to have a substantial remaining principal balance as of the Maturity Date. See "*Risk Factors—The Borrower’s Obligation To Make a Balloon Payment Could Increase the Risk of a Default*" in this Offering Circular. In connection with a default on the Balloon Payment of the Mortgage Loan, the Servicer may agree to extend the Maturity Date of the Mortgage Loan as described under "*Description of the Trust and Servicing Agreement—Modification of the Mortgage Loan Documents*" in this Offering Circular. In the case of any such default, recovery of proceeds may be delayed by and until, among other things, a work-out is negotiated, foreclosures are completed or bankruptcy proceedings are resolved. Holders of a Class of Sequential Pay Certificates are not entitled to receive distributions in respect of the Balloon Payment on the Mortgage Loan except to the extent it is actually received. Consequently, a defaulted Balloon Payment will tend to extend the weighted average life of the related Class of Sequential Pay Certificates, whether or not a permitted extension of the Maturity Date of the Mortgage Loan has been effected. See "*Risk Factors—Variability of Average Life of the Certificates Could Affect Your Anticipated Yield to Maturity*" in this Offering Circular. No representation is made by any person as to the likelihood or magnitude of delinquencies or defaults with respect to the Mortgage Loan.

If a purchaser of a Sequential Pay Certificate offered at a discount from its initial Certificate Balance calculates its anticipated yield to maturity based on an assumed rate of payment that is faster than that actually experienced on that Certificate, the actual yield to maturity may be lower than that so calculated. Similarly, if a purchaser of a Sequential Pay Certificate offered at a premium calculates its anticipated yield to maturity based on an assumed rate of payment that is slower than that actually experienced on that Certificate, the actual yield to maturity may be lower than that so calculated.

In addition, the use of payments received on the Mortgage Loan to reimburse certain Advances or other amounts owed to the Servicer, the Special Servicer, the Certificate Administrator, the Trustee or the Operating Advisor may additionally delay payments of principal to each Class of Sequential Pay Certificates and have the same effect on yield as any delay on payment of principal on the Mortgage Loan.

The timing of changes in the rate of payments on the Notes and the Sequential Pay Certificates may significantly affect a Certificateholder’s actual yield to maturity even if the average rate of principal payments is consistent with the expectation of a purchaser of Certificates. In general, the earlier payments of principal on a Sequential Pay Certificate occur, the greater the effect on a related Certificateholder’s yield to maturity. The effect on a Certificateholder’s yield of principal payments occurring at a rate higher (or lower) than the rate anticipated by a purchaser of Certificates during the period following the issuance of the Sequential Pay Certificates may not be offset by a subsequent like decrease (or increase) in the rate of principal payments.

Yield on the Class R Certificates

The after tax rate of return to the holders of the Class R Certificates will reflect their pre-tax rates of return (which may be zero), reduced by the taxes required to be paid with respect to such Certificates. If you hold a Class R Certificate, you may have tax liabilities during the early years of the Trust REMIC’s term that substantially exceed any distributions payable on your Class R Certificate during any such period. In addition, the present value of the tax liabilities with respect to your Class R Certificate may substantially exceed the present value of any distributions on your Class R Certificate and of any tax benefits that may arise with respect to it. Accordingly, the after tax rate of return on the Class R Certificates may be negative or may be otherwise significantly adversely affected. The timing and amount of taxable income attributable to the Class R Certificates will depend on, among other things, the timing and amounts of prepayments and losses experienced with respect to the Mortgage Loan. If you own a Class R Certificate, you should consult your tax advisors regarding the effect of taxes and the receipt of any payments made in connection with the purchase of the Class R Certificate on your after tax rate of return. See "*Certain Federal Income Tax Considerations*" in this Offering Circular.

Weighted Average Life

Weighted average life refers to the average amount of time from the date of issuance of a security until each dollar in respect of the principal amount of such security will be repaid to a purchaser of such security. The weighted average life of a Sequential Pay Certificate is determined by (i) multiplying the amount of each distribution in reduction of the outstanding Certificate Balance of the Class of such Certificate by the number of years from the date of issuance of such Certificate to the related Distribution Date, (ii) adding the results and (iii) dividing the sum by the original Certificate Balance of such Certificate.

As described above and in *"Risk Factors—Variability of Average Life of the Certificates Could Affect Your Anticipated Yield to Maturity,"* the payment experience on the Notes will affect the actual distribution experience on and the weighted average life of the Certificates. Any changes in weighted average life of a Class of Sequential Pay Certificates may adversely affect the yield to maturity of holders of such Class of Sequential Pay Certificates. Prepayments resulting in a shortening of the weighted average life may be made at a time of low interest rates when a Certificateholder may be unable to reinvest the resulting payments of principal on its Certificates at a rate comparable to the rate borne by those Certificates. Delays and extension resulting in a lengthening of such weighted average life may occur at a time of high interest rates when a Certificateholder may have been able to reinvest at higher rates principal distributions that would otherwise have been received by it. See *"Risk Factors—Variability of Average Life of the Certificates Could Affect Your Anticipated Yield to Maturity"* in this Offering Circular.

With respect to each of the scenarios described below and as used in Annex B and Annex C, all prepayments of principal are assumed to be applied in accordance with the Mortgage Loan Agreement, and it is further assumed that there are no mandatory prepayments and no other amortization on the Mortgage Loan.

Prepayments on the Mortgage Loan may be measured by a prepayment standard or model. The "Constant Prepayment Rate" or "CPR" model represents an assumed constant annual rate of prepayment each month, expressed as a *per annum* percentage of the then-scheduled principal balance of the Mortgage Loan. As used in the tables set forth in Annexes B and C: The column headed "Scenario A" assumes the Mortgage Loan is prepaid in full on the Spread Maintenance End Date. The column headed "Scenario B" assumes the Mortgage Loans is paid in full on the Initial Maturity Date (the "0% CPR" scenario). The column headed "Scenario C" assumes the Mortgage Loan is paid in full on the final Extended Maturity Date.

The tables in Annex B indicate the percentage of the initial Certificate Balance of each Class of the Sequential Pay Certificates that would be outstanding after each of the dates and the corresponding weighted average life of each such Class of Certificates. The tables in Annex B and Annex C have been prepared on the basis of the information set forth in this Offering Circular regarding the payment terms of the Mortgage Loan and the following assumptions (collectively, the "Modeling Assumptions"), among others:

- (i) the Closing Date is deemed to be February 20, 2019;
- (ii) the respective initial Certificate Balances and Pass-Through Rates of the Certificates are as set forth or described on the cover page of this Offering Circular;
- (iii) scheduled Monthly Payments including payments due at maturity of principal and/or interest on the Mortgage Loan are timely received on the applicable Mortgage Loan Payment Date;
- (iv) scheduled Monthly Payments on the Notes will be received on a timely basis and will be distributed in respect of the Certificates on the 15th day of the related month, beginning in March 2019;
- (v) the Component Rate in effect for each Component as of the Cut-off Date will remain in effect to the Maturity Date, and will be adjusted as required pursuant to the definition of Net Component Rate;
- (vi) there are no modifications, delinquencies or losses in respect of the Mortgage Loan and there is no casualty or condemnation affecting the Mortgaged Property;
- (vii) there are no unanticipated or extraordinary Trust Fund Expenses;
- (viii) the Servicing Fee, the Operating Advisor Fee and the Certificate Administrator Fee (including the portion that is the Trustee Fee) and the CREFC® Intellectual Property Royalty License Fee are each calculated on

the principal balance of the Mortgage Loan and in the same manner as interest is calculated on the Mortgage Loan;

- (ix) one month LIBOR is assumed to be 2.5500%; and
- (x) no Spread Maintenance Premiums are received by the Trust.

To the extent that the Mortgage Loan has characteristics or performs in a manner that differs from the assumptions used in preparing the tables set forth in Annex B and Annex C, the Certificates may mature earlier or later than indicated by the tables.

It is not likely that the Modeling Assumptions will be realized. You must make your own decision as to the appropriate assumptions (including prepayment, default and loss assumptions) to be used in deciding whether to purchase the Certificates.

Discount Margin Tables

The discount margins set forth in Annex C were calculated in accordance with standard formulas for mortgage-backed securities published by the Bond Market Association and represent the increment over LIBOR that produces a monthly discount rate that, when applied to the assumed stream of cash flows to be paid on each Class of Sequential Pay Certificates shown, would cause the discounted present value of such cash flows to equal the assumed purchase price as specified below, in each case expressed in 32nds and interpreted as a percentage (i.e., 99-08 is 99 8/32%). The tables below assume that the Certificates settle without accrued interest. The tables set forth in Annex B have been prepared on the basis of the assumptions in "Scenario A", "Scenario B" and "Scenario C" and the other Modeling Assumptions described above.

CERTAIN LEGAL ASPECTS OF THE MORTGAGE LOAN

The following discussion contains general summaries of certain legal aspects of mortgage loans secured by commercial properties. Because those legal aspects are governed by applicable state law, which laws may differ substantially, the summaries do not purport to be complete, to reflect the laws of any particular state, or to encompass the laws of all states in which the security for the Mortgage Loan, or mortgage loans underlying any CMBS, is situated. Accordingly, the summaries are qualified in their entirety by reference to the applicable laws of those states.

Mortgages, Deeds to Secure Debt and Deeds of Trust Generally

The Mortgage Loan will be evidenced by three (3) promissory notes and secured by instruments granting a security interest in real property, which may be a mortgage, deed of trust or a deed to secure debt, depending upon the prevailing practice and law in the state in which the related Property is located. A mortgage, deed to secure debt or deed of trust creates a lien upon the real property encumbered thereby. Such lien is not prior to the lien for real estate taxes and assessments and other encumbrances which may be permitted under the related loan documents, and may not be prior to certain other statutory liens, such as mechanic and materialman liens. The priority of the lien created or interest granted will depend on the terms of the mortgage, deed of trust or deed to secure debt, as applicable, and, in some cases, on the terms of separate subordination agreements or intercreditor agreements with others that hold interests in the real property, the knowledge of the parties to the mortgage and, generally, the order of recordation of the mortgage in the appropriate public recording office. However, the lien of a recorded mortgage will generally be subordinate to later-arising liens for real estate taxes and assessments and other charges imposed under governmental police powers.

There are two parties to a mortgage or a deed to secure debt, the mortgage borrower, who is the borrower and property owner and/or lessee (if the property being mortgaged is a leasehold interest), and the mortgagee, who is the lender. Under the mortgage or deed to secure debt instrument, the borrower delivers to the mortgagee a note or bond and the mortgage or deed to secure debt. The mortgagee's authority under a mortgage or deed to secure debt is governed by applicable law and the express provisions of the mortgage or deed to secure debt. Although a deed of trust is similar to a mortgage, a deed of trust has three parties, the borrower/property owner called the trustor or grantor (similar to the borrower), a lender called the beneficiary (similar to a mortgagee), and a third-party grantee called the trustee. Under a deed of trust, the grantor irrevocably grants the property to the trustee until the debt is paid, in trust for the benefit of the beneficiary to secure payment of the obligation generally with a power of sale. The trustee's authority under a deed of trust is governed by applicable law, the express provisions of the deed of trust and, in some cases, the directions of the beneficiary.

The real property covered by a mortgage is most often the fee estate in land and improvements. However, a mortgage may encumber other interests in real property such as a tenant interest in a lease of land or improvements, or both, and the leasehold estate created by such lease. A mortgage covering an interest in real property other than the fee estate requires special provisions in the instrument creating such interest or in the mortgage to protect the mortgagee against termination of such interest before the mortgage is paid.

Leases and Rents

Mortgages that encumber income-producing property often contain an assignment of rents and leases, pursuant to which the borrower assigns its right, title and interest as landlord under each lease and the income derived therefrom to the lender, while the borrower retains a revocable license to collect the rents for so long as there is no default. Under such assignments, the borrower typically assigns its right, title and interest as lessor under each lease and the income derived therefrom to the mortgagee, while retaining a license to collect the rents for so long as there is no default under the mortgage loan documentation. The manner of perfecting the mortgagee's interest in rents may depend on whether the borrower's assignment was absolute or one granted as security for the loan. Failure to properly perfect the mortgagee's interest in rents may result in the loss of funds that could otherwise serve as a source of repayment for such loan. If the borrower defaults, the license terminates and the lender is entitled to collect the rents. Local law may require that the lender take possession of the property and/or obtain a court-appointed receiver before becoming entitled to collect the rents.

Even after a foreclosure, the potential rent payments from the property may be less than the periodic payments that had been due under the mortgage. For instance, the net income that would otherwise be generated from the property may be less than the amount that would have been needed to service the mortgage debt if the leases on the property are at below-market rents, or as the result of excessive maintenance, repair or other obligations which a lender succeeds to as landlord.

Lenders that actually take possession of the property, however, may incur potentially substantial risks attendant to being a mortgagee in possession. Such risks include liability for environmental clean-up costs and other risks inherent in property ownership. See "*Environmental Risks*" below.

Foreclosure

General

Foreclosure is a legal procedure that allows the lender to recover its mortgage debt by enforcing its rights and available legal remedies under the mortgage. If the borrower defaults in payment or performance of its obligations under the mortgage note or mortgage, the lender has the right to institute foreclosure proceedings to sell the real property at public auction to satisfy the indebtedness.

Foreclosure procedures vary from state to state. Two primary methods of foreclosing a mortgage are judicial foreclosure, involving court proceedings, and non-judicial foreclosure pursuant to a power of sale granted in the mortgage instrument. Other foreclosure procedures are available in some states, but they are either infrequently used or available only in limited circumstances. In Hawaii, either of these two primary methods are available to foreclosure on Hawaii real property securing a mortgage, although judicial foreclosure is the prevalent method employed.

A foreclosure action is subject to most of the delays and expenses of other lawsuits if defenses are raised or counterclaims are interposed, and sometimes requires several years to complete. Moreover, as discussed below, even a non-collusive, regularly conducted foreclosure sale may be challenged as a fraudulent conveyance, regardless of the parties' intent, if a court determines that the sale was for less than fair consideration and that the sale occurred while the borrower was insolvent and within a specified period prior to the borrower's filing for bankruptcy protection.

Judicial Foreclosure

In the United States, foreclosure of a mortgage is generally accomplished by judicial action. The action is initiated by the service of legal pleadings upon all parties having an interest in the real property. Delays in completion of the foreclosure may occasionally result from difficulties in locating necessary parties. When the mortgagee's right to foreclose is contested, the legal proceedings necessary to resolve the issue can be time-consuming. At the completion of the judicial foreclosure proceedings, if the mortgagee prevails, the court generally issues a judgment of foreclosure and appoints a referee or other court officer to conduct the sale of the property. Such sales are made in accordance with procedures which vary from state to state. The purchaser at such sale acquires the estate or interest in real property covered by the mortgage.

If the mortgage covered the tenant's interest in a lease and leasehold estate, the purchaser at foreclosure will acquire such tenant's interest subject to the tenant's obligations under the lease to pay rent and perform other covenants contained in the lease. Generally, state law controls the amount of foreclosure expenses and costs, including attorneys' fees, which may be recovered by a lender.

Non-Judicial Foreclosure

In a majority of cases, foreclosure of a deed of trust is accomplished by a non-judicial trustee's sale under a specific provision in the deed of trust and/or applicable statutory requirements which authorize the trustee, following a request from the beneficiary/lender, to sell the property at a public sale upon any default by the borrower under the terms of the note or deed of trust. A number of states may also require that a lender provide notice of acceleration of a note to the borrower. Notice requirements under a trustee's sale vary from state to state. In some states, prior to the trustee's sale, the trustee must record a notice of default and send a copy to the borrower, to the trustor, to any person who has recorded a request for a copy of a notice of default and notice of sale and to any successor in interest to the trustor. In addition, in some states the trustee must provide notice to any other person having an interest in the real property, including any junior lienholders, and to certain other persons connected with the deed of trust. If the deed of trust is not reinstated, a notice of sale must be posted in a public place and, in most states, published for a specific period of time in one or more newspapers. In addition, some state laws require that a copy of the notice of sale be posted on the property and sent to all parties having an interest in the real property.

A deed to secure debt is foreclosed through a non-judicial sale similar to that conducted under a deed of trust, except that the sale is conducted by the mortgagee rather than a trustee.

The borrower, or any other person having a junior encumbrance on the real estate, may, after acceleration but not after a foreclosure sale has occurred, cure the default by paying the entire amount in arrears plus the costs and expenses incurred in enforcing the obligation. Generally, state law controls the amount of foreclosure expenses and costs, including attorneys' fees, which may be recovered by a lender.

Public Sale

A third party may be unwilling to purchase a mortgaged property at a public sale because of the difficulty in determining the value of such property at the time of sale, due to, among other things, redemption rights that may exist and the possibility of physical deterioration of the property during the foreclosure proceedings. Potential buyers may be reluctant to purchase property at a foreclosure sale as a result of the 1980 decision of the United States Court of Appeals for the Fifth Circuit in *Durrett v. Washington National Insurance Company*, 621 F.2d 201, and other decisions that have followed its reasoning. The court in *Durrett* held that even a non-collusive, regularly conducted foreclosure sale was a fraudulent transfer under the federal Bankruptcy Code and, therefore, could be rescinded in favor of the bankrupt's estate, if (i) the foreclosure sale was held while the debtor was insolvent and not more than one year prior to the filing of the bankruptcy petition and (ii) the price paid for the foreclosed property did not represent "fair consideration" ("reasonably equivalent value" under the Bankruptcy Code). Although the reasoning and result of *Durrett* in respect of the Bankruptcy Code were rejected by the United States Supreme Court in *BFP v. Resolution Trust Corp.*, 511 U.S. 531 (1994), the case could nonetheless be persuasive to a court applying a state fraudulent conveyance law that has provisions similar to those construed in *Durrett*. For these reasons, a lender may be unwilling to purchase the property from the trustee or referee for less than an amount equal to the principal amount of the mortgage, accrued or unpaid interest and the expenses of foreclosure. After a foreclosure in which the lender purchases the property, the lender will assume the burdens of ownership, including obtaining casualty insurance and making such repairs at its own expense as are necessary to render the property suitable for sale. Frequently, the lender employs a third party management company to manage and operate the property. The costs of operating and maintaining property may be significant and may be greater than the income derived from that property. The lender will commonly obtain the services of a real estate broker and pay the broker's commission in connection with the sale of the property. Depending upon market conditions, the ultimate proceeds of the sale of the property may not equal the lender's investment in the mortgaged property. Moreover, a lender commonly incurs substantial legal fees and court costs in acquiring a mortgaged property through contested foreclosure and/or bankruptcy proceedings. See "*-Bankruptcy Issues*" below. Furthermore, an increasing number of states require that any environmental hazards be eliminated before a property may be resold. In addition, a lender may be responsible under federal or state law for the cost of cleaning up a mortgaged property that is environmentally contaminated. See "*-Environmental Risks*" below. As a result, a lender could realize an overall loss on a mortgage loan even if the related mortgaged property is sold at foreclosure or resold after it is acquired through foreclosure for an amount equal to the full outstanding principal amount of the mortgage loan, plus accrued interest.

The holder of a junior mortgage that forecloses on a mortgaged property does so subject to senior mortgages and any other prior liens, and may be obliged to keep senior mortgage loans current in order to avoid foreclosure of its interest in such property. In addition, if the foreclosure of a junior mortgage triggers the enforcement of a “due-on-sale” clause contained in a senior mortgage, the junior mortgagee could be required to pay the full amount of the senior mortgage indebtedness or face foreclosure.

Foreclosed Properties

If title to the Mortgaged Property is acquired by the Trustee for the benefit of the Certificateholders, the Special Servicer will be required to sell the Mortgaged Property prior to the close of the third calendar year following the year of acquisition of such Mortgaged Property by the trust, unless (i) the IRS grants (or does not deny) an extension of time to sell such Mortgaged Property or (ii) it obtains an opinion of counsel (at the cost of the trust) generally to the effect that the holding of the Mortgaged Property beyond the close of the third calendar year after its acquisition will not result in the imposition of a tax on the Trust or cause the Trust REMIC to fail to qualify as a REMIC under the Code. Subject to the foregoing, the Special Servicer will generally be required to solicit offers for the Mortgaged Property so acquired in such a manner as will be reasonably likely to realize a fair price for such Mortgaged Property. The Special Servicer may be required to retain an independent contractor to operate and manage the Foreclosed Property; however, the retention of an independent contractor will not relieve the Special Servicer of its obligations with respect to such Foreclosed Property.

In general, the Special Servicer or an independent contractor employed by the Special Servicer at the expense of the Trust will be obligated to operate and manage the Mortgaged Property acquired as Foreclosed Property in a manner that would, to the extent commercially feasible, maximize the Trust’s net after-tax proceeds from such Mortgaged Property. After the Special Servicer reviews the operation of such Mortgaged Property and consults with the Certificate Administrator to determine the Trust’s federal income tax reporting position with respect to the income it is anticipated that the Trust would derive from such Mortgaged Property, the Special Servicer could determine that it would not be commercially feasible to manage and operate such Mortgaged Property in a manner that would avoid the imposition of an REO Tax at the corporate tax rate (which, as of January 1, 2018, is 21%). The determination as to whether income from a Foreclosed Property would be subject to an REO Tax will depend on the specific facts and circumstances relating to the management and operation of each Foreclosed Property. In addition, income from the Foreclosed Property may be subject to state or local income taxes or withholding taxes. Any REO Tax or other tax imposed on the Trust’s income from a Foreclosed Property would reduce the amount available for distribution to Certificateholders. Certificateholders are advised to consult their tax advisors regarding the possible imposition of REO Taxes in connection with the operation of commercial and residential foreclosed properties by REMICs. See “*Certain Federal Income Tax Considerations*” in this Offering Circular.

Rights of Redemption

The purposes of a foreclosure action are to enable the mortgagee to realize upon its security and to bar the borrower, and all persons who have an interest in the property which is subordinate to the mortgage being foreclosed, from exercise of their “equity of redemption.” The doctrine of equity of redemption provides that, until the property covered by a mortgage has been sold in accordance with a properly conducted foreclosure and foreclosure sale, those having an interest which is subordinate to that of the foreclosing mortgagee have an equity of redemption and may redeem the property by paying the entire debt with interest. In addition, in some states, when a foreclosure action has been commenced, the redeeming party must pay certain costs of such action. Those having an equity of redemption must generally be made parties and joined in the foreclosure proceeding in order for their equity of redemption to be cut off and terminated.

The equity of redemption is a common-law (non-statutory) right which exists prior to completion of the foreclosure, is generally not waivable by the borrower, must be exercised prior to foreclosure sale and should be distinguished from the post-sale statutory rights of redemption. In some states, after sale pursuant to a deed of trust or foreclosure of a mortgage, the borrower and foreclosed junior lienors are given a statutory period in which to redeem the property from the foreclosure sale. In some states, statutory redemption may occur only upon payment of the foreclosure sale price. In other states, redemption may be authorized if the former borrower pays only a portion of the sums due. The effect of a statutory right of redemption is to diminish the ability of the lender to sell the foreclosed property. The exercise of a right of redemption would defeat the title of any purchaser from a foreclosure sale or sale under a deed of trust. Consequently, the practical effect of the redemption right is to force the lender to maintain the property and pay the expenses of ownership until the redemption period has expired. In some states, a post-sale statutory right of redemption may exist following a judicial foreclosure, but not following a trustee’s sale under a deed of trust.

Anti-Deficiency Legislation

The Mortgage Loan is a nonrecourse loan and recourse in the case of default, will be limited to the Mortgaged Property and those other assets, if any, that were pledged to secure the Mortgage Loan. However, even if the Mortgage Loan by its terms provides for recourse to the borrower's other assets, a lender's ability to realize upon those assets may be limited by state law. For example, in some states a lender cannot obtain a deficiency judgment against the borrower following foreclosure or sale under a deed of trust. A deficiency judgment is a personal judgment against the former borrower equal to the difference between the net amount realized upon the public sale of the real property and the amount due to the lender. Other statutes may require the lender to exhaust the security afforded under a mortgage before bringing a personal action against the borrower. In certain other states, the lender has the option of bringing a personal action against the borrower on the debt without first exhausting that security; however, in some of those states, the lender, following judgment on that personal action, may be deemed to have elected a remedy and thus may be precluded from foreclosing upon the security. Consequently, lenders in those states where an election of remedy provision exists will usually proceed first against the security. Finally, other statutory provisions, designed to protect borrowers from exposure to large deficiency judgments that might result from bidding at below-market values at the foreclosure sale, limit any deficiency judgment to the excess of the outstanding debt over the fair market value of the property at the time of the sale.

Leasehold Risks. The Mortgage Loan is primarily secured by a mortgage on the Borrower's leasehold interest in a ground lease. Leasehold mortgage loans are subject to certain risks not associated with mortgage loans secured by a lien on the fee estate of such Borrower. The most significant of these risks is that if a Borrower's leasehold were to be terminated upon a lease default, the leasehold mortgagee would lose its security. This risk may be lessened if the ground lease requires the lessor to give the leasehold mortgagee notices of lessee defaults and an opportunity to cure them, permits the leasehold estate to be assigned to and by the leasehold mortgagee or the purchaser at a foreclosure sale, and contains certain other protective provisions typically included in a "mortgageable" ground lease.

Environmental Risks

Real property pledged as security to a lender may be subject to unforeseen environmental risks. Of particular concern may be those properties that have been the site of, or are located near other properties that have been the site of, gas stations, dry cleaners, manufacturing, industrial or disposal activity. See "*Risk Factors—Environmental Issues Can Adversely Affect Your Investment*" in this Offering Circular. Such environmental risks may give rise to (a) a diminution in value of the related Mortgaged Property or the inability to foreclose against such Mortgaged Property or (b) in certain circumstances as more fully described below, liability for clean-up costs or other remedial actions, and for natural resource damages, at such property, which liabilities could exceed the value of such Mortgaged Property, the aggregate assets of the owner or operator, or the principal balance of the related indebtedness.

Under applicable law, failure to perform the remediation required or demanded by a government agency of any condition or circumstance that (i) may pose an imminent or substantial endangerment to the public health or welfare or the environment, (ii) may result in a release or threatened release of any hazardous material, or (iii) may give rise to any environmental claim or demand (each such condition or circumstance, an "Environmental Condition"), may give rise to a super lien on the property to ensure the reimbursement of remedial costs incurred by the federal or state government. In several states such lien has priority over the lien of an existing mortgage against such property. The value of the Mortgaged Property as collateral for the Notes could therefore be adversely affected by the existence of any such Environmental Condition.

In some circumstances it is unclear as to whether and under what circumstances clean-up costs, or the obligation to take remedial actions, could be imposed on a secured lender such as the Trust. Under the laws of some states and the federal Comprehensive Environmental Response, Compensation, and Liability Act, as amended ("CERCLA"), a secured lender such as the Trust may become liable as an "owner or operator" for costs of addressing releases or threatened releases of hazardous materials on the Mortgaged Property if prior to foreclosure such lender or its agents or employees have participated in the management of the operations of the borrower's facility or property, even though the environmental damage or threat was caused by a prior owner or other third party. Excluded from CERCLA's definition of "owner or operator," however, is a person who without participating in the management of the facility, holds indicia of ownership primarily to protect his security interest (the "secured-creditor exemption"). This exemption for holders of a security interest such as a secured lender applies prior to foreclosing on a security interest only when the lender seeks to protect its security interest in the contaminated facility or property. Thus, if a lender's pre-foreclosure activities begin to encroach on the actual management of such facility or property, the lender faces potential liability as an "owner or operator" under CERCLA. Similarly, after a lender forecloses and takes title to a contaminated facility or property (whether it holds the facility or property as an investment or leases it to a third party), under some circumstances the lender may incur potential CERCLA liability.

Amendments to CERCLA try to clarify the actions that may be undertaken by a lender holding security in a contaminated facility without exceeding the bounds of the secured-creditor exemption. In addition, under the amended CERCLA, a lender continues to be protected from CERCLA liability as an “owner or operator” after foreclosure as long as it seeks to divest itself of the facility at the earliest practicable commercially reasonable time on commercially reasonable terms, taking into account market conditions and legal and regulatory requirements. However, the protections afforded lenders under the amendments are subject to terms and conditions that have not been clarified by the courts. Moreover, the CERCLA secured-creditor exemption does not apply to the potential for liability in actions under certain other federal laws or state laws which may impose liability on “owners or operators” but do not incorporate the secured-creditor exemption.

The Trust and Servicing Agreement will provide that the Special Servicer, acting on behalf of the Trust, may not acquire title to, or possession of, the Mortgaged Property, take over its management or operation, or take any other action that might subject the Trust or the Trustee to liability under CERCLA or comparable laws unless the Special Servicer has previously determined, based upon a Phase I ESA or other specified environmental assessment prepared by a qualified person who regularly conducts such assessments, that such Mortgaged Property is in compliance with applicable environmental laws or that taking the actions necessary to comply with such laws is reasonably likely to produce a greater recovery on a net present-value basis than not taking such actions, and there are no circumstances present at such Mortgaged Property relating to the use of hazardous materials which require investigation or remediation under applicable environmental laws, or that if such circumstances exist, taking such remedial actions is reasonably likely to produce a greater recovery on a net present value basis than not taking such actions. This requirement effectively precludes enforcement of the lien of the related Mortgage on such Mortgaged Property as security for the Notes until a satisfactory environmental assessment is obtained or any required remedial action is taken, reducing the likelihood that the Trust will become liable for any Environmental Condition affecting the Mortgaged Property, but making it more difficult to realize on the security for the Mortgage Loan. However, we cannot assure you that any environmental assessment obtained by the Special Servicer will detect all possible Environmental Conditions or the extent or severity of any Environmental Conditions or that the other requirements of the Trust and Servicing Agreement, even if fully observed by the Special Servicer, will in fact insulate the Trust from liability for Environmental Conditions.

If a lender is or becomes liable for clean-up costs, it may bring an action (which would involve litigation costs) for contribution against the current owners or operators, the owners or operators at the time of on-site disposal activity or any other potentially responsible party, including, but not limited to insurance carriers, if any, but such persons or entities may be bankrupt or otherwise judgment proof. Furthermore, such action against a borrower may be adversely affected by the limitations on recourse in the Mortgage Loan Documents. Similarly, in some states anti-deficiency legislation and other statutes requiring the lender to exhaust its security before bringing a personal action against the borrower-trustor may curtail the lender's ability to recover from its borrower the environmental clean-up and other related costs and liabilities incurred by the lender.

Certain Laws and Regulations

The Mortgaged Property is subject to compliance with various federal, state and local statutes and regulations. Failure to so comply (together with an inability to remedy any such failure) could result in material diminution in the value of the Mortgaged Property which could, together with the limited alternative uses for such Mortgaged Property, result in a failure to realize the full principal amount of the Mortgage Loan. Any failure to comply with such statutes and regulations, however, would likely result in an event of default by the borrower under the related Mortgage, enabling the Servicer or the Special Servicer to pursue remedies available by law or under such Mortgage.

Election of Remedies

The following discussion contains a summary of certain legal aspects of the Mortgage Loan, which is general in nature. The summaries do not purport to be complete and are qualified in their entirety by reference to the applicable federal and state laws governing the Mortgage Loan.

Various states have imposed statutory prohibitions or limitations that limit the remedies of a mortgagee under a mortgage or a beneficiary under a deed of trust. The Mortgage Loan is a limited recourse loan and is, therefore, generally not recourse to the Borrower but limited to the Mortgaged Property. Even though recourse is available pursuant to the terms of the Mortgage Loan, certain states have adopted statutes which impose prohibitions against or limitations on such recourse. The limitations described below and similar or other restrictions in the jurisdiction where the Mortgaged Property is located may restrict the ability of the Servicer or the Special Servicer, as applicable, to realize on the Mortgage Loan and may adversely affect the amount and timing of receipts on the Mortgage Loan.

Certain Legal Aspects Relating to Mortgage Loans in Hawaii

In the context of a mortgage in default, Hawaii law provides for the remedies of judicial foreclosure as well as non-judicial foreclosure. However, the vast majority of foreclosures on commercial properties in Hawaii are conducted as a judicial foreclosure because of certain real and perceived process and procedural deficiencies in the statutory provisions authorizing non-judicial foreclosures and concerns raised by title companies for title insurance purposes. Judicial foreclosure sales are public sales, where third parties may bid on and purchase the property, subject to court confirmation. Generally, third party purchases occur when there are favorable market conditions, favorable property conditions and title is not at issue. Third-party purchases are further constrained by the nature of the public auction, which requires a 10% cash deposit upon the sale at public auction, and that no financing or other contingencies are acceptable. It is quite common for the mortgagee/lender to purchase the property at the foreclosure sale by means of a credit bid up to an amount equal to the total indebtedness then owing to the mortgagee/lender. There is no requirement that the mortgagee/lender make a credit bid in an amount equal to the outstanding indebtedness and generally they do not unless there are active third-party bidders at the public auction. Additionally, the bidding may be reopened at the hearing on confirmation of the public auction foreclosure. However if the mortgagee/lender is the successful bidder for the full amount of its indebtedness then under this scenario, the debt of the mortgagor/borrower is extinguished. In any case in which the mortgagee/lender or its designee acquires the real property, they assume all of the burdens of ownership, including obtaining casualty insurance, paying taxes and making such repairs at its own expense as are necessary to render the property suitable for sale. The mortgagee/lender commonly obtains the services of a local real estate broker and pays the broker's commission in connection with the subsequent sale of the property. Depending upon market conditions, the ultimate proceeds of the sale of the property may not equal the mortgagee's investment in the property. Moreover, a mortgagee typically incurs legal fees, commissioner's fees and other costs in acquiring a property through foreclosure, including the Hawaii conveyance tax. In addition, a mortgagee may be responsible under federal or state law for the cost of cleaning up a property that is environmentally contaminated. As a result, a mortgagee could realize an overall loss on the debt even if the property is sold at foreclosure or resold after it is acquired through foreclosure for an amount equal to the full outstanding principal amount of the debt plus accrued interest. Hawaii does not restrict a mortgagee from seeking a deficiency judgment in a judicial foreclosure. In order to obtain a deficiency judgment, a series of procedural and substantive requirements must be satisfied. Generally, as long as the amount paid for the property through a judicial foreclosure sale is not "grossly inadequate," the deficiency judgment will be equal to the excess of the outstanding debt (including expenses of the sale) over the foreclosure sales price. The availability of a deficiency judgment, however, may be expressly limited by the terms of the whole loan. Further, although the mortgagee may be entitled to a deficiency judgment, satisfying this judgment may be difficult due to the limited nature of the borrower's assets. When the mortgagee acquires title to the property by a conveyance instrument in lieu of foreclosure or by a conveyance instrument executed in connection with a foreclosure sale, the transfer of the property to the mortgagee is subject to the State of Hawaii conveyance tax (the "Conveyance Tax"). The Conveyance Tax must be paid when recording the conveyance instrument. The Conveyance Tax would also be incurred upon the final disposition of the property by the mortgagee following a foreclosure. It is possible that the mortgagor will pursue certain of its remedies to avoid foreclosure. These remedies include redeeming the loan (i.e. paying the entire amount of the loan plus interest) or curing the default (i.e. paying all back payments owed plus interest and enforcement costs incurred by the mortgagee). In Hawaii, while the mortgagor does not have a statutory right of redemption or a statutory right to reinstate a loan in default during the foreclosure proceeding, although as a court sitting in equity the Hawaii courts have generally viewed favorably an offer by the mortgagor to fully cure the existing default and thus waive the principal acceleration if done prior to the holding of the foreclosure sale. Further, the mortgagor may have a defense to a foreclosure suit if the mortgagee has coerced the mortgagor or otherwise acted improperly. Under certain circumstances, a foreclosure sale could also be challenged as a fraudulent conveyance.

In Hawaii, the application of equitable principles by the Hawaii courts may limit the remedies of a mortgagee under a mortgage. In addition, the Mortgage Loan is a limited recourse loan and is, therefore, generally not recourse to the Borrower but limited to the Mortgaged Property. The limitations described in this "*Certain Legal Aspects Relating to Mortgage Loans in Hawaii*" and similar or other restrictions in the jurisdiction where the Mortgaged Property is located may restrict the ability of the Servicer or the Special Servicer, as applicable, to realize on the Mortgage Loan and may adversely affect the amount and timing of receipts on the Mortgage Loan.

Anti-Deficiency Legislation

Certain states have imposed statutory prohibitions against or limitations on personal recourse against mortgagors. For example, some state statutes limit the right of the beneficiary or mortgagee to obtain a deficiency judgment against the borrower following foreclosure. A deficiency judgment is a personal judgment against the former borrower equal in most cases to the difference between the net amount realized upon the public sale of the real property and the amount due the lender. Other statutes require the beneficiary or mortgagee to exhaust the security afforded under a mortgage by foreclosure in an attempt to satisfy the full debt before bringing a personal action against the borrower on the debt without

first exhausting such security; however, in some of these states, the lender, following judgment on such personal action, may be deemed to have elected a remedy and may be precluded from exercising remedies with respect to the security. Consequently, the practical effect of the election requirement, when applicable, is that lenders will usually proceed first against the security rather than bringing personal action against the borrower. Other statutory provisions limit any deficiency judgment against the former borrower following a judicial sale to the excess of the outstanding debt over the fair market value of the property at the time of the public sale. The purpose of these statutes is generally to prevent a beneficiary or a mortgagee from obtaining a large deficiency judgment against the former borrower as a result of low bids or the absence of bids at the judicial sale. Also, the enforcement of remedial actions in one state may adversely affect the enforcement of remedial actions in other states.

Statutory Liabilities

The Code provides priority to certain tax liens over the lien of the Mortgage. In addition, substantive requirements are imposed upon mortgage lenders in connection with the origination and the servicing of mortgage loans by numerous federal and some state consumer protection laws. These laws include the federal Truth-in-Lending Act, Real Estate Settlement Procedures Act, Equal Credit Opportunity Act, Fair Credit Billing Act, Fair Credit Reporting Act, and related statutes. These federal laws impose specific statutory liabilities upon lenders who originate mortgage loans and who fail to comply with the provisions of the law. In some cases this liability may affect assignees of the Mortgage Loan.

Enforceability of Certain Provisions

The Mortgage Loan Documents contain a “due-on-sale” clause, which permits the mortgagee to declare a Mortgage Loan Event of Default if the Borrower transfers or conveys the Mortgaged Property in violation of the restrictions with respect to a transfer or conveyance of the Mortgaged Property set forth in the Mortgage Loan Documents. In such an event, the mortgagee may be entitled to exercise its remedies against the Mortgaged Property and to accelerate the entire indebtedness evidenced by the Mortgage Loan. The ability of mortgagees and their assignees and transferees to enforce “due-on-sale” clauses was addressed by Congress when it enacted the Garn-St Germain Depository Institutions Act of 1982 (the Garn-St Germain Act). The legislation, subject to certain exceptions, provides for federal preemption of all state restrictions on the enforceability of “due-on-sale” clauses. Although the Garn-St Germain Act provides that “due-on-sale” clauses are enforceable, the Garn-St Germain Act states that a mortgagee is “encouraged” to permit an assumption of a loan at the existing mortgage rate of interest or at some other rate less than the average of the mortgage rates and the market rate.

The Mortgage Loan Documents include a debt-acceleration clause, which permits the Servicer to accelerate the full debt upon a monetary or non-monetary default of the Borrower under certain circumstances. The courts of all states will enforce clauses providing for acceleration in the event of a material payment default after giving effect to any appropriate notices. However, courts may refuse to foreclose a mortgage when an acceleration of the indebtedness would be inequitable or unjust or the circumstances would render the acceleration unconscionable.

Upon foreclosure, courts have applied general equitable principles. These equitable principles are generally designed to relieve the borrower from the legal effect of its defaults under the loan documents. Examples of judicial remedies that have been fashioned include judicial requirements that the lender undertake affirmative and expensive actions to determine the causes of the borrower’s default and the likelihood that the borrower will be able to reinstate the loan. In some cases, courts have substituted their judgment for the lender’s judgment and have required that lenders reinstate loans or recast payment schedules in order to accommodate borrowers who are suffering from temporary financial disability. In other cases, courts have limited the right of the lender to foreclose if the default under the mortgage instrument is not monetary, such as the borrower’s failing to maintain adequately the property or the borrower’s executing a second mortgage affecting the property. Finally, some courts have been faced with the issue of whether or not federal or state constitutional provisions reflecting due process concerns for adequate notice require that borrowers under deeds of trust or mortgages receive notices in addition to the statutorily-prescribed minimum. For the most part, these cases have upheld the notice provisions as being reasonable.

Default Interest, Spread Maintenance Premiums and Prepayments

Forms of notes and mortgages used by lenders may contain provisions obligating the borrower to pay a late charge or additional interest if payments are not timely made, and in some circumstances may provide for spread maintenance premiums if the obligation is paid prior to maturity or prohibit such prepayment for a specified period. In certain states, there are or may be specific limitations upon the late charges which a lender may collect from a borrower for delinquent payments. Certain states also limit the amounts that a lender may collect from a borrower as an additional charge if the loan is prepaid. The enforceability, under the laws of a number of states of provisions providing for prepayment charges or

spread maintenance premiums upon, or prohibition of, an involuntary prepayment is unclear, and no assurance can be given that, at the time a prepayment charge or spread maintenance premiums is required to be made on the Mortgage Loan in connection with an involuntary prepayment, the obligation to make such payment, or the provisions of any such prohibition, will be enforceable under applicable state law. The absence of a restraint on prepayment, particularly with respect to the Mortgage Loan having higher interest rates, may increase the likelihood of refinancing or other early retirements of the Mortgage Loan.

Applicability of Usury Laws

Title V of the Depository Institutions Deregulation and Monetary Control Act of 1980 ("Title V") provides that state usury limitations will not apply to certain types of residential, including multifamily, first mortgage loans originated by certain lenders after March 31, 1980. Title V authorized any state to reimpose interest rate limits by adopting, before April 1, 1983, a law or constitutional provision that expressly rejects application of the federal law. In addition, even where Title V is not rejected, any state is authorized by the law to adopt a provision limiting discount points or other charges on Mortgage Loan covered by Title V. Certain states have taken action to reimpose interest rate limits and/or to limit discount points or other charges.

Americans with Disabilities Act

Under Title III of the Americans with Disabilities Act of 1990 and rules promulgated thereunder (collectively, the "ADA"), in order to protect individuals with disabilities, public accommodations must remove architectural and communication barriers which are structural in nature from existing places of public accommodation to the extent "readily achievable." In addition, under the ADA, alterations to a place of public accommodation or a commercial facility are to be made so that, to the maximum extent feasible, such altered portions are readily accessible to and usable by disabled individuals. The "readily achievable" standard takes into account, among other factors, the financial resources of the affected site, owner or other applicable person. In addition to imposing a possible financial burden on the related borrower in its capacity as owner, the ADA may also impose such requirements on a foreclosing lender who succeeds to the interest of the borrower as owner. Furthermore, since the "readily achievable" standard may vary depending on the financial condition of the owner, a foreclosing lender who is financially more capable than the related borrower of complying with the requirements of the ADA may be subject to more stringent requirements than those to which such borrower is subject.

Bankruptcy Issues

Numerous statutory provisions, including the Bankruptcy Code and state laws affording relief to debtors, may interfere with and delay the ability of a secured mortgage lender to obtain payment of a loan, to realize upon collateral and/or to enforce a deficiency judgment. For example, under the Bankruptcy Code, virtually all actions (including foreclosure actions and deficiency judgment proceedings) are automatically stayed upon the filing of a bankruptcy petition and, if the value of the property is less than the amount of the debt secured thereby, often, no interest or principal payments are required to be made during the course of the bankruptcy case. The delay and other consequences caused by an automatic stay can be significant. Also, under the Bankruptcy Code, the filing of a petition in bankruptcy by or on behalf of a junior lien holder may stay the senior lender from taking action to foreclose upon such junior lien.

The Bankruptcy Code may affect the ability to enforce certain rights under a mortgage if the borrower becomes the subject of a bankruptcy or reorganization proceeding under the Bankruptcy Code. Section 362 of the Bankruptcy Code operates as an automatic stay of, among other things, any act to obtain possession of property of or from a debtor's estate, which may delay the related servicer's exercise of such remedies, including foreclosure, in the event that the Borrower becomes the subject of a proceeding under the Bankruptcy Code. While relief from the automatic stay to enforce remedies may be requested, it can be denied for a number of reasons, including where the collateral is "necessary to an effective reorganization" for the debtor, and if a debtor's case has been administratively consolidated with those of its affiliates, some, but not all courts, have held that the court may also consider whether the property is "necessary to an effective reorganization" of the debtor and its affiliates, taken as a whole.

Under Sections 363(b) and (f) of the Bankruptcy Code, a trustee, or a borrower as debtor in possession, may, under certain circumstances despite the provisions of the related mortgage to the contrary, sell the related mortgaged property free and clear of all liens, which liens would then attach to the proceeds of such sale; however, under Section 363(k) of the Bankruptcy Code, absent cause, the holder of the mortgage may credit bid the amount of the debt at such sale. Such a sale may be approved by a bankruptcy court even if the proceeds are insufficient to pay the secured debt in full.

Under the Bankruptcy Code, provided certain substantive and procedural safeguards for a lender are met, the amount, terms and priority of a mortgage securing a loan to a debtor may be modified under certain circumstances. The amount of

the loan secured by the real property may be reduced to the then current value of the property (with a corresponding partial reduction of the amount of the lender's security interest) pursuant to a confirmed plan of reorganization or lien avoidance or claim objection proceeding, thus leaving the lender a secured creditor to the extent of the then current value of the property and a general unsecured creditor for the difference between such value and the outstanding balance of the loan. Such general unsecured claims may be paid less than 100% of the amount of the debt or not at all, depending upon the circumstances. Other modifications may include the reduction in the amount of each scheduled payment, which reduction may result from a reduction in the rate of interest and/or the alteration of the repayment schedule (with or without affecting the unpaid principal balance of the loan), and/or an extension (or reduction) of the final maturity date. Some courts with federal bankruptcy jurisdiction have approved plans, based on the particular facts of the reorganization case, that effected the curing of a mortgage loan default by paying arrearages over a number of years. Also, under the Bankruptcy Code, a bankruptcy court may permit a debtor through its plan of reorganization to decelerate a secured loan and to reinstate the loan even though the lender accelerated the mortgage loan and final judgment of foreclosure had been entered in state court (provided no sale of the property had yet occurred) prior to the filing of the debtor's petition. This may be done even if the plan of reorganization does not provide for payment in full of the amount due under the original loan. Other types of significant modifications to the terms of the mortgage may be acceptable to the bankruptcy court, such as making distributions to the mortgage holder of property other than cash, or the substitution of collateral which is the "indubitable equivalent" of the real property subject to the mortgage or the subordination of the mortgage to liens securing new debt (*provided* that the lender's secured claim is "adequately protected" as such term is defined and interpreted under the Bankruptcy Code), often depending on the particular facts and circumstances of the specific case.

Federal bankruptcy law may also interfere with or otherwise adversely affect the ability of a secured mortgage lender to enforce an assignment by a borrower of rents and leases (which "rents" may include revenues from hotels and other lodging facilities specified in the Bankruptcy Code) related to a mortgaged property if the borrower is a debtor in a bankruptcy case. Under Section 362 of the Bankruptcy Code, a mortgagee may be stayed from enforcing the assignment, and the legal proceedings necessary to resolve the issue can be time consuming and may result in significant delays in the receipt of the rents. Rents (including applicable hotel and other lodging revenues) and leases may also escape such an assignment, among other things, (i) if the assignment is not fully perfected under state law prior to commencement of the bankruptcy proceeding, (ii) to the extent such rents and leases are used by the borrower to maintain the mortgaged property, or for other court authorized expenses, (iii) to the extent other collateral may be substituted for the rents and leases, (iv) to the extent the bankruptcy court determines that the lender is adequately protected or (v) to the extent the court determines based on the equities of the case that the post-petition rents are not subject to the lender's pre-petition security interest.

The Bankruptcy Code provides that a lender's perfected prepetition security interest in leases and rents continues in the post-petition leases and rents, unless a bankruptcy court orders to the contrary "based on the equities of the case". The equities of a particular case may permit the discontinuance of security interests in post-petition leases and rents. Unless a court orders otherwise, however, rents from the related property generated after the date the bankruptcy petition is filed will constitute "cash collateral" under the Bankruptcy Code. Debtors may only use cash collateral upon obtaining the lender's consent or a prior court order finding that the lender's interest in such mortgaged property and the cash collateral is "adequately protected" as such term is defined and interpreted under the Bankruptcy Code. In addition to post-petition rents, any cash held by a lender in a lockbox or reserve account would also constitute "cash collateral" under the Bankruptcy Code. So long as the lender is adequately protected, a debtor's use of cash collateral may be for its own benefit or for the benefit of any affiliated entity group that is also subject to bankruptcy proceedings, including use as collateral for new debt. It should be noted, however, that the court may find that the lender has no security interest in either pre-petition or post-petition revenues if the court finds that the loan documents do not contain language covering accounts, room rents, or other forms of personality necessary for a security interest to attach to such revenues.

In addition, the Bankruptcy Code generally provides that a trustee or debtor in possession may, with respect to an unexpired lease of non-residential real property, before the earlier of (i) 120 days after the filing of a bankruptcy case or (ii) the entry of an order confirming a plan, subject to approval of the court, (a) assume the lease and retain it or assign it to a third party or (b) reject the lease. If the trustee or debtor-in-possession fails to assume or reject the lease within the time specified in the preceding sentence, subject to any extensions by the bankruptcy court, the lease will be deemed rejected and the property will be surrendered to the lessor. The bankruptcy court may for cause shown extend the 120-day period up to 90 days for a total of 210 days. If the lease is assumed, the trustee in bankruptcy on behalf of the lessee, or the lessee as debtor in possession, or the assignee, if applicable, must cure any defaults under the lease, compensate the lessor for its losses and provide the lessor with "adequate assurance" of future performance. However, these remedies may, in fact, be insufficient and the lessor may be forced to continue under the lease with a lessee that is a poor credit risk or an unfamiliar tenant if the lease was assigned. If the lease is rejected, the rejection generally constitutes a breach of the executory contract or unexpired lease immediately before the date of filing the petition. As a consequence, the other party or parties to the lease, such as the borrower, as lessor under a lease, generally would have only an unsecured claim against the debtor

for damages resulting from the breach, which could adversely affect the security for the related mortgage loan. In addition, pursuant to Section 502(b)(6) of the Bankruptcy Code, a lessor's damages for lease rejection in respect of future rent installments are limited to (a) the rent reserved by the lease, without acceleration, for the greater of one year or 15 percent, not to exceed three years, of the remaining term of the lease following the earlier of the date of the bankruptcy petition and the date on which the lessor regained possession of the property, plus (b) any unpaid rent due under such lease, without acceleration, on the earlier of such dates.

If a trustee in bankruptcy on behalf of a lessor, or a lessor as debtor in possession, rejects an unexpired lease of real property, the lessee may treat the lease as terminated by the rejection or, in the alternative, the lessee may remain in possession of the leasehold for the balance of the term and for any renewal or extension of the term that is enforceable by the lessee under applicable non-bankruptcy law. The Bankruptcy Code provides that if a lessee elects to remain in possession after a rejection of a lease, the lessee may offset against rents reserved under the lease for the balance of the term after the date of rejection of the lease, and the related renewal or extension of the lease, any damages occurring after that date caused by the nonperformance of any obligation of the lessor under the lease after that date.

Pursuant to Section 364 of the Bankruptcy Code, a bankruptcy court may, under certain circumstances, authorize a debtor to obtain credit after the commencement of a bankruptcy case, secured among other things, by senior, equal or junior liens on property that is already subject to a lien. In the recent bankruptcy case of *In re General Growth Properties, Inc.*, the debtors initially sought approval of a debtor in possession loan to the corporate parent debtor entities guaranteed by the property level special purpose debtor entities and secured by second liens on their properties. Although the debtor in possession loan ultimately did not include these subsidiary guarantees and second liens, we cannot assure you that, in the event of a bankruptcy of an owner of the related borrower, such entity would not seek approval of a similar debtor-in-possession loan, or that a bankruptcy court would not approve a debtor in possession loan that included such subsidiary guarantees and second liens on such subsidiaries' properties or other relief.

In a bankruptcy or similar proceeding involving the Borrower, action may be taken seeking the recovery as a preferential transfer under section 547 of the Bankruptcy Code of any payments made by the Borrower under the Mortgage Loan. Certain payments on long term debt may be protected from recovery as preferences if (i) they are payments in the ordinary course of business made on debts incurred in the ordinary course of business or according to ordinary business terms, or (ii) if the value of any collateral pledged to the payee exceeded the amount of the entire debt. Whether any particular payment would be protected depends upon the facts specific to a particular transaction. In a bankruptcy or similar proceeding involving the Borrower, action may be taken seeking the recovery as a preferential transfer of any payments made by such borrower under the related mortgage loans or to avoid the granting of the liens in the transaction in the first instance, or any replacement liens that arise by operation of law or the security agreement. Payments on long term debt may be protected from recovery as preferences if they qualify for the "ordinary course" exception under the Bankruptcy Code or if certain of the other defenses in the Bankruptcy Code are applicable. Whether any particular payment would be protected depends upon the facts specific to a particular transaction. In addition, in a bankruptcy or similar proceeding involving the Borrower or an affiliate, an action may be taken to avoid the transaction (or a component of the transaction, such as joint and several liability on the Mortgage Loan) as an actual or constructive fraudulent conveyance or transfer under state or federal law. Any payment by a borrower in excess of its allocated share of the loan could be challenged as a fraudulent conveyance by creditors of that borrower in an action outside a bankruptcy case or by the representative of the borrower's bankruptcy estate in a bankruptcy case. Generally, under federal law and most state fraudulent conveyance statutes, the incurrence of an obligation or the transfer of property by a person will be subject to avoidance if it was made with actual intent to hinder, delay or defraud creditors, as evidenced by certain "badges" of fraud. It also will be subject to avoidance under certain circumstances as a constructive fraudulent transfer if the transferor did not receive fair consideration or reasonably equivalent value in exchange for such obligation or transfer and (i) was insolvent or was rendered insolvent by such obligation or transfer, (ii) was engaged in business or a transaction, or was about to engage in business or a transaction, for which any property remaining with the person constituted unreasonably small capital, or (iii) intended to, or believed that it would, incur debts that would be beyond the person's ability to pay as such debts matured. The measure of insolvency will vary depending on the law of the applicable jurisdiction. However, an entity will generally be considered insolvent if the present fair saleable value of its assets is less than (x) the sum of its debts or (y) the amount that would be required to pay its probable liabilities on its existing debts as they become absolute and matured. Accordingly, a lien granted by a borrower to secure repayment of a loan could be avoided if a court were to determine that (i) such borrower was insolvent at the time of granting the lien, was rendered insolvent by the granting of the lien, was left with inadequate capital, or was not able to pay its debts as they matured and (ii) the borrower did not, when it allowed its property to be encumbered by a lien securing the entire indebtedness represented by the loan, receive fair consideration or reasonably equivalent value for pledging such property.

Additional risks to secured lenders include that a debtor-in-possession or a trustee in a bankruptcy proceeding may in some cases be entitled to collect its costs and expenses in preserving or selling the mortgaged property ahead of payment

to the lender. In certain circumstances, a debtor in bankruptcy may have the power to grant liens senior to the lien of a mortgage, and analogous state statutes and general principles of equity may also provide the borrower with means to halt a foreclosure proceeding or sale and to force a restructuring of the Mortgage Loan on terms a lender would not otherwise accept. Moreover, the laws of certain states also give priority to certain tax liens over the lien of a mortgage or deed of trust. Under the Bankruptcy Code, if the court finds that actions of the mortgagees have been unreasonable, the lien of the related Mortgage may be subordinated to the claims of unsecured creditors.

Additional United States Bankruptcy Considerations

Executory Contracts—Management Agreement

The Borrower has entered into the Management Agreement with the Property Manager with respect to the Mortgaged Property.

The provisions of the Bankruptcy Code and applicable state and federal laws governing creditors' rights may adversely affect the rights of a non-debtor party to an "executory contract" such as the Management Agreement.

In the event of the bankruptcy of a party to an executory contract, such as the Property Manager, the automatic stay would be in effect, and each of the non-debtor parties to the Management Agreement would ordinarily be required to continue performing its obligations under such agreement pending assumption or rejection of its contract, given that section 365(e) of the Bankruptcy Code generally invalidates clauses that terminate contracts automatically upon the filing by one of the parties of a bankruptcy petition or that are conditioned on a party's financial condition or insolvency. Even if the Management Agreement ostensibly was terminated prior to bankruptcy, a bankruptcy court may determine that the applicable Management Agreement was improperly terminated and therefore remains part of the debtor's bankruptcy estate.

As a practical matter, legal proceedings to obtain relief from the automatic stay and to enforce rights to payments or terminate agreements can be time-consuming and uncertain. For example, when the automatic stay is lifted, the affected parties are returned only to the legal relationship that existed before the imposition of the automatic stay. Thus, even if the non-debtor party to an executory Management Agreement were to obtain an order from the bankruptcy court lifting the automatic stay with respect to such agreement, it would still have to pursue appropriate remedies in a non-bankruptcy court of competent jurisdiction.

In a chapter 11 proceeding, pursuant to section 365 of the Bankruptcy Code, a debtor generally may take time to decide until the confirmation of its plan of reorganization whether to assume or reject an executory contract, including management agreements and franchise or license agreements, under which future obligations of the parties remain outstanding. On request of any party to the contract, the bankruptcy court may order the debtor to determine within a specific period of time whether to assume or reject the contract or to comply with the terms of the contract pending its decision to assume or reject. As a general matter, particularly if the proposed assumption is unopposed by other parties in interest, if the contract is not in default at the time of the bankruptcy filing, or if any monetary default is cured, the bankruptcy court should approve assumption of the contract as long as assumption appears to be in the best interest of the debtor's estate and creditors, the debtor is able to perform and it is a good business decision to assume the contract. Assumption would permit the debtor to continue operating under the assumed contract *provided* that the debtor (i) immediately cures all existing defaults other than defaults due to the insolvency of the debtor or provides adequate assurance that any such defaults will be promptly cured, (ii) compensates the non-debtor party for any actual pecuniary loss to such party incurred as a result of the debtor's default, or provides adequate assurance that such compensation will be forthcoming promptly and (iii) provides the non-debtor with adequate assurance of future performance under the contract. Generally, payment obligations arising after the filing of a debtor's bankruptcy petition, including those under a management agreement, franchise agreement or other executory contract, which has been assumed by a debtor, are entitled to administrative expense priority treatment in bankruptcy.

A debtor seeking bankruptcy court approval to assume its management agreement or other executory contract under section 365 of the Bankruptcy Code may also seek to assign the agreement to a third party. In such a circumstance, the non-debtor contract party would monitor, and if necessary contest, the debtor's efforts to assume and/or assign the executory contract if it has legitimate doubts as to the provision for cure and future performance by the debtor and, if applicable, the assignee of the contract.

Subject to bankruptcy court approval and satisfaction of the "business judgment" rule, a chapter 11 debtor or trustee (or in the case of a chapter 7 case, the chapter 7 trustee) may reject its executory contracts. After the rejection of an applicable Management Agreement or other executory contract, the non-debtor party would have a general unsecured

claim against such debtor's bankruptcy estate on account of breach of contract damages arising from the rejection. However, bankruptcy courts may vary as to the enforceability against the debtor, following any such rejection, of certain covenants which may appear in a rejected management agreement, franchise agreement or other executory contract, such as covenants not to compete, covenants not to use trademarks, trade secrets and other proprietary or confidential information and rights of first refusal to acquire the assets of such debtor.

In a bankruptcy, the debtor-in-possession or bankruptcy trustee may seek to recover as preferential transfers any payments made within certain pre-petition bankruptcy periods by a bankrupt party to an executory contract, including a management agreement or franchise agreement. Elements to finding a preference under section 547 of the Bankruptcy Code include, among others, that the transfer be "on account of antecedent debt". In addition, there are defenses to the application of the preference provision of the Bankruptcy Code, including a defense for payments made in the ordinary course of business. We cannot assure you that any exception would be applicable and whether any particular payment is protected depends upon the facts of the transaction.

Prohibitions under Bankruptcy Code section 365(e) against the operation of automatic bankruptcy termination and other "*ipso facto*" clauses would generally prevent the lenders from causing a replacement manager to be installed without court approval following a property manager's filing for insolvency protection.

Anti-Money Laundering, Economic Sanctions and Bribery

Many jurisdictions have adopted wide-ranging anti-money laundering, economic and trade sanctions, and anti-corruption and anti-bribery laws, and regulations (collectively, the "Requirements"). Any of the Depositor, the Trust, the Initial Purchaser, the Servicer, the Special Servicer, the Trustee, the Certificate Administrator or the Operating Advisor could be requested or required to obtain certain assurances from prospective investors intending to purchase Certificates and to retain such information or to disclose information pertaining to them to governmental, regulatory or other authorities or to financial intermediaries or engage in due diligence or take other related actions in the future. It is the policy of the Depositor, the Trust, the Initial Purchaser, the Servicer, the Special Servicer, the Trustee, the Certificate Administrator, the Operating Advisor and other parties to the Trust and Servicing Agreement to comply with Requirements to which they are or may become subject and to interpret such Requirements broadly in favor of disclosure. Failure to honor any request by the Depositor, the Trust, the Initial Purchaser, the Servicer, the Special Servicer, the Trustee, the Certificate Administrator or the Operating Advisor to provide requested information or take such other actions as may be necessary or advisable for the Depositor, the Trust, the Initial Purchaser, the Servicer, the Special Servicer, the Trustee, the Certificate Administrator or the Operating Advisor to comply with any Requirements, related legal process or appropriate requests (whether formal or informal) may result in, among other things, a forced sale to another investor of such investor's Certificates. In addition, each of the Depositor, the Trust, the Initial Purchaser, the Servicer, the Special Servicer, the Trustee, the Certificate Administrator and the Operating Advisor intends to comply with the U.S. Bank Secrecy Act, the Patriot Act and any other anti-money laundering and anti-terrorism, economic and trade sanctions, and anti-corruption or anti-bribery laws, and regulations of the United States and other countries, and will disclose any information required or requested by authorities in connection therewith.

Potential Forfeiture of Assets

Federal law provides that assets (including property purchased or improved with assets) derived from criminal activity or otherwise tainted, or used in the commission of certain offenses, is subject to the blocking requirements of economic sanctions laws and regulations, and can be blocked and/or seized and ordered forfeited to the United States of America. The offenses that can trigger such a blocking and/or seizure and forfeiture include, among others, violations of the Racketeer Influenced and Corrupt Organizations Act, the Bank Secrecy Act, the anti-money laundering, anti-terrorism, economic sanctions, and anti-bribery laws and regulations, including the Patriot Act and the regulations issued pursuant to that Act, as well as the narcotic drug laws. In many instances, the United States may seize the property even before a conviction occurs.

In the event of a forfeiture proceeding, a lender may be able to establish its interest in the property by proving that (a) its Mortgage was executed and recorded before the commission of the illegal conduct from which the assets used to purchase or improve the property were derived or before the commission of any other crime upon which the forfeiture is based, or (b) the lender, at the time of the execution of the Mortgage, "did not know or was reasonably without cause to believe that the property was subject to forfeiture." However, there is no assurance that such a defense will be successful.

CERTAIN FEDERAL INCOME TAX CONSIDERATIONS

General

The following is a general discussion of the anticipated material federal income tax consequences of the purchase, ownership and disposition of the Certificates. The discussion below does not purport to address all federal income tax consequences that may be applicable to particular categories of investors (such as banks, insurance companies, securities dealers, foreign persons, investors whose functional currency is not the U.S. dollar, and investors that hold the Certificates as part of a “straddle” or “conversion transaction”), some of which may be subject to special rules. The authorities on which this discussion is based are subject to change or differing interpretations, and any such change or interpretation could apply retroactively. This discussion reflects the applicable provisions of the Internal Revenue Code of 1986, as amended (the “Code”), as well as regulations and announcements (the “REMIC Provisions”) promulgated by the U.S. Department of the Treasury. Investors should consult their own tax advisors in determining the federal, state, local or any other tax consequences to them of the purchase, ownership and disposition of the Certificates.

A single real estate mortgage investment conduit (“REMIC”) election (the “Trust REMIC”) will be made with respect to designated portions of the Trust. The Trust REMIC will hold the Mortgage Loan and certain other assets and will issue (i) the Class A, Class B, Class C, Class D, Class E, Class F, Class P and Class HRR regular interests (the “Regular Interests”), each representing a regular interest in the Trust REMIC and (ii) an uncertificated interest represented by the Class R Certificates as the sole class of “residual interest” in the Trust REMIC. The Regular Interests will be represented by the Class A, Class B, Class C, Class D, Class E, Class F, Class P and Class HRR Certificates (the “Regular Certificates”) issued by the Trust. The HRR Certificates will also represent ownership of an interest in the Excess Liquidation Proceeds Option, which will be an asset of the Trust that is not an asset of the Trust REMIC. References to the Regular Certificates refer to the Class HRR Certificates only to the extent those Certificates represent an interest in the Class HRR Regular Interest, and do not refer to the interest in the Excess Liquidation Proceeds Option, except where otherwise indicated.

Qualification as a REMIC requires ongoing compliance with certain conditions. Assuming (i) the making of appropriate elections, (ii) compliance with the Trust and Servicing Agreement, and (iii) compliance with any changes in the law, including any amendments to the Code or applicable Treasury regulations thereunder, in the opinion of Cadwalader, Wickersham & Taft LLP, counsel to the Depositor, (a) the Trust REMIC will qualify as a REMIC on the Closing Date and thereafter, (b) each of the Class A, Class B, Class C, Class D, Class E, Class F and Class P Certificates and the Class HRR Regular Interest represented by the Class HRR Certificates will constitute a “regular interest” in the Trust REMIC and (c) the Class R Certificates will evidence the sole class of “residual interests” in the Trust REMIC.

Qualification as a REMIC

In order for the Trust REMIC to qualify as a REMIC, there must be ongoing compliance on the part of such Trust REMIC with the requirements set forth in the Code. The Trust REMIC must fulfill an asset test, which requires that no more than a *de minimis* portion of the assets of the Trust REMIC, as of the close of the third calendar month beginning after the Closing Date (which for purposes of this discussion is the date of the issuance of the Regular Certificates, the “Startup Day”) and at all times thereafter, may consist of assets other than “qualified mortgages” and “permitted investments.” The Treasury Regulations applicable to REMICs (the “REMIC Regulations”) provide a safe harbor pursuant to which the *de minimis* requirements will be met if at all times the aggregate adjusted basis of the nonqualified assets is less than one percent of the aggregate adjusted basis of all the Trust REMIC’s assets. The Trust REMIC also must provide “reasonable arrangements” to prevent its residual interest from being held by “disqualified organizations” or their agents and must furnish applicable tax information to transferors or agents that violate this requirement. The Trust and Servicing Agreement will provide that no legal or beneficial interest in the Class R Certificates may be transferred or registered unless certain conditions, designed to prevent violation of this requirement, are met. Consequently, it is expected that the Trust REMIC will qualify as a REMIC at all times that any of the Regular Certificates are outstanding.

A qualified mortgage is any obligation that is principally secured by an interest in real property and that is either transferred to a REMIC on the Startup Day or is purchased by a REMIC within a three month period thereafter pursuant to a fixed price contract in effect on the Startup Day. Qualified mortgages include (i) whole mortgage loans or participation interests in whole mortgage loans, such as the Mortgage Loan, *provided* that, in general, (a) the fair market value of the real property security (including buildings and structural components of the real property security) is at least 80% of the aggregate principal balance of the Mortgage Loan either at origination or as of the Startup Day (a loan-to-value ratio of not more than 125% with respect to the real property security) or (b) substantially all the proceeds of the Mortgage Loan or the underlying mortgage were used to acquire, improve or protect an interest in real property that, at the date of origination, was the only security for the Mortgage Loan, and (ii) regular interests in another REMIC. If the Mortgage Loan was not in

fact principally secured by real property or is otherwise not a qualified mortgage, it must be disposed of within 90 days of discovery of such defect, or otherwise ceases to be a qualified mortgage after such 90-day period.

Permitted investments include cash flow investments, qualified reserve assets and foreclosure property. A cash flow investment is an investment, earning a return in the nature of interest, of amounts received on or with respect to qualified mortgages for a temporary period, not exceeding 13 months, until the next scheduled distribution to holders of interests in the Trust REMIC. A qualified reserve asset is any intangible property held for investment that is part of any reasonably required reserve maintained by the REMIC to provide for payments of expenses of the REMIC or amounts due on the regular or residual interests in the event of defaults (including delinquencies) on the qualified mortgages, lower than expected reinvestment returns, prepayment interest shortfalls and certain other contingencies. The Trust REMIC will not hold any reserve funds. Foreclosure property is real property acquired by a REMIC in connection with the default or imminent default of a qualified mortgage and maintained by the REMIC in compliance with applicable rules and personal property that is incident to such real property; *provided* the Mortgage Loan Seller had no knowledge or reason to know, as of the Startup Day, that such a default had occurred or would occur. Foreclosure property may generally not be held after the close of the third calendar year beginning after the date the Trust acquires such property, with one extension that may be granted by the IRS.

In addition to the foregoing requirements, the various interests in a REMIC also must meet certain requirements. All of the interests in a REMIC must be either of the following: (i) one or more classes of regular interests or (ii) a single class of residual interests on which distributions, if any, are made *pro rata*. A regular interest is an interest in a REMIC that is issued on the Startup Day with fixed terms, is designated as a regular interest, and unconditionally entitles the holder to receive a specified principal amount (or other similar amount), and provides that interest payments (or other similar amounts), if any, at or before maturity either are payable based on a fixed rate or a qualified variable rate, or consist of a specified, nonvarying portion of the interest payments on the qualified mortgages. The rate on the specified portion may be a fixed rate, a variable rate, or the difference between one fixed or qualified variable rate and another fixed or qualified variable rate. The specified principal amount of a regular interest that provides for interest payments consisting of a specified, nonvarying portion of interest payments on qualified mortgages may be zero. An interest in a REMIC may be treated as a regular interest even if payments of principal with respect to such interest are subordinated to payments on other regular interests or the residual interest in the REMIC, and are dependent on the absence of defaults or delinquencies on qualified mortgages or permitted investments, lower than reasonably expected returns on permitted investments, expenses incurred by the REMIC or prepayment interest shortfalls. A residual interest is an interest in a REMIC other than a regular interest that is issued on the Startup Day that is designated as a residual interest. Accordingly, each class of the Regular Certificates will constitute a class of regular interests in the Trust REMIC (in the case of the Class HRR Certificates, only to the extent such Certificates represent interests in the Class HRR Regular Interest), and the Class R Certificates will represent the sole class of residual interests in the Trust REMIC.

If an entity fails to comply with one or more of the ongoing requirements of the Code for status as a REMIC during any taxable year, the Code provides that the entity or applicable portion of it will not be treated as a REMIC for such year and thereafter. In this event, any entity with debt obligations with two or more maturities, such as the Trust REMIC, may be treated as a separate association taxable as a corporation under Treasury regulations, and the Certificates may be treated as equity interests in that association. The Code, however, authorizes the Treasury Department to issue regulations that address situations where failure to meet one or more of the requirements for REMIC status occurs inadvertently and in good faith. Investors should be aware, however, that the Conference Committee Report to the Tax Reform Act of 1986 (the “1986 Act”) indicates that the relief may be accompanied by sanctions, such as the imposition of a corporate tax on all or a portion of a REMIC’s income for the period of time in which the requirements for REMIC status are not satisfied.

Status of Certificates

Certificates held by a real estate investment trust will constitute “real estate assets” within the meaning of Code Section 856(c)(5)(B), and interest (including original issue discount) on the Regular Certificates and income on the Class R Certificates will be considered “interest on obligations secured by mortgages on real property or on interests in real property” within the meaning of Code Section 856(c)(3)(B) in the same proportion that, for both purposes, the assets of the Trust would be so treated. For purposes of Code Section 856(c)(5)(B), payments of principal and interest on the Mortgage Loan that are reinvested pending distribution to holders of Regular Certificates qualify for such treatment. If at all times 95% or more of the assets of the Trust qualify for each of the foregoing treatments, the Regular Certificates will qualify for the corresponding status in their entirety. Certificates held by a domestic building and loan association will not be treated as “loans … secured by an interest in real property which is … residential real property” within the meaning of Code Section 7701(a)(19)(C)(v) or as other assets described in Code Section 7701(a)(19)(C). Regular Certificates will be “qualified mortgages” within the meaning of Code Section 860G(a)(3) for another REMIC. Certificates held by certain financial institutions will constitute an “evidence of indebtedness” within the meaning of Code Section 582(c)(1).

Taxation of Regular Certificates

General

Each Class of Regular Certificates will constitute a regular interest in the Trust REMIC. In general, interest, original issue discount and market discount on a Regular Certificate will be treated as ordinary income to the holder of a Regular Certificate (a “Regular Certificateholder”), and principal payments on a Regular Certificate will be treated as a return of capital to the extent of the Regular Certificateholder’s basis in the Regular Certificate. The Regular Certificates generally will represent newly originated debt instruments for federal income tax purposes. Regular Certificateholders must use the accrual method of accounting with regard to the Regular Certificates, regardless of the method of accounting otherwise used by such Regular Certificateholders.

Notwithstanding the following, under new legislation enacted on December 22, 2017 (the “Tax Cuts and Jobs Act”), for tax years beginning on or after January 1, 2018, Regular Certificateholders may be required to accrue amounts of Spread Maintenance Premiums and other amounts no later than the year they included such amounts as revenue on applicable financial statements. In addition, income from a debt instrument having original issue discount will be subject to this rule for tax years beginning on or after January 1, 2019. Prospective investors are urged to consult their tax counsel regarding the potential application of the Tax Cuts and Jobs Act to their particular situation.

Original Issue Discount

Holders of Regular Certificates issued with original issue discount generally must include original issue discount in ordinary income for federal income tax purposes as it accrues in accordance with the constant-yield method, which takes into account the compounding of interest, in advance of receipt of the cash attributable to such income. The following discussion is based in part on temporary and final Treasury regulations (the “OID Regulations”) under Code Sections 1271 through 1273 and 1275 and in part on the provisions of the 1986 Act. Regular Certificateholders should be aware, however, that the OID Regulations do not adequately address certain issues relevant to prepayable securities, such as the Regular Certificates. To the extent such issues are not addressed in the OID Regulations, the Certificate Administrator will apply the methodology described in the Conference Committee Report to the 1986 Act. No assurance can be provided that the IRS will not take a different position as to those matters not currently addressed by the OID Regulations. Moreover, the OID Regulations include an anti-abuse rule allowing the IRS to apply or depart from the OID Regulations where necessary or appropriate to ensure a reasonable tax result in light of the applicable statutory provisions. A tax result will not be considered unreasonable under the anti-abuse rule in the absence of a substantial effect on the present value of a taxpayer’s tax liability. Investors are advised to consult their own tax advisors as to the discussion in this Offering Circular and the appropriate method for reporting interest and original issue discount with respect to the Regular Certificates.

Each Regular Certificate will be treated as a single installment obligation for purposes of determining the original issue discount includible in a Regular Certificateholder’s income. The total amount of original issue discount on a Regular Certificate is the excess of the “stated redemption price at maturity” of the Regular Certificate over its “issue price.” The issue price of a Class of Regular Certificates is the first price at which a substantial amount of Regular Certificates of such Class is sold to investors (excluding bond houses, brokers and underwriters). Although unclear under the OID Regulations, the Certificate Administrator will treat the issue price of Regular Certificates as to which there is no substantial sale as of the issue date as the fair market value of such Class as of the issue date. The issue price of the Regular Certificates also includes the amount paid by an initial Regular Certificateholder of such Class for accrued interest that relates to a period prior to the issue date of such Class of Regular Certificates. The stated redemption price at maturity of a Regular Certificate is the sum of all payments provided by the debt instrument other than any qualified stated interest payments. Under the OID Regulations, qualified stated interest generally means interest payable at a single fixed rate or a qualified variable rate, *provided* that such interest payments are unconditionally payable at intervals of one year or less during the entire term of the obligation. Because there is no penalty or default remedy in the case of nonpayment of interest with respect to a Regular Certificate, it is possible that no interest on any Class of Regular Certificates will be treated as qualified stated interest. However, because the Mortgage Loan provides for remedies in the event of default, the Certificate Administrator will treat all payments of stated interest on the Regular Certificates as qualified stated interest.

Under a *de minimis* rule, original issue discount on a Regular Certificate will be considered to be zero if such original issue discount is less than 0.25% of the stated redemption price at maturity of the Regular Certificate multiplied by the weighted average maturity of the Regular Certificate. For this purpose, the weighted average maturity of the Regular Certificate is computed as the sum of the amounts determined by multiplying the number of full years (*i.e.*, rounding down partial years) from the issue date until each distribution in reduction of stated redemption price at maturity is scheduled to be made by a fraction, the numerator of which is the amount of each distribution included in the stated redemption price at maturity of the Regular Certificate and the denominator of which is the stated redemption price at maturity of the Regular

Certificate. The Conference Committee Report to the 1986 Act provides that the schedule of such distributions should be determined in accordance with the assumed rate of prepayment on the Mortgage Loan used in pricing the transaction, i.e., 0% CPR (the “Prepayment Assumption”). See “*Yield, Prepayment and Maturity Considerations—Weighted Average Life*” in this Offering Circular. Holders generally must report *de minimis* original issue discount *pro rata* as principal payments are received, and such income will be capital gain if the Regular Certificate is held as a capital asset. Under the OID Regulations, however, Regular Certificateholders may elect to accrue all *de minimis* original issue discount, as well as market discount and premium, under the constant-yield method. See “*—Election To Treat All Interest Under the Constant-Yield Method*” below. It is anticipated that the Class A, Class B, Class C, Class D, Class E, Class F and Class HRR Certificates will be issued with a *de minimis* amount of original issue discount for federal income tax purposes.

A holder of a Regular Certificate issued with original issue discount generally must include in gross income for any taxable year the sum of the “daily portions,” as defined below, of the original issue discount on the Regular Certificate accrued during an accrual period for each day on which it holds the Regular Certificate, including the date of purchase but excluding the date of disposition. With respect to each such Regular Certificate, a calculation will be made of the original issue discount that accrues during each successive full accrual period that ends on the day prior to each Distribution Date with respect to the Regular Certificates, assuming that prepayments and extensions with respect to the Mortgage Loan will be made in accordance with the Prepayment Assumption. The original issue discount accruing in a full accrual period will be the excess, if any, of (i) the sum of (a) the present value of all of the remaining distributions to be made on the Regular Certificate as of the end of that accrual period and (b) the distributions made on the Regular Certificate during the accrual period that are included in the Regular Certificate’s stated redemption price at maturity, over (ii) the adjusted issue price of the Regular Certificate at the beginning of the accrual period. The present value of the remaining distributions referred to in the preceding sentence is calculated based on (i) the yield to maturity of the Regular Certificate as of the Startup Day, (ii) events (including actual prepayments) that have occurred prior to the end of the accrual period, (iii) the assumption that the value of LIBOR used to compute the initial Pass-Through Rate of the Regular Certificates does not change thereafter and (iv) the assumption that the remaining payments will be made in accordance with the original Prepayment Assumption. For these purposes, the adjusted issue price of a Regular Certificate at the beginning of any accrual period equals the issue price of the Regular Certificate, increased by the aggregate amount of original issue discount with respect to the Regular Certificate that accrued in all prior accrual periods and reduced by the amount of distributions included in the Regular Certificate’s stated redemption price at maturity that were made on the Regular Certificate that were attributable to such prior periods. The original issue discount accruing during any accrual period (as determined in this paragraph) will then be divided by the number of days in the period to determine the daily portion of original issue discount for each day in the period.

Under the method described above, the daily portions of original issue discount required to be included as ordinary income by a Regular Certificateholder generally will increase to take into account prepayments on the Regular Certificates as a result of prepayments on the Mortgage Loan that exceed the Prepayment Assumption, and generally will decrease (but not below zero for any period) if the prepayments are slower than the Prepayment Assumption.

Acquisition Premium

A purchaser of a Regular Certificate at a price greater than its adjusted issue price and less than its remaining stated redemption price at maturity will be required to include in gross income the daily portions of the original issue discount on the Regular Certificate reduced *pro rata* by a fraction, the numerator of which is the excess of its purchase price over such adjusted issue price and the denominator of which is the excess of the remaining stated redemption price at maturity over the adjusted issue price. Alternatively, such a purchaser may elect to treat all such acquisition premium under the constant-yield method, as described under the heading “*—Election To Treat All Interest Under the Constant-Yield Method*” below.

Market Discount

A purchaser of a Regular Certificate also may be subject to the market discount rules of Code Sections 1276 through 1278. Under these Code sections and the principles applied by the OID Regulations in the context of original issue discount, “market discount” is the amount by which the purchaser’s original basis in the Regular Certificate (i) is exceeded by the remaining outstanding principal payments and non-qualified stated interest payments due on a Regular Certificate, or (ii) in the case of a Regular Certificate having original issue discount, is exceeded by the adjusted issue price of such Regular Certificate at the time of purchase. Such purchaser generally will be required to recognize ordinary income to the extent of accrued market discount on such Regular Certificate as distributions includable in its stated redemption price at maturity are received, in an amount not exceeding any such distribution. Such market discount would accrue in a manner to be provided in Treasury regulations and should take into account the Prepayment Assumption. The Conference Committee Report to the 1986 Act provides that until such regulations are issued, such market discount would accrue, at

the election of the holder, either (i) on the basis of a constant interest rate or (ii) in the ratio of interest accrued for the relevant period to the sum of the interest accrued for such period plus the remaining interest after the end of such period, or, in the case of Classes issued with original issue discount, in the ratio of original issue discount accrued for the relevant period to the sum of the original issue discount accrued for such period plus the remaining original issue discount after the end of such period. Such purchaser also generally will be required to treat a portion of any gain on a sale or exchange of the Regular Certificate as ordinary income to the extent of the market discount accrued to the date of disposition under one of the foregoing methods, less any accrued market discount previously reported as ordinary income as partial distributions in reduction of the stated redemption price at maturity were received. Such purchaser will be required to defer deduction of a portion of the excess of the interest paid or accrued on indebtedness incurred to purchase or carry the Regular Certificate over the interest (including original issue discount) distributable on the Regular Certificate. The deferred portion of such interest expense in any taxable year generally will not exceed the accrued market discount on the Regular Certificate for such year. Any such deferred interest expense is, in general, allowed as a deduction not later than the year in which the related market discount income is recognized or the Regular Certificate is disposed of. As an alternative to the inclusion of market discount in income on the foregoing basis, the Regular Certificateholder may elect to include market discount in income currently as it accrues on all market discount instruments acquired by such Regular Certificateholder in that taxable year or thereafter, in which case the interest deferral rule will not apply. See “—*Election To Treat All Interest Under the Constant-Yield Method*” below regarding an alternative manner in which such election may be deemed to be made.

Market discount with respect to a Regular Certificate will be considered to be zero if such market discount is less than 0.25% of the remaining stated redemption price at maturity of such Regular Certificate multiplied by the weighted average maturity of the Regular Certificate remaining after the date of purchase. For this purpose, the weighted average maturity is determined by multiplying the number of full years (i.e., rounding down partial years) from the issue date until each distribution in reduction of stated redemption price at maturity is scheduled to be made by a fraction, the numerator of which is the amount of each such distribution included in the stated redemption price at maturity of the Regular Certificate and the denominator of which is the total stated redemption price at maturity of the Regular Certificate. It appears that *de minimis* market discount would be reported *pro rata* as principal payments are received. Treasury regulations implementing the market discount rules have not yet been issued, and investors should therefore consult their own tax advisors regarding the application of these rules as well as the advisability of making any of the elections with respect to such rules. Investors should also consult Revenue Procedure 92-67 concerning the elections to include market discount in income currently and to accrue market discount on the basis of the constant-yield method.

Premium

A Regular Certificate purchased upon initial issuance or in the secondary market at a cost greater than its remaining stated redemption price at maturity generally is considered to be purchased at a premium. The Regular Certificateholder may elect under Code Section 171 to amortize such premium under the constant-yield method. Final Treasury regulations under Code Section 171 do not, by their terms, apply to prepayable obligations such as the Regular Certificates. The Conference Committee Report to the 1986 Act indicates a Congressional intent that the same rules that will apply to the accrual of market discount on installment obligations will also apply to amortizing bond premium under Code Section 171 on installment obligations such as the Regular Certificates, although it is unclear whether the alternatives to the constant interest method described above under “—*Market Discount*” are available. Amortizable bond premium will be treated as an offset to interest income on a Regular Certificate rather than as a separate deduction item. See “—*Election To Treat All Interest Under the Constant-Yield Method*” below regarding an alternative manner in which the Code Section 171 election may be deemed to be made.

Election To Treat All Interest Under the Constant-Yield Method

A holder of a debt instrument such as a Regular Certificate may elect to treat all interest that accrues on the instrument using the constant-yield method, with none of the interest being treated as qualified stated interest. For purposes of applying the constant-yield method to a debt instrument subject to such an election, (i) “interest” includes stated interest, original issue discount, *de minimis* original issue discount, market discount and *de minimis* market discount, as adjusted by any amortizable bond premium or acquisition premium and (ii) the debt instrument is treated as if the instrument were issued on the holder’s acquisition date in the amount of the holder’s adjusted basis immediately after acquisition. It is unclear whether, for this purpose, the initial Prepayment Assumption would continue to apply or if a new prepayment assumption as of the date of the holder’s acquisition would apply. A holder generally may make such an election on an instrument by instrument basis or for a class or group of debt instruments. However, if the holder makes such an election with respect to a debt instrument with amortizable bond premium or with market discount, the holder is deemed to have made elections to amortize bond premium or to report market discount income currently as it accrues under the constant-yield method, respectively, for all premium bonds held or acquired or market discount bonds acquired

by the holder on the first day of the year of the election or thereafter. The election is made on the holder's federal income tax return for the year in which the debt instrument is acquired and is irrevocable except with the approval of the IRS. Investors should consult their own tax advisors regarding the advisability of making such an election.

Treatment of Losses

Holders of the Regular Certificates will be required to report income with respect to the Regular Certificates on the accrual method of accounting, without giving effect to delays or reductions in distributions attributable to defaults or delinquencies on the Mortgage Loan, except to the extent it can be established that such losses are uncollectible. Accordingly, a Regular Certificateholder may have income, or may incur a diminution in cash flow as a result of a default or delinquency, but may not be able to take a deduction (subject to the discussion below) for the corresponding loss until a subsequent taxable year. In this regard, investors are cautioned that while they generally may cease to accrue interest income if it reasonably appears that the interest will be uncollectible, the IRS may take the position that original issue discount must continue to be accrued in spite of its uncollectibility until the debt instrument is disposed of in a taxable transaction or becomes worthless in accordance with the rules of Code Section 166. Under Code Section 166, it appears that the holders of Sequential Pay Certificates that are corporations or that otherwise hold the Sequential Pay Certificates in connection with a trade or business should in general be allowed to deduct as an ordinary loss any such loss sustained (and not previously deducted) during the taxable year on account of any such Sequential Pay Certificates becoming wholly or partially worthless, and that, in general, the Regular Certificateholders that are not corporations and do not hold the Sequential Pay Certificates in connection with a trade or business will be allowed to deduct as a short-term capital loss any loss with respect to principal sustained during the taxable year on account of such Sequential Pay Certificates becoming wholly worthless. Although the matter is not free from doubt, such non-corporate holders of Sequential Pay Certificates should be allowed a bad debt deduction at such time as the principal balance of any Class of such Sequential Pay Certificates is reduced to reflect losses on the Mortgage Loan below such holder's basis in the Sequential Pay Certificates. The IRS, however, could take the position that non-corporate holders will be allowed a bad debt deduction to reflect such losses only after the Classes of Sequential Pay Certificates have been otherwise retired. The IRS could also assert that losses on a Class of Sequential Pay Certificates are deductible based on some other method that may defer such deductions for all holders, such as reducing future cash flow for purposes of computing original issue discount. This may have the effect of creating "negative" original issue discount that, with the possible exception of the method discussed in the following sentence, would be deductible only against future positive original issue discount or otherwise upon termination of the applicable Class. Although not free from doubt, a holder of Sequential Pay Certificates with negative original issue discount may be entitled to deduct a loss to the extent that its remaining basis would exceed the maximum amount of future payments to which such holder was entitled, assuming no further prepayments. Regular Certificateholders are urged to consult their own tax advisors regarding the appropriate timing, amount and character of any loss sustained with respect to such Regular Certificates. Special loss rules are applicable to banks and thrift institutions, including rules regarding reserves for bad debts. Such taxpayers are advised to consult their tax advisors regarding the treatment of losses on the Regular Certificates.

Spread Maintenance Premiums

Spread Maintenance Premiums actually collected on the Mortgage Loan will be distributed to the Class P Certificates as described in "*Description of the Certificates—Allocation of Spread Maintenance Premiums*" in this Offering Circular. It is not entirely clear under the Code when the amount of Spread Maintenance Premiums so allocated should be taxed to the holders of the Class P Certificates, but it is not expected, for federal income tax reporting purposes, that Spread Maintenance Premiums will be treated as giving rise to any income to the holders of such Classes of Certificates prior to the Certificate Administrator's actual receipt of a Spread Maintenance Premium. Spread Maintenance Premiums, if any, may be treated as paid upon the retirement or partial retirement of the Class P Certificates. The IRS may disagree with these positions. Certificateholders should consult their own tax advisors concerning the treatment of Spread Maintenance Premiums.

Pass-Through of Certain Expenses to Holders of Regular Certificates

Treasury Regulations indicate in the case of a "single-class REMIC," all or a portion of the REMIC's fees and expenses must be allocated among the regular interests and residual interests in such REMIC. A "single-class REMIC" is a REMIC that either (i) would be classified as an "investment trust" under Treasury Regulations Section 301.7701-4(c)(1) but for its qualification as a REMIC or (ii) is substantially similar to an "investment trust" and is structured with the principal purpose of avoiding allocation of the REMIC fees and expenses to the REMIC regular interest holders. It is unclear whether the Trust REMIC would constitute a "single-class REMIC." Unless otherwise so required, the Certificate Administrator will not treat the Trust REMIC as a "single-class REMIC" and will allocate such fees and expenses to the Class R Certificates and

not to the Regular Certificates. Investors should consult their tax advisors as to the impact of REMIC fees and expenses if they were to be allocated to the Regular Certificates.

Sale or Exchange of Regular Certificates

If a Regular Certificateholder sells or exchanges a Regular Certificate, such Regular Certificateholder will recognize gain or loss equal to the difference, if any, between the amount received and its adjusted basis in the Regular Certificate. The adjusted basis of a Regular Certificate generally will equal the cost of the Regular Certificate to the seller, increased by any original issue discount, market discount or other amounts previously included in the seller's gross income with respect to the Regular Certificate and reduced by amounts included in the stated redemption price at maturity of the Regular Certificate that were previously received by the seller, by any amortized premium, and by any deductible losses on the Regular Certificate.

Except as described above with respect to market discount, and except as provided in this paragraph, any gain or loss on the sale or exchange of a Regular Certificate realized by an investor that holds the Regular Certificate as a capital asset will be capital gain or loss and will be long term or short term depending on whether the Regular Certificate has been held for the long term capital gain holding period (more than one year). Such gain will be treated as ordinary income: (i) if the Regular Certificate is held as part of a "conversion transaction" as defined in Code Section 1258(c), up to the amount of interest that would have accrued on the Regular Certificateholder's net investment in the conversion transaction at 120% of the appropriate applicable federal rate under Code Section 1274(d) in effect at the time the taxpayer entered into the transaction minus any amount previously treated as ordinary income with respect to any prior disposition of property that was held as part of such transaction; (ii) in the case of a non-corporate taxpayer, to the extent such taxpayer has made an election under Code Section 163(d)(4) to have net capital gains taxed as investment income at ordinary income rates; or (iii) to the extent that such gain does not exceed the excess, if any, of (a) the amount that would have been includible in the gross income of the Regular Certificateholder if his yield on such Regular Certificate were 110% of the applicable federal rate as of the date of purchase, over (b) the amount of income actually includible in the gross income of such Regular Certificateholder with respect to the Regular Certificate. In addition, gain or loss recognized from the sale of a Regular Certificate by certain banks or thrift institutions will be treated as ordinary income or loss pursuant to Code Section 582(c). Long-term capital gains of certain non-corporate taxpayers generally are subject to a lower maximum tax rate than ordinary income of such taxpayers for property held for more than one year. The maximum tax rate for corporations is the same with respect to both ordinary income and capital gains.

Taxation of the Excess Liquidation Proceeds Option

The Holders of the Class HRR Certificates must allocate the price they pay for their Certificates between their interests in the Class HRR Regular Interest and the Excess Liquidation Proceeds Option based upon their relative fair market values as of the Closing Date. For reporting purposes, the Certificate Administrator will treat the amount allocated to the Excess Liquidation Proceeds Option as an insubstantial option premium. Any amount of the purchase price allocated to the Excess Liquidation Proceeds Option will reduce the amount of the Class HRR Certificate's purchase price allocable to the Class HRR Regular Interest, increasing the amount of OID or reducing the amount of any premium thereon. Prospective Holders of the Class HRR Certificates should consult their own tax advisors regarding the tax consequences of acquisition, ownership, exercise and disposition of their Certificates and the Excess Liquidation Proceeds Option.

Taxation of the Class R Certificates

Prospective investors in the Class R Certificates should carefully read the following discussion. Prospective investors are cautioned that the REMIC taxable income on the Class R Certificates and the tax liabilities on the Class R Certificates will exceed cash distributions to the holder of the Class R Certificates during some or all periods, in which event such holder must have sufficient sources of funds to pay such tax liabilities. Due to the special tax treatment of REMIC residual interests, the after-tax return on the Class R Certificates may be zero or negative. In the following discussion, the term "Residual Holder" refers to a holder of the Class R Certificates.

Notwithstanding the following, under the Tax Cuts and Jobs Act, for tax years beginning on or after January 1, 2018, Residual Holders may be required to accrue amounts of other items of income no later than the year such amounts are first included as revenue on applicable financial statements. In addition, income from a debt instrument having original issue discount will be subject to this rule for tax years beginning on or after January 1, 2019. Prospective investors in the Class R Certificates are urged to consult their tax counsel regarding the potential application of the Tax Cuts and Jobs Act to their particular situation.

Taxation of REMIC Income

Generally, the “daily portions” of REMIC taxable income or net loss will be includable as ordinary income or loss in determining the federal taxable income of the Residual Holder, and will not be taxed separately to the Trust. The daily portions of REMIC taxable income or net loss are determined by allocating the REMIC’s taxable income or net loss of the Residual Holder for each calendar quarter ratably to each day in such quarter and by allocating such daily portion to the Residual Holder that owned the Class R Certificates on such day. REMIC taxable income is generally determined in the same manner as the taxable income of an individual using the accrual method of accounting, except that (i) the limitation on deductibility of investment interest expense and expenses for the production of income do not apply, (ii) all bad loans will be deductible as business bad debts and (iii) a REMIC cannot claim the deductions (other than deductions under Code Section 212) referred to in Code Section 703(a)(2). REMIC taxable income generally means the REMIC’s gross income less deductions. The Trust REMIC’s gross income includes interest, original issue discount income and market discount income, if any, on the Mortgage Loan, reduced by amortization of any premium on the Mortgage Loan, plus income on reinvestment of cash flows plus income on the amortization or any premium on the Regular Certificates, as applicable, plus any cancellation of indebtedness income upon allocation of a Realized Loss to a Regular Certificate, as applicable. The Trust REMIC’s deductions include interest and original issue discount expense on the Regular Certificates, and other administrative expenses or recognition of a loss with respect to the Mortgage Loan. See “*—Taxation of Regular Certificates—General*” above.

The taxable income recognized by the Residual Holder in any taxable year will be affected by, among other factors, the relationship between the timing of recognition of interest and original issue discount or market discount income or amortization of premium with respect to the Mortgage Loan, on the one hand, and the timing of deductions for interest (including original issue discount) and income from the amortization of any premium on the Regular Certificates, on the other hand. As a result, the Residual Holder may recognize taxable income without being entitled to receive a corresponding amount of cash. Consequently, the Residual Holder must have sufficient other sources of cash to pay any federal, state or local income taxes due as a result of such mismatching or unrelated deductions against which to offset such income, subject to the discussion of “excess inclusions” under “*—Limitations on Offset or Exemption of REMIC Income*” below.

Basis and Losses

The amount of any net loss of the Trust REMIC that may be taken into account by the Residual Holder is limited to the Residual Holder’s adjusted basis in the Class R Certificates allocated to the Trust REMIC as of the close of the quarter (or time of disposition of the Class R Certificates, if earlier), determined without taking into account the net loss for the quarter. The initial adjusted basis of a purchaser in the Class R Certificates is the amount, if any, paid for such Certificates. Such adjusted basis will be increased by the amount of taxable income of the Trust REMIC reportable by the Residual Holder and will be decreased (but not below zero), *first*, by any cash distribution from the Trust REMIC and, *second*, by the amount of loss of the Trust REMIC reportable by the Residual Holder. Any loss that is disallowed on account of this limitation may be carried over indefinitely by the Residual Holder and may be used by the Residual Holder only to offset any income generated by the Trust REMIC.

The Class R Certificates may have a negative value if the net present value of anticipated tax liabilities exceeds the present value of anticipated cash flows in the Trust REMIC. The REMIC Regulations appear to treat the issue price of such a residual interest as zero rather than such negative amount for purposes of determining a REMIC’s basis in its assets. Regulations have been issued addressing the federal income tax treatment of “inducement fees” received by transferees of noneconomic residual interests. These regulations require inducement fees to be included in income over a period reasonably related to the period in which the Class R Certificates are expected to generate taxable income or net loss to the Residual Holder. Under two safe harbor methods, inducement fees are permitted to be included in income: (i) in the same amounts and over the same period that the Residual Holder uses for financial reporting purposes, *provided* that such period is not shorter than the period the Trust REMIC is expected to generate taxable income or (ii) ratably over the remaining anticipated weighted average life of all the regular and residual interests issued by the Trust REMIC, determined based on actual distributions projected as remaining to be made on such interests under the applicable prepayment assumption. If the Residual Holder sells or otherwise disposes of the Class R Certificates, any unrecognized portion of the inducement fee generally is required to be taken into account at the time of the sale or disposition. A prospective purchaser of the Class R Certificates should consult with its tax counsel regarding the effect of these regulations.

Treatment of Certain Items of REMIC Income and Expense

Although it is anticipated that the Certificate Administrator will compute income and expense for the Trust REMIC in accordance with the Code and applicable Treasury regulations, the authorities regarding the determination of specific items of income and expense are subject to differing interpretations. The Depositor makes no representation as to the specific method that the Certificate Administrator will use for reporting income and expenses, and different methods could result in different timing of reporting of taxable income or net loss to the Residual Holders or differences in capital gain versus ordinary income.

Original Issue Discount

Generally, the Trust REMIC's deductions for original issue discount will be determined in the same manner as original issue discount income on Regular Certificates as described above under "*Taxation of Regular Certificates—Original Issue Discount*", without regard to the *de minimis* rule described under that heading.

Market Discount

The Trust REMIC will have market discount income in respect of the Mortgage Loan if, in general, the basis of the Trust REMIC in the Mortgage Loan is exceeded by the Mortgage Loan's unpaid principal balance. The Trust REMIC's basis in the Mortgage Loan is generally the Mortgage Loan's fair market value immediately after its transfer to the Trust. The REMIC Regulations provide that such basis is equal in the aggregate to the issue prices of all regular and residual interests in the REMIC. The accrued portion of such market discount would be recognized currently as an item of ordinary income. Market discount income generally will accrue on a constant yield method.

Premium

If the basis of the Trust REMIC in the Mortgage Loan exceeds their respective unpaid principal balances, the Trust REMIC will be considered to have acquired the Mortgage Loan, as applicable, at a premium equal to the amount of such excess. The Trust REMIC's basis in the Mortgage Loan is its fair market values, based on the aggregate of the issue prices of the regular and residual interests in the Trust REMIC immediately after their transfer to the Trust REMIC. In a manner analogous to the discussion above under "*Taxation of Regular Certificates—Premium*", the Trust REMIC may elect under Code Section 171 to amortize premium under a constant interest method. Amortizable bond premium, if any, will be treated as an offset to interest income on the Mortgage Loan rather than as a separate deduction item.

Limitations on Offset or Exemption of REMIC Income

The Code provides that a portion (and in some cases, all) of the REMIC taxable income includible in determining the federal income tax liability of the Residual Holder will be subject to special treatment. That portion, referred to as the "excess inclusion", is equal to the excess of the Trust REMIC's taxable income for the calendar quarter over the daily accruals for such quarterly period of (i) 120% of the long term applicable Federal rate that would have applied to the Class R Certificates (if they were a debt instrument) on the Startup Day under Code Section 1274(d), multiplied by (ii) the adjusted issue price of such Certificate in the related residual interest at the beginning of such quarterly period. For this purpose, the adjusted issue price of the Class R Certificates in the related residual interests at the beginning of a quarter is the related portion of the issue price, if any, of the Class R Certificates, plus the amount of such daily accruals of REMIC income described in this paragraph for all prior quarters, decreased (but not below zero) by any distributions made to such Class R Certificates from the Trust REMIC prior to the beginning of such quarterly period. Accordingly, if the issue price of the Class R Certificates is zero, initially all of the taxable income of the Trust REMIC is excess inclusion income.

The Residual Holder's REMIC taxable income consisting of the excess inclusion income generally may not be offset by other deductions, including net operating loss carryforwards, on the Residual Holder's return. Further, if the Residual Holder is an organization subject to the tax on unrelated business income imposed by Code Section 511, the Residual Holder's excess inclusions will be treated as unrelated business taxable income of the Residual Holder for purposes of Code Section 511. In addition, REMIC taxable income is subject to 30% withholding tax with respect to certain persons that are not U.S. Persons (as defined under "*Description of the Certificates—Delivery, Form, Transfer and Denomination—The Class R Certificates*" in this Offering Circular), and the portion of REMIC taxable income attributable to excess inclusion income is not eligible for any reductions in the rate of withholding tax (by treaty or otherwise). See "*Taxation of Certain Foreign Investors—Class R Certificates*" below. Finally, if a real estate investment trust or a regulated investment company owns Class R Certificates, a portion (allocated under Treasury regulations yet to be issued) of dividends paid by the real estate investment trust or regulated investment company could not be offset by net operating losses of its shareholders.

This would constitute unrelated business taxable income for tax-exempt shareholders and would be ineligible for reduction of withholding to certain persons that are not U.S. Persons.

There are three rules for determining the effect of excess inclusions on the alternative minimum taxable income of a Residual Holder that is subject to the alternative minimum tax. First, alternative minimum taxable income of the Residual Holder is determined without regard to the special rule discussed above, that taxable income cannot be less than excess inclusions. Second, the Residual Holder's alternative minimum taxable income for a taxable year cannot be less than the excess inclusions for the year. Third, the amount of any alternative minimum tax net operating loss deduction must be computed without regard to any excess inclusions.

The Tax Cuts and Jobs Act repeals the corporate alternative minimum tax. Individual Holders of the Class R Certificates are advised to consult their tax advisors regarding the Tax Cuts and Jobs Act's impact on the computation of their alternative minimum tax.

Tax Related Restrictions on Transfer of the Class R Certificates

Disqualified Organizations. If any legal or beneficial interest in the Class R Certificates is transferred to a Disqualified Organization (as defined under "*Description of the Certificates—Delivery, Form, Transfer and Denomination—The Class R Certificates*" in this Offering Circular), a tax would be imposed in an amount equal to the product of (i) the present value of the total anticipated excess inclusion income with respect to the Class R Certificates for periods after the transfer and (ii) the federal income tax rate applicable to corporations. The REMIC Regulations provide that the anticipated excess inclusion income is based on actual prepayment experience to the date of the transfer and projected payments based on the Prepayment Assumption. The present value rate equals the applicable federal rate under Code Section 1274(d) as of the date of the transfer for a term ending with the last calendar quarter in which excess inclusions are expected to accrue. Such rate is applied to the anticipated excess inclusions from the end of the remaining calendar quarters in which they apply to the date of the transfer. Such a tax generally would be imposed on the transferor of the Class R Certificates, except that where such transfer is through an agent (including a broker, nominee or other middleman) for a Disqualified Organization, the tax would instead be imposed on such agent. However, a transferor of the Class R Certificates would in no event be liable for such tax with respect to a transfer if the transferee furnishes to the transferor an affidavit stating that the transferee is not a Disqualified Organization and, as of the time of the transfer, the transferor does not have actual knowledge that such affidavit is false. The tax also may be waived by the IRS if the Disqualified Organization promptly disposes of the residual interest and the transferor pays income tax at the corporate rate on the excess inclusion for the period the Class R Certificates are actually held by the Disqualified Organization.

In addition, if a "Pass-Through Entity" (as defined under "*Description of the Certificates—Delivery, Form, Transfer and Denomination—The Class R Certificates*" in this Offering Circular) has excess inclusion income with respect to the Class R Certificates during a taxable year and a Disqualified Organization is the record holder of an equity interest in such entity, then a tax is imposed on such entity equal to the product of (i) the amount of excess inclusion income that is allocable to the interest in the Pass-Through Entity during the period such interest is held by such Disqualified Organization and (ii) the federal corporate income tax rate. Such Pass-Through Entity would not be liable for such tax if it has received an affidavit from such record holder that it is not a Disqualified Organization or stating such holder's taxpayer identification number and, during the period such person is the record holder of the Class R Certificates, the Pass-Through Entity does not have actual knowledge that such affidavit is false.

The Trust and Servicing Agreement will provide that no legal or beneficial interest in the Class R Certificates may be transferred or registered unless, among other things (i) the proposed transferee furnishes to the Certificate Administrator an affidavit providing its taxpayer identification number and stating that such transferee is the beneficial owner of the Class R Certificates and is not a Disqualified Organization or Disqualified Non-U.S. Person (as defined under "*Description of the Certificates—Delivery, Form, Transfer and Denomination—The Class R Certificates*" in this Offering Circular) and is not purchasing the Class R Certificates on behalf of a Disqualified Organization or Disqualified Non-U.S. Person (i.e., as a broker, nominee, or middleman of such person) and (ii) the transferor provides a statement in writing to the Certificate Administrator that it has no knowledge that the affirmations made by the transferee pursuant to such affidavit are false. Moreover, the Trust and Servicing Agreement will provide that any attempted or purported transfer in violation of these transfer restrictions will be null and void and will vest no rights in any purported transferee. The Class R Certificates will bear a legend referring to such restrictions on transfer, and the Residual Holder will be deemed to have agreed, as a condition of ownership of the Class R Certificates, to any amendments to the Trust and Servicing Agreement required under the Code or applicable Treasury regulations to effectuate the foregoing restrictions.

Noneconomic Residual Interests. The REMIC Regulations require certain transfers of a residual interest to be disregarded, in which case the transferor would continue to be treated as the owner of the residual interest and thus would

continue to be subject to tax on its allocable portion of the net income of the REMIC. Under the REMIC Regulations, a transfer of a noneconomic residual interest (as defined below) to a Residual Holder (other than a Residual Holder that is not a U.S. Person) is disregarded for all federal income tax purposes if a significant purpose of the transferor is to impede the assessment or collection of tax. A residual interest in a REMIC (including a residual interest with a positive value at issuance) is a “noneconomic residual interest” unless, at the time of the transfer, (i) the present value of the expected future distributions on the residual interest at least equals the product of the present value of the anticipated excess inclusions and the corporate income tax rate in effect for the year in which the transfer occurs, and (ii) the transferor reasonably expects that the transferee will receive distributions from the REMIC at or after the time at which taxes accrue on the anticipated excess inclusions in an amount sufficient to satisfy the accrued taxes on each excess inclusion. The anticipated excess inclusions and the present value rate are determined in the same manner as set forth above under “*—Disqualified Organizations*”. Under these rules, it is anticipated that the Class R Certificates will be a noneconomic residual interest. The REMIC Regulations explain that a significant purpose to impede the assessment or collection of tax exists if the transferor, at the time of the transfer, either knew or should have known that the transferee would be unwilling or unable to pay taxes due on its share of the taxable income of the REMIC. A safe harbor is provided if (i) the transferor conducted, at the time of the transfer, a reasonable investigation of the financial condition of the transferee and found that the transferee historically had paid its debts as they came due and found no significant evidence to indicate that the transferee would not continue to pay its debts as they came due in the future, (ii) the transferee represents to the transferor that it understands that, as the holder of the noneconomic residual interest, the transferee may incur tax liabilities in excess of cash flows generated by the interest and that the transferee intends to pay taxes associated with holding the residual interest as they become due, (iii) the transferee represents to the transferor that it will not cause income from the residual certificate to be attributable to a foreign permanent establishment or fixed base (within the meaning of an applicable income tax treaty) of the transferee or of any other person and (iv) one of the following tests is satisfied, either:

(a) the present value of the anticipated tax liabilities associated with holding the noneconomic residual interest will not exceed the sum of:

- (1) the present value of any consideration given to the transferee to acquire the residual interest;
 - (2) the present value of the expected future distributions on the residual interest; and
 - (3) the present value of the anticipated tax savings associated with holding the residual interest as the REMIC generates losses; or
- (b) (1) the transferee must be a domestic “C” corporation (other than a corporation exempt from taxation or a regulated investment company or real estate investment trust) that meets certain gross and net asset tests (generally, \$100 million of gross assets and \$10 million of net assets for the current year and the two preceding fiscal years);
- (2) the transferee must agree in writing that any subsequent transfer of the residual interest would be to an eligible “C” corporation and would meet the requirement for a safe harbor transfer; and
- (3) the facts and circumstances known to the transferor on or before the date of the transfer must not reasonably indicate that the taxes associated with ownership of the residual interest will not be paid by the transferee.

For purposes of computation of clause (a), the transferee is assumed to pay tax at the corporate rate of tax specified in the Code or, in certain circumstances, the alternative minimum tax rate. Further, present values generally are computed using a discount rate equal to the short term federal rate set forth in Code Section 1274(d) for the month of the transfer and the compounding period used by the transferee.

The Trust and Servicing Agreement will require the transferee of the Class R Certificates to certify to, among other things, the matters in requirements clauses (i) through (iii) above as part of the affidavit described above under the heading “*—Disqualified Organizations*” and agree to provide the written certification prescribed in the following sentence if it subsequently transfers the Class R Certificates. The transferor must certify in writing to the Certificate Administrator that, as of the date of the transfer, it had no knowledge or reason to know that such affirmations of the transferee were false. The Trust and Servicing Agreement will not require that transfers of the Class R Certificates meet the requirement of clause (iv) above. Consequently, those transfers may not meet the safe harbor. Persons considering the purchase of the Class R Certificates should consult their advisors regarding the advisability of meeting the safe harbor in any transfer of a Class R Certificate.

Foreign Investors. The REMIC Regulations provide that the transfer of a residual interest that has “tax avoidance potential” to a “foreign person” will be disregarded for all federal tax purposes. This rule appears intended to apply to a transferee that is not a U.S. Person, unless such transferee’s income is effectively connected with the conduct of a trade or business within the United States. A residual interest is deemed to have tax avoidance potential unless, at the time of the transfer, (i) the future value of expected distributions equals at least 30% of the anticipated excess inclusions after the transfer and (ii) the transferor reasonably expects that the transferee will receive sufficient distributions from the REMIC at or after the time at which the excess inclusions accrue and prior to the end of the next succeeding taxable year for the accumulated withholding tax liability to be paid. If the Non-U.S. Person transfers the residual interest back to a U.S. Person, the transfer will be disregarded and the foreign transferor will continue to be treated as the owner unless arrangements are made so that the transfer does not have the effect of allowing the transferor to avoid tax on accrued excess inclusions. Under these rules, it is anticipated that the Class R Certificates will have tax avoidance potential. The Class R Certificates generally may not be transferred to a person that is not a U.S. Person except under the circumstances described in this section of the Offering Circular.

Sale or Exchange of the Class R Certificates

Upon the sale or exchange of the Class R Certificates, a Residual Holder will recognize gain or loss equal to the excess, if any, of the amount realized with respect to related residual interests over their adjusted bases (as described above under “*Basis and Losses*”) of the Residual Holder in the Class R Certificates at the time of the sale or exchange. In addition to reporting the taxable income of the Trust REMIC, the Residual Holder will have taxable income to the extent that any cash distribution to it from the Trust REMIC exceeds the allocated portion of its adjusted basis on that Distribution Date. Such income will be treated as gain from the sale or exchange of the Class R Certificates. It is unclear whether the termination of the Trust REMIC will be treated as a sale or exchange of the Residual Holder’s Class R Certificates, although it is likely that it will not be so treated. If a termination were treated as a sale or exchange, and if the Residual Holder had an adjusted basis in the Class R Certificates remaining when its interests in the Trust REMIC are terminated and held the Class R Certificates as a capital asset under Code Section 1221, then it would recognize a capital loss at that time in the amount of such remaining adjusted basis.

In addition, under Treasury regulations, a U.S. partnership having a partner that is not a U.S. Person will be required to pay withholding tax in respect of excess inclusion income allocable to such non U.S. partner, even if no cash distributions are made to such partner. Similar rules apply to excess inclusion income allocable to Non-U.S. Persons through certain other Pass-Through Entities.

Any gain on the sale of the Class R Certificates will be treated as ordinary income (i) if the Class R Certificates are held as part of a “conversion transaction” as defined in Code Section 1258(c), up to the amount of interest that would have accrued on the Residual Holder’s net investment in the conversion transaction at 120% of the appropriate applicable federal rate in effect at the time the taxpayer entered into the transaction minus any amount previously treated as ordinary income with respect to any prior disposition of property that was held as a part of such transaction or (ii) in the case of a non-corporate taxpayer, to the extent such taxpayer has made an election under Code Section 163(d)(4) to have net capital gains taxed as investment income at ordinary income rates. In addition, gain or loss recognized from the sale of the Class R Certificates by certain banks or thrift institutions will be treated as ordinary income or loss pursuant to Code Section 582(c).

The Conference Committee Report to the 1986 Act provides that, except as provided in Treasury regulations yet to be issued, the wash sale rules of Code Section 1091 will apply to dispositions of residual interests where the seller of the residual interest during the period beginning six months before the sale or disposition of the residual interest and ending six months after such sale or disposition, acquires (or enters into any other transaction that results in the application of Code Section 1091) any residual interest in any REMIC or any interest in a “taxable mortgage pool” (such as a non-REMIC owner trust) that is economically comparable to a residual interest.

Taxes That May Be Imposed on a REMIC

Prohibited Transactions

Income from certain transactions by the Trust REMIC, called prohibited transactions, will not be part of the calculation of income or loss includible in the federal income tax returns of holders of the Class R Certificates, but rather will be taxed directly to the Trust REMIC at a 100% rate. Prohibited transactions generally include (i) the disposition of a qualified mortgage other than for (a) substitution within two years of the Startup Day for a defective (including a defaulted) obligation (or repurchase in lieu of substitution of a defective (including a defaulted) obligation at any time) or for any qualified mortgage within three months of the Startup Day, (b) foreclosure, default or imminent default of a qualified

mortgage, (c) bankruptcy or insolvency of the REMIC, or (d) a qualified (complete) liquidation, (ii) the receipt of income from assets that are not the type of mortgages or investments that the REMIC is permitted to hold, (iii) the receipt of compensation for services or (iv) the receipt of gain from disposition of cash-flow investments other than pursuant to a qualified liquidation. Notwithstanding (i) and (iv), it is not a prohibited transaction to sell REMIC property to prevent a default on regular interests as a result of a default on qualified mortgages or to facilitate a qualified liquidation or a clean-up call. The REMIC Regulations indicate that the modification of a mortgage loan generally will not be treated as a disposition if it is occasioned by a default or reasonably foreseeable default, an assumption of a mortgage loan or the waiver of a “due-on-sale” or “due-on-encumbrance” clause. It is not anticipated that the Trust REMIC will engage in any prohibited transactions.

Contributions to a REMIC After the Startup Day

In general, a REMIC will be subject to a tax at a 100% rate on the value of any property contributed to the REMIC after the Startup Day. Exceptions are provided for cash contributions to the REMIC (i) during the three months following the Startup Day, (ii) made to a qualified reserve fund by a holder of a Class R Certificate, (iii) in the nature of a guarantee, (iv) made to facilitate a qualified liquidation or clean-up call, and (v) as otherwise permitted in Treasury regulations yet to be issued. It is not anticipated that there will be any taxable contributions to the Trust REMIC.

Net Income from Foreclosure Property

The Trust REMIC will be subject to federal income tax at the corporate rate on “net income from foreclosure property,” determined by reference to the rules applicable to real estate investment trusts. Generally, property acquired by foreclosure or deed-in-lieu of foreclosure would be treated as “foreclosure property” until the close of the third calendar year beginning after the Trust REMIC’s acquisition of the Foreclosed Property, with a possible extension. Net income from foreclosure property generally means gain from the sale of a foreclosure property that is inventory property and gross income from foreclosure property other than qualifying rents and other qualifying income for a real estate investment trust.

In order for the Foreclosed Property to qualify as foreclosure property, any operation of the Foreclosed Property by the Trust REMIC generally must be conducted through an independent contractor. Further, such operation, even if conducted through an independent contractor, may give rise to “net income from foreclosure property,” taxable at the corporate rate. Payment of such tax by the Trust REMIC would reduce amounts available for distribution to Certificateholders.

The Special Servicer is required to determine generally whether the operation of Foreclosed Property in a manner that would subject the Trust REMIC to such tax would be expected to result in higher after-tax proceeds than an alternative method of operating such property that would not subject the Trust REMIC to such tax.

Bipartisan Budget Act of 2015

The Bipartisan Budget Act of 2015 (the “2015 Budget Act”), which was enacted on November 2, 2015, includes new audit rules affecting entities treated as partnerships, their partners and the persons that are authorized to represent entities treated as partnerships in IRS audits and related procedures. Under the 2015 Budget Act, these rules will also apply to REMICs, the holders of their residual interests and the trustees authorized to represent REMICs in IRS audits and related procedures (“TMPs”).

In addition to other changes, under the 2015 Budget Act, (1) unless a REMIC elects otherwise, taxes arising from IRS audit adjustments are required to be paid by the REMIC rather than by its residual interest holders, (2) a REMIC appoints one person to act as its sole representative in connection with IRS audits and related procedures and that representative’s actions, including agreeing to adjustments to REMIC taxable income, will be binding on residual interest holders more so than a TMP’s actions under the rules that were in place for taxable years before 2018 and (3) if the IRS makes an adjustment to a REMIC’s taxable year, the holders of residual interests for the audited taxable year may have to take the adjustment into account for the taxable year in which the adjustment is made rather than for the audited taxable year.

The Certificate Administrator will have the authority to utilize, and will be directed to utilize, any exceptions available under the new provisions and IRS regulations (including any changes thereto) so that holders of the Class R Certificates, to the fullest extent possible, rather than the Trust REMIC itself, will be liable for any taxes arising from audit adjustments to the Trust REMIC’s taxable income. It is unclear how any such exceptions may affect the procedural rules available to challenge any audit adjustment that would otherwise be available in the absence of any such exceptions. Investors should discuss with their own tax advisors the possible effect of the new rules on them.

Administrative Matters

Solely for the purpose of the administrative provisions of the Code, a REMIC generally will be treated as a partnership and the Residual Holders will be treated as the partners. The Certificate Administrator will be the “partnership representative” within the meaning of Code Section 6223 of the related Trust REMIC for purposes of representing Residual Holders in connection with IRS audits and related procedures. Certain tax information will be furnished quarterly to each Residual Holder who held a Class R Certificate on any day in the previous calendar quarter.

Each Residual Holder is required to treat items on its return consistently with its treatment on the Trust REMIC’s returns, unless the Residual Holder either files a statement identifying the inconsistency or establishes that the inconsistency resulted from incorrect information received from the Trust REMIC. The IRS may assert a deficiency resulting from a failure to comply with the consistency requirement without instituting an administrative proceeding at the REMIC level. Any person that holds a Class R Certificate as nominee for another person may be required to furnish the Certificate Administrator, in a manner to be provided in Treasury regulations, with the name and address of such person and other information.

Limitations and Exclusions on Deduction of Certain Expenses

The Tax Cuts and Jobs Act disallows “miscellaneous itemized deductions” within the meaning of Code Section 67 and suspends the application of Code Section 68 through December 31, 2025. As a result, an investor in the Class R Certificates that is an individual, trust or estate will be unable to take certain itemized deductions described in these sections pertaining to its allocable share of all administrative and other non-interest expenses relating to the Trust REMIC under Code Section 212.

For tax years beginning after December 31, 2025, such investor will be subject to limitation with respect to those itemized deductions, to the extent that such itemized deductions, in the aggregate, do not exceed 2% of the investor’s adjusted gross income. In addition, for tax years beginning after December 31, 2025, Code Section 68 provides that itemized deductions otherwise allowable for a taxable year of an individual taxpayer with income above certain thresholds will be reduced by the lesser of (i) 3% of the excess, if any, of adjusted gross income over a specified statutory amount or (ii) 80% of the amount of itemized deductions otherwise allowable for such year. As a result of all of the above, holders of the Class R Certificates that are individuals, estates or trusts (holding the Class R Certificates either directly or indirectly through a grantor trust, partnership, S corporation or certain other pass-through entities) may have taxable income in excess of cash distributions for the related period. Prospective investors are urged to consult with their tax counsel regarding the applicability of these provisions to their particular situation.

Taxation of Certain Foreign Investors

Regular Certificates

Interest, including original issue discount, distributable to the Regular Certificateholders that are nonresident aliens, foreign corporations or other Non-U.S. Persons will be considered “portfolio interest” and, therefore, generally will not be subject to a 30% United States withholding tax; *provided* that such Non-U.S. Person (i) is not a “10 percent shareholder” within the meaning of Code Section 871(h)(3)(B) or a controlled foreign corporation described in Code Section 881(c)(3)(C) with respect to the REMIC and (ii) provides the Certificate Administrator, or the person that would otherwise be required to withhold tax from such distributions under Code Section 1441 or 1442, with an appropriate statement, signed under penalties of perjury, identifying the beneficial owner and stating, among other things, that the beneficial owner of the Regular Certificate is a Non-U.S. Person. The appropriate documentation includes IRS Form W-8BEN-E or W-8BEN, if the Non-U.S. Person is an entity (such as a corporation) or individual, respectively, eligible for the benefits of the portfolio interest exemption or an exemption based on a treaty; IRS Form W-8ECI if the Non-U.S. Person is eligible for an exemption on the basis of its income from the Regular Certificate being effectively connected to a United States trade or business; IRS Form W-8BEN-E or W-8IMY if the Non-U.S. Person is a trust, depending on whether such trust is classified as the beneficial owner of the Regular Certificate; and Form W-8IMY, with supporting documentation as specified in the Treasury regulations, required to substantiate exemptions from withholding on behalf of its partners, if the Non-U.S. Person is a partnership. With respect to IRS Forms W-8BEN-E, W-8BEN, W-8IMY and W-8ECI, each (other than IRS Form W-8IMY) expires after three full calendar years or as otherwise provided by applicable law. An intermediary (other than a partnership) must provide IRS Form W-8IMY, revealing all required information, including its name, address, taxpayer identification number, the country under the laws of which it is created, and certification that it is not acting for its own account. A “qualified intermediary” must certify that it has provided, or will provide, a withholding statement as required under Treasury regulations Section 1.1441-1(e)(5)(v), but need not disclose the identity of its account holders on its IRS Form W-8IMY, and may certify its account holders’ status without including each beneficial owner’s certification. A

“non-qualified intermediary” must additionally certify that it has provided, or will provide, a withholding statement that is associated with the appropriate IRS Forms W-8 and W-9 required to substantiate exemptions from withholding on behalf of its beneficial owners. The term “intermediary” means a person acting as a custodian, a broker, nominee or otherwise as an agent for the beneficial owner of a Regular Certificate. A “qualified intermediary” is generally a foreign financial institution or clearing organization or a non-U.S. branch or office of a U.S. financial institution or clearing organization that is a party to a withholding agreement with the IRS.

If such statement, or any other required statement, is not provided, 30% withholding will apply unless reduced or eliminated pursuant to an applicable tax treaty or unless the interest on the Regular Certificate is effectively connected with the conduct of a trade or business within the United States by such Non-U.S. Person. In the latter case, such Non-U.S. Person will be subject to United States federal income tax at regular rates. Investors that are Non-U.S. Persons should consult their own tax advisors regarding the specific tax consequences to them of owning a Regular Certificate.

Excess Liquidation Proceeds Option Component of Class HRR Certificates

A Non-U.S. Person will be deemed to be engaged in a trade or business within the United States for federal income tax purposes with respect to any gain realized on the disposition of a “United States Real Property Interest” (and, thus, subject to net income tax in the United States and obligated to file U.S. federal income tax returns (and possibly state and local income tax returns) with respect to such gain). In addition, 15% of the gross amount realized on any such disposition by a Non-U.S. Person will be subject to federal withholding tax. For this purpose, a “U.S. real property interest” generally is defined to include any interest, other than an interest solely as a creditor, in real property located in the United States.

It is likely that the Excess Liquidation Proceeds Option is a U.S. real property interest under the foregoing rule. Consequently, in the case of a sale, exchange or other disposition of a Class HRR Certificate by a Non-U.S. Person, the amount realized that is allocable to the Excess Liquidation Proceeds Option generally will be subject to U.S. federal income tax on a net income basis. Similarly, any amount realized from the exercise or settlement of the Excess Liquidation Proceeds Option generally will be subject to U.S. federal income tax on a net income basis. Therefore such Non-U.S. Person will be obligated to file U.S. federal income tax returns (and possibly state and local income tax returns) reporting any such gain. In addition, whether or not there is gain either on the disposition of the Excess Liquidation Options Proceeds component of a Class HRR Certificate or the exercise or settlement of such option, the gross amount realized on any such disposition, exercise or settlement would be subject to federal withholding tax at a rate of 15% and would have to be recovered by a refund request.

Non-U.S. Persons should consult their tax advisors concerning the consequences of the acquisition of the Class HRR Certificates and the tax consequences arising from the Excess Liquidation Proceeds Option.

Class R Certificates

The Conference Committee Report to the 1986 Act indicates that amounts paid to Residual Holders that are Non-U.S. Persons are treated as interest for purposes of the 30% (or lower treaty rate) United States withholding tax. Treasury regulations provide that amounts distributed to Residual Holders may generally qualify as “portfolio interest,” subject to the conditions described in “—Regular Certificates” above, but only to the extent that the assets of the REMIC to which the residual interest relates consist of obligations issued in registered form within the meaning of Code Section 163(f)(1). No undertaking was made to determine whether the Mortgage Loan is considered an obligation issued in registered form. Moreover, a Residual Holder will not be entitled to any exemption from the 30% withholding tax (or lower treaty rate) to the extent of that portion of REMIC taxable income that constitutes an excess inclusion. See “—*Taxation of the Class R Certificates—Limitations on Offset or Exemption of REMIC Income*” above. If the amounts paid to Residual Holders that are Non-U.S. Persons are effectively connected with the conduct of a trade or business within the United States, 30% (or lower treaty rate) withholding will not apply. Instead, the amounts paid to such Non-U.S. Persons will be subject to federal income tax at regular rates. See “—*Taxation of the Class R Certificates—Tax Related Restrictions on Transfer of the Class R Certificates—Foreign Investors*” above concerning the disregard of certain transfers having “tax avoidance potential.” Transfers of the Class R Certificates to Non-U.S. Persons are generally prohibited unless the income on the Class R Certificates is effectively connected as described above.

See “—*Taxation of the Class R Certificates—Tax Related Restrictions on Transfer of the Class R Certificates*” above.

FATCA

Under the “Foreign Account Tax Compliance Act” (“FATCA”) provisions of the Hiring Incentives to Restore Employment Act, a 30% withholding tax is generally imposed on certain payments, including U.S.-source interest to

“foreign financial institutions” and certain other foreign financial entities if those foreign entities fail to comply with the requirements of FATCA. The Certificate Administrator will be required to withhold amounts under FATCA on payments made to holders who are subject to the FATCA requirements and who fail to provide the Certificate Administrator with proof that they have complied with such requirements. Prospective investors should consult their tax advisors regarding the applicability of FATCA to their Certificates.

Backup Withholding

Distributions made on the Certificates, and proceeds from the sale of the Certificates to or through certain brokers, may be subject to a “backup” withholding tax under Code Section 3406 on “reportable payments” (including interest distributions, original issue discount and, under certain circumstances, principal distributions) unless the Certificateholder is a U.S. Person and provides IRS Form W-9 with the correct taxpayer identification number; in the case of the Regular Certificates, is a Non-U.S. Person and provides IRS Form W-8BEN or W-8BEN-E, as applicable identifying the Non-U.S. Person and stating that the beneficial owner is not a U.S. Person; or can be treated as an exempt recipient within the meaning of Treasury regulations Section 1.6049-4(c)(1)(ii). Any amounts to be withheld from distribution on the Certificates would be refunded by the IRS or allowed as a credit against the Certificateholder’s federal income tax liability. Information reporting requirements may also apply regardless of whether withholding is required. Holders are urged to contact their own tax advisors regarding the application to them of backup withholding and information reporting.

Information Reporting

Holders who are individuals (and certain domestic entities that are formed or availed of for purposes of holding, directly or indirectly, “specified foreign financial assets”) may be subject to certain foreign financial asset reporting obligations with respect to their Certificates held through a financial account maintained by a foreign financial institution if the aggregate value of their Certificates and their other “specified foreign financial assets” exceeds \$50,000. Significant penalties can apply if a holder fails to disclose its specified foreign financial assets. We urge you to consult your tax advisor with respect to this and other reporting obligations with respect to your Certificates.

3.8% Medicare Tax on “Net Investment Income”

Certain non-corporate U.S. Holders will be subject to an additional 3.8% tax on all or a portion of their “net investment income”, which may include the interest payments and any gain realized with respect to the Certificates, to the extent of their net investment income that, when added to their other modified adjusted gross income, exceeds \$200,000 for an unmarried individual, \$250,000 for a married taxpayer filing a joint return (or a surviving spouse), or \$125,000 for a married individual filing a separate return. The 3.8% Medicare tax is determined in a different manner than the regular income tax. U.S. Holders should consult their tax advisors with respect to their consequences with respect to the 3.8% Medicare tax.

Reporting Requirements

The Trust REMIC will be required to maintain its books on a calendar year basis and to file federal income tax returns in a manner similar to a partnership. The form for such returns is IRS Form 1066, U.S. Real Estate Mortgage Investment Conduit (REMIC) Income Tax Return. The Trustee will be required to sign the Trust REMIC’s returns.

Reports of accrued interest, original issue discount, if any, and information necessary to compute the accrual of any market discount on the Regular Certificates will be made annually to the IRS and to individuals, estates, non-exempt and non-charitable trusts, and partnerships that are either Regular Certificateholders or beneficial owners that own Regular Certificates through a broker or middleman as nominee. All brokers, nominees and all other nonexempt Regular Certificateholders (including corporations, non-calendar year taxpayers, securities or commodities dealers, placement agents, real estate investment trusts, investment companies, common trusts, thrift institutions and charitable trusts) may request such information for any calendar quarter by telephone or in writing by contacting the person designated in IRS Publication 938 with respect to the Trust REMIC. Holders through nominees must request such information from the nominee.

The IRS’s Form 1066 has an accompanying Schedule Q, “Quarterly Notice to Residual Interest Holders of REMIC Taxable Income or Net Loss Allocation.” Treasury regulations require that Schedule Q be furnished by the Trust REMIC to each Residual Holder by the end of the month following the close of each calendar quarter (41 days after the end of a quarter under proposed Treasury regulations) in which the Trust REMIC is in existence.

Treasury regulations require that, in addition to the foregoing requirements, information must be furnished quarterly to each holder of a Class R Certificate, furnished annually, if applicable, to holders of Regular Certificates, and filed

annually with the IRS concerning Code Section 67 expenses, see “*—Limitations and Exclusions on Deduction of Certain Expenses*” above, allocable to those Regular Certificateholders. Furthermore, under those regulations, information must be furnished quarterly to each holder of a Class R Certificate, furnished annually to the Regular Certificateholders and filed annually with the IRS concerning the percentage of the Trust REMIC’s assets meeting the qualified asset tests described under “*—Qualification as a REMIC*” above.

DUE TO THE COMPLEXITY OF THESE RULES AND THE CURRENT UNCERTAINTY AS TO THE MANNER OF THEIR APPLICATION TO THE TRUST AND CERTIFICATEHOLDERS, IT IS PARTICULARLY IMPORTANT THAT POTENTIAL INVESTORS CONSULT THEIR OWN TAX ADVISORS REGARDING THE TAX TREATMENT OF THEIR ACQUISITION, OWNERSHIP AND DISPOSITION OF THE CERTIFICATES.

CERTAIN STATE AND LOCAL TAX CONSIDERATIONS

In addition to the federal income tax consequences described in “*Certain Federal Income Tax Considerations*” in this Offering Circular, purchasers of Certificates should consider the state and local income tax consequences of the acquisition, ownership, and disposition of the Certificates. State and local income tax law may differ substantially from the corresponding federal law, and this discussion does not purport to describe any aspect of the income tax laws of any state or locality. Therefore, potential purchasers should consult their own tax advisors with respect to the various state and local tax consequences of investment in the Certificates.

CERTAIN ERISA CONSIDERATIONS

Title I of ERISA and Section 4975 of the Code impose certain restrictions on certain retirement plans and other employee benefit plans or arrangements, including individual retirement accounts and annuities, Keogh plans, collective investment funds, insurance company separate accounts and some insurance company general accounts in which such plans, accounts or arrangements are invested (collectively, “ERISA Plans”) and on persons who are “parties in interest” (as defined in Section 3(14) of ERISA) or “disqualified persons” (as defined in Section 4975(e)(2) of the Code) with respect to such ERISA Plans. Sections 401-414 of ERISA impose certain duties on persons who are fiduciaries (as defined in Section 3(21) of ERISA) of ERISA Plans. Section 406 of ERISA prohibits certain transactions between an ERISA Plan, its fiduciaries and/or parties in interest with respect to such ERISA Plan and Section 4975 of the Code imposes a tax on certain prohibited transactions between an ERISA Plan and a disqualified person with respect to such Plan. Certain employee benefit plans, such as governmental plans (as defined in Section 3(32) of ERISA) and church plans (as defined in Section 3(33) of ERISA and; *provided* that no election has been made under Section 410(d) of the Code), are not subject to the restrictions of ERISA or the Code. However, such plans (collectively, with ERISA Plans, “Plans”) may be subject to the provisions of applicable federal, state and local law (“Similar Law”) materially similar to the fiduciary responsibility provisions of ERISA or to Section 4975 of the Code.

Investments by Plans subject to ERISA are subject to ERISA’s general fiduciary requirements, including the requirement of investment prudence and diversification and the requirement that an ERISA Plan’s investments be made in accordance with the documents governing the ERISA Plan.

Plan fiduciaries must also determine whether the acquisition and holding of Certificates and the operations of the Trust would result in direct or indirect prohibited transactions. The purchase and holding of Certificates or any interest in Certificates by or on behalf of a Plan could result in prohibited transactions and the imposition of excise taxes and civil penalties under ERISA or the Code or Similar Law unless a U.S. Department of Labor (“DOL”) prohibited transaction exemption (or substantially similar exemption under Similar Law) applies and the conditions for such an exemption are satisfied. The operations of the Trust could similarly result in prohibited transactions if Plans that purchase Certificates are deemed to own an interest in the underlying assets of the Trust. There may also be an improper delegation by ERISA Plan fiduciaries of the responsibility to manage ERISA Plan assets if ERISA Plans that purchase Certificates are deemed to own an interest in the underlying assets of the Trust.

The DOL has issued a final regulation (29 C.F.R. Section 2510.3-101, as modified by Section 3(42) of ERISA, the “Plan Assets Regulation”) concerning what constitutes the assets of an ERISA Plan. This regulation provides that, as a general rule, the underlying assets and properties of corporations, partnerships, trusts and certain other entities in which an ERISA Plan makes an “equity” investment will be deemed for purposes of ERISA to be assets of the investing ERISA Plan in certain circumstances. In such a case, the fiduciary making such an investment for the ERISA Plan could be deemed to have delegated his or her asset management responsibility, the underlying assets and properties could be subject to ERISA’s reporting and disclosure requirements, and transactions involving the underlying assets and properties could be subject to the fiduciary responsibility requirements of ERISA and the prohibited transaction provisions of ERISA and

Section 4975 of the Code. Certain exceptions to the regulation may apply in the case of an ERISA Plan's investment in the Certificates, but the application of any such exceptions cannot be predicted in advance due to the factual nature of the conditions to be met. Accordingly, if an ERISA Plan purchases the Certificates, the Trust could be deemed to hold plan assets unless one of the exceptions under the Plan Assets Regulation is applicable to the Trust.

We cannot assure you that any of the exceptions set forth in the Plan Assets Regulation will apply to the purchase of Certificates or operations of the Trust. However, the DOL has granted an administrative exemption to (i) WFS, PTE 96-22, 61 Fed. Reg. 14828 (April 3, 1996), as amended by PTE 2013-08, 78 Fed. Reg. 41090 (July 9, 2013), (ii) JPMS, as PTE 2002-19, 67 Fed. Reg. 14979 (March 28, 2002) J.P. Morgan Chase & Co., granted as PTE 2002-19, 67 Federal Register 14979 (March 28, 2002), as amended by PTE 2013-08, 78 Fed. Reg. 41090 (July 9, 2013) and (iii) GS&Co., as PTE 89-88, 54 Fed. Reg. 42582 (October 17, 1989), as amended, 55 Federal Register 48939 (November 23, 1990), as amended by PTE 2013-08, 78 Fed. Reg. 41,090 (July 9, 2013) (collectively, the "Exemption"), from certain of the prohibited transaction rules of ERISA and the Code with respect to the initial purchase, the holding and the subsequent resale by ERISA Plans of certificates representing interests in asset-backed pass-through trusts that consist of certain receivables, loans and other obligations that meet the conditions and requirements of the Exemption. The obligations covered by the Exemption include obligations such as the Mortgage Loan. The Depositor expects that the Exemption generally will apply to the acquisition, holding and resale of the Class A, Class B, Class C and Class D Certificates (the "ERISA Eligible Certificates") by an ERISA Plan; *provided* that the conditions of the Exemption (certain of which are described below) are met. The Depositor expects that the Exemption generally will apply to the ERISA Eligible Certificates.

Among the conditions that must be satisfied for the Exemption to apply are the following:

- (i) the acquisition of the ERISA Eligible Certificates by an ERISA Plan is on terms (including the price for the ERISA Eligible Certificates) that are at least as favorable to the ERISA Plan as they would be in an arm's-length transaction with an unrelated party;
- (ii) the ERISA Eligible Certificates acquired by the ERISA Plan have received a rating at the time of such acquisition that is in one of the four highest generic rating categories from at least one NRSRO that meets the requirements of the Exemption (an "Exemption Rating Agency");
- (iii) the sum of all payments made to, and retained by, the Initial Purchasers in connection with the distribution of the ERISA Eligible Certificates represents not more than reasonable compensation for underwriting the ERISA Eligible Certificates. The sum of all payments made to and retained by the Depositor pursuant to the assignment of the Mortgage Loan to the Trust represents not more than the fair market value of such Mortgage Loan. The sum of all payments made to and retained by the Trustee, the Servicer and the Special Servicer represents not more than reasonable compensation for the services provided under the Trust and Servicing Agreement and reimbursement of the Trustee's, the Servicer's and the Special Servicer's reasonable expenses in connection therewith;
- (iv) the Trustee must not be an affiliate of any other member of the Restricted Group (as defined below) other than an underwriter or placement agent;
- (v) the ERISA Plan investing in the ERISA Eligible Certificates is an "accredited investor" as defined in Rule 501(a) of Regulation D under the Securities Act; and
- (vi) the ERISA Eligible Certificates represent a beneficial interest in, among other things, secured obligations that bear interest or are purchased at a discount and are commercial mortgage obligations that are secured by commercial real property or leasehold interests in commercial real property.

It is a condition of the issuance of the ERISA Eligible Certificates that they receive the ratings listed on the cover page and the Depositor believes that the Rating Agency meets the requirements to be an Exemption Rating Agency; thus, the second general condition set forth above will be satisfied with respect to the ERISA Eligible Certificates as of the Closing Date. The Depositor believes that the third and sixth general conditions set forth above will be satisfied with respect to the ERISA Eligible Certificates. In addition, the fourth condition set forth above is also satisfied as of the Closing Date. A fiduciary of an ERISA Plan contemplating purchasing ERISA Eligible Certificates in the secondary market must make its own determination that, at the time of such purchase, the ERISA Eligible Certificates continue to satisfy the second general condition set forth above. A fiduciary of an ERISA Plan contemplating purchasing ERISA Eligible Certificates, whether in the initial issuance of the ERISA Eligible Certificates or in the secondary market, must make its own determination that the first and fifth general conditions set forth above will be satisfied with respect to such ERISA Eligible Certificate as of the date of such purchase.

The Exemption also requires that the Trust must also meet the following requirements:

- (i) the corpus of the Trust must consist solely of assets of a type that have been included in other investment pools;
- (ii) certificates in such other investment pools must have been rated in one of the four highest rating categories by the Exemption Rating Agency for at least one year prior to the ERISA Plan's acquisition of Certificates; and
- (iii) certificates evidencing interests in such other investment pools must have been purchased by investors other than ERISA Plans for at least one year prior to any ERISA Plan's acquisition of Certificates.

The Depositor believes that the conditions to the applicability of the Exemption will generally be met with respect to the ERISA Eligible Certificates, other than those conditions which are dependent on facts unknown to the Depositor or which it cannot control, such as those relating to the circumstances of the ERISA Plan purchaser or the ERISA Plan fiduciary making the decision to purchase any such ERISA Eligible Certificates.

Some of the relief provided by the Exemption does not apply to ERISA Plans sponsored by the Depositor, the Borrower, any Initial Purchaser, the Trustee, the Servicer, the Special Servicer, any sub-servicer or any affiliate of any of such parties (the "Restricted Group").

The ERISA Eligible Certificates may not be acquired by or transferred to an ERISA Plan or any person acting on behalf of, or using the assets of, an ERISA Plan unless such ERISA Plan is an "accredited investor" as defined in Rule 501(a)(1) of Regulation D.

If certain additional conditions are satisfied, the Exemption may provide an exemption from certain of the prohibited transaction rules of ERISA and the Code with respect to transactions in connection with the servicing, management and operation of the Trust. The Depositor expects that these additional conditions will be satisfied.

Section 403 of ERISA requires that all ERISA Plan assets be held in trust by the ERISA Plan trustee or a duly authorized fiduciary. However, DOL regulations provide that even if the underlying assets of an entity are deemed to be assets of an ERISA Plan that invests in the entity, the trust requirement of Section 403 of ERISA will be satisfied if the indicia of ownership of the ERISA Plan's interest in the entity are held in trust by the ERISA Plan trustee or fiduciary (29 C.F.R. Section 2550.403a-1(b)(3)). The possession by the ERISA Plan trustee or fiduciary of the ERISA Eligible Certificates should satisfy the trust requirement as to the underlying assets of the Trust.

Any ERISA Plan fiduciary considering whether to purchase ERISA Eligible Certificates on behalf of an ERISA Plan should consult with its counsel regarding the potential consequences of such investment with respect to the applicability of the fiduciary responsibility and prohibited transaction provisions of ERISA and the Code to such investment.

Each fiduciary of a Plan subject to ERISA should determine whether, under the general fiduciary standards of investment prudence and diversification, an investment in ERISA Eligible Certificates is appropriate for the ERISA Plan, taking into account the overall investment policy of the ERISA Plan and the composition of the ERISA Plan's investment portfolio. The fiduciary of a Plan, such as a governmental plan, not subject to ERISA or Section 4975 of the Code should make its own determination as to the need for and the availability of any exemptive relief under Similar Law. Each purchaser of an interest in an ERISA Eligible Certificate that is a Plan will be deemed to have represented that its acquisition, holding and disposition of the ERISA Eligible Certificates will not constitute or otherwise result in a non-exempt prohibited transaction under ERISA or Section 4975 of the Code (or a similar non-exempt violation of Similar Law).

Under current law, the Class E, Class F and Class HRR Certificates (the "ERISA Restricted Certificates") do not meet the requirements of the Exemption and generally may not be purchased by, on behalf of or with the assets of any Plan. However, insurance company general accounts may invest in the ERISA Restricted Certificates if all of the requirements of Sections I and III of Prohibited Transaction Class Exemption 95-60 ("PTCE 95-60") are met. Each purchaser of ERISA Restricted Certificates will be required to represent and warrant (or, in certain cases, will be deemed to have represented and warranted) either that (i) it is not and will not be a Plan and is not and will not be acting on behalf of or using the assets of a Plan to purchase the ERISA Restricted Certificates or (ii) it is an insurance company general account and all requirements of Sections I and III of PTCE 95-60 will be met with respect to its acquisition, holding and disposition of the ERISA Restricted Certificates (or, in the case of a Plan subject to Similar Law, that its acquisition, holding and disposition of the ERISA Restricted Certificates will not result in a non-exempt violation of Similar Law). Any purported transfer of an interest in an ERISA Restricted Certificate in violation of these restrictions will be void ab initio.

The Class P and Class R Certificates may not be purchased or held by a Plan or any person acting on behalf of, or using the assets of, a Plan. Each purchaser of Class P or Class R Certificates will be required to represent and warrant that it is not and will not be a Plan and is not and will not be acting on behalf of or using the assets of a Plan to purchase the Class P or Class R Certificates. Any purported transfer of an interest in the Class P or Class R Certificates in violation of this restriction will be void *ab initio*.

Each purchaser of Certificates that is a Plan will be deemed to have represented and warranted that (i) none of the depositor, the mortgage loan sellers, the Trust, the Trustee, the Certificate Administrator, the Certificate Registrar, Operating Advisor, the Initial Purchaser, the Servicer, the Special Servicer, or any of their respective affiliated entities, has provided any investment recommendation or investment advice on which the Plan or the fiduciary making the investment decision for the Plan has relied in connection with the decision to acquire Certificates, and they are not otherwise acting as a fiduciary (within the meaning of Section 3(21) of ERISA or Section 4975(e)(3) of the Code) to the Plan in connection with the Plan's acquisition of Certificates (unless an applicable prohibited transaction exemption is available (all of the conditions of which are satisfied) to cover the purchase and holding of the Certificates or the transaction is not otherwise prohibited), and (ii) the Plan fiduciary making the decision to acquire the Certificates is exercising its own independent judgment in evaluating the investment in the Certificates.

The sale of the ERISA Eligible Certificates to a Plan is in no respect a representation or warranty by the Depositor, the Initial Purchasers, the Borrower, the Trustee, the Certificate Administrator, the Operating Advisor, the Special Servicer or the Servicer that this investment meets all relevant legal requirements with respect to investments by Plans generally or any particular Plan, that the Exemption would apply to the acquisition of this investment by ERISA Plans in general or any particular ERISA Plan, or that this investment is appropriate for Plans generally or for any particular Plan.

LEGAL INVESTMENT

No Class of the Certificates will constitute "mortgage related securities" for purposes of the Secondary Mortgage Market Enhancement Act of 1984, as amended.

The appropriate characterization of the Certificates under various legal investment restrictions, and thus the ability of investors subject to these restrictions to purchase the Certificates, are subject to significant interpretive uncertainties. Except as regards the status of certain classes as "mortgage related securities", we make no representation as to the proper characterization of the Certificates for legal investment, financial institution regulatory or other purposes, or as to the ability of particular investors to purchase the Certificates under applicable legal investment restrictions. Further, any rating of a Class of Certificates below an "investment grade" rating (i.e., lower than the top four rating categories) by the Rating Agency or another NRSRO, whether initially or as a result of a ratings downgrade, may adversely affect the ability of an investor to purchase or retain, or otherwise impact the liquidity, market value, and regulatory characteristics of, that Class. In addition, the fact that the Class P and Class R Certificates are not being rated by the Rating Agency or another NRSRO (unless an NRSRO issues an unsolicited rating) may adversely affect the ability of an investor to purchase or retain, or otherwise impact the regulatory characteristics of, that Class. The uncertainties described above (and any unfavorable future determinations concerning the legal investment or financial institution regulatory characteristics of the Certificates) may adversely affect the liquidity and market value of the Certificates.

Accordingly, all investors whose investment activities are subject to legal investment laws and regulations, regulatory capital requirements, or review by regulatory authorities should consult with their own legal advisors in determining whether and to what extent the Certificates will constitute legal investments for them or are subject to investment, capital, or other regulatory restrictions.

The Trust will be relying on an exclusion or exemption from the definition of "investment company" under the Investment Company Act contained in Section 3(c)(5) of the Investment Company Act or Rule 3a-7 under the Investment Company Act, although there may be additional exclusions or exemptions available to the Trust. The Trust is being structured so as not to constitute a "covered fund" for purposes of the Volcker Rule under the Dodd-Frank Act.

OFFERING AND SALE

Subject to the terms and conditions set forth in the Certificate Purchase Agreement dated as of the date of this Offering Circular (the "Certificate Purchase Agreement") between the Depositor and the Initial Purchasers, the Depositor will sell, and the Initial Purchasers will purchase, the Certificates (other than the Class HRR Certificates). In turn, the Initial Purchasers will privately offer the Certificates to prospective investors from time to time in negotiated transactions

or otherwise at varying prices determined at the time of sale, plus, in certain cases, accrued interest. This offering may be terminated at any time.

Wells Fargo Securities, LLC is an affiliate of the Depositor and Wells Fargo Bank, National Association, one of the originators of the Mortgage Loan and one of the Mortgage Loan Sellers and who is expected to act as the Servicer and the Certificate Administrator.

J.P. Morgan Securities LLC is an affiliate of JPMorgan Chase Bank, National Association, one of the originators of the Mortgage Loan and one of the Mortgage Loan Sellers.

Goldman Sachs & Co. LLC is an affiliate of Goldman Sachs Mortgage Company, one of the originators of the Mortgage Loan and one of the Mortgage Loan Sellers.

The Certificate Purchase Agreement provides that the Depositor will indemnify the Initial Purchasers, and that under limited circumstances the Initial Purchasers will indemnify the Depositor, against certain civil liabilities under the United States securities laws or contribute to payments to be made in respect of such liabilities. The Initial Purchasers or one of their respective affiliates may retain a portion of certain Classes of the Certificates, purchase certain Certificates for its own account or sell the Certificates to one of its affiliates.

The Depositor has been advised by each Initial Purchaser that it has not solicited, and will not solicit, any offer to buy, or offer to sell, Certificates other than to (i) persons whom it reasonably believes to be QIBs in reliance on Rule 144A, (ii) (except with respect to the Class R Certificates) institutions it reasonably believes are Institutional Accredited Investors, or (iii) (except with respect to the Class R Certificates) to institutions that are non-U.S. Securities Persons in Offshore Transactions pursuant to Rule 903 or Rule 904 of Regulation S.

The Certificates are a new issue of securities with no established trading market and we cannot assure you that a secondary market for the Certificates will develop. Each Initial Purchaser currently intends to make a market in the Certificates (other than the Class HRR Certificates) but is under no obligation to do so and may discontinue its market making activities at any time without notice. If a secondary market does develop, we cannot assure you that it will provide Certificateholders with liquidity of investment or that it will continue for the life of the Certificates.

Each Initial Purchaser has, severally and not jointly, represented, warranted and agreed that:

- (i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated in the United Kingdom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the “**FSMA**”)) received by it in connection with the issue or sale of the Certificates in circumstances in which Section 21(1) of the FSMA does not apply to the Depositor or the Trust;
- (ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Certificates in, from or otherwise involving the United Kingdom;
- (iii) it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Certificates to any retail investor in the European Economic Area. For the purposes of this provision:
 - (A) the expression “retail investor” means a person who is one (or more) of the following: (1) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or (2) a customer within the meaning of Directive 2002/92/EC, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (3) not a qualified investor as defined in the Prospectus Directive; and
 - (B) the expression “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Certificates to be offered so as to enable an investor to decide to purchase or subscribe the Certificates;
- (iv) it will not offer or sell any Certificates, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used in this Offering Circular means any person resident of Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements

of, and otherwise in compliance with, the Financial Instruments and Exchange Law of Japan, as amended (the “FIEL”) and any other applicable laws, regulations and ministerial guidelines of Japan;

(v) (1) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Certificates (except for Certificates which are a “structured product” as defined in the Securities and Futures Ordinance (Cap. 571) (the “SFO”)) of Hong Kong other than (A) to “professional investors” as defined in the SFO and any rules made under the SFO, or (B) in other circumstances which do not result in the document being a “prospectus” within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the “C(WUMP)O”) or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and (2) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Certificates, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Certificates which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under the SFO; and

(vi) This Offering Circular has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Offering Circular and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Certificates may not be circulated or distributed, nor may the Certificates be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore, as amended (the “SFA”), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A) of the SFA, in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

(vii) This Offering Circular has not been delivered for registration to the Registrar of Companies in Hong Kong and the contents of this Offering Circular have not been reviewed or approved by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer contemplated by this Offering Circular. If you are in any doubt about any of the contents of this Offering Circular, you should obtain independent professional advice. This Offering Circular does not constitute nor intend to be an offer or invitation to the public in Hong Kong to acquire the Certificates.

Each of the Initial Purchasers has from time to time performed investment banking services for the Borrower and its affiliates, for which it has received customary fees and may perform such services in the future for customary fees, and the Initial Purchasers and their respective affiliates may have other conflicts of interest with Certificateholders.

LEGAL MATTERS

The validity of the Certificates and certain federal income tax considerations will be passed upon for the Depositor by Cadwalader, Wickersham & Taft LLP, Charlotte, North Carolina. Certain legal matters will be passed upon for the Initial Purchasers by Dechert LLP, Charlotte, North Carolina.

RATINGS

It is a condition to the issuance of the Certificates that the Class A, Class B, Class C, Class D, Class E, Class F and Class HRR Certificates receive the following credit ratings from S&P:

Certificate Class	Ratings S&P*
Class A.....	AAA(sf)
Class B.....	AA-(sf)
Class C.....	A-(sf)
Class D.....	BBB-(sf)
Class E.....	BB-(sf)
Class F.....	B-(sf)
Class HRR.....	NR

* S&P has informed us that the "sf" designation in its ratings represents an identifier for structured finance product ratings. For additional information about this identifier, prospective investors can go to the Rating Agency's website.

The ratings address the likelihood of the timely receipt of distributions of interest at the applicable Pass-Through Rate on the Certificates on each Distribution Date and, the ultimate distribution of principal by the Rated Final Distribution Date. The ratings assigned to the Certificates may be partially dependent on the ratings of the Interest Rate Cap Counterparty. Any downgrade, withdrawal or qualification of the ratings of the Interest Rate Cap Counterparty may result in a downgrade, withdrawal or qualification of the then-current ratings on the Certificates. The ratings of the Certificates should be evaluated independently from similar ratings on other types of securities. The ratings are not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the Rating Agency. In addition, these ratings do not address: (a) the likelihood, timing, or frequency of prepayments (both voluntary and involuntary) and its impact on interest payments, (b) the possibility that a Certificateholder might suffer a lower than anticipated yield, (c) the likelihood of receipt of Spread Maintenance Premiums or Default Interest, (d) the likelihood of experiencing prepayment interest shortfalls, (e) the tax treatment of the Certificates or effect of taxes on the payments received, (f) the likelihood or willingness of the parties to the respective documents to meet their contractual obligations or the likelihood or willingness of any party or court to enforce, or hold enforceable, the documents in whole or in part, (g) an assessment of the yield to maturity that investors may experience, (h) the likelihood, timing or receipt of any payments of interest to the holders of the rated Certificates resulting from an increase in the interest rate on the Mortgage Loan in connection with a modification, waiver or amendment, (i) excess interest or additional interest or (j) other non-credit risks, including, without limitation, market risks or liquidity.

The ratings take into consideration the credit quality of the Mortgaged Property and the Mortgage Loan, structural and legal aspects associated with the Certificates, and the extent to which the payment stream of the Mortgage Loan is adequate to make payments required under the Certificates. However, as noted above, the ratings do not represent an assessment of the likelihood, timing or frequency of principal prepayments (both voluntary and involuntary) by the Borrower, or the degree to which such prepayments might differ from those originally anticipated. In general, the ratings address credit risk and not prepayment risk.

As part of the process of obtaining ratings for the Certificates, the Depositor had initial discussions with and submitted certain materials to S&P and certain other NRSROs. Based on preliminary feedback from those NRSROs at that time, the Depositor selected S&P to rate the Certificates and not the other NRSROs, due in part to those NRSROs' initial subordination levels for the various Classes of Certificates. If the Depositor had selected such other NRSROs to rate the Certificates, or had it engaged each of the engaged NRSROs to rate all Classes of the Certificates not otherwise rated by them, the Depositor cannot assure you as to the ratings that such other NRSROs would have assigned to the Certificates would not have been lower than the ratings assigned by S&P to the Classes of Certificates it rated. Although unsolicited ratings may be issued by any NRSRO, an NRSRO might be more likely to issue an unsolicited rating if it was not selected after having provided preliminary feedback to the Depositor. Furthermore, the SEC may determine that S&P no longer qualifies as an NRSRO, or is no longer qualified to rate the Certificates, and that determination may have an adverse effect on the liquidity, market value and regulatory characteristics of the Certificates.

Neither the Depositor nor any other person or entity will have any duty to notify you if any such other NRSRO issues, or delivers notice of its intention to issue, unsolicited ratings on one or more Classes of Certificates after the date of this Offering Circular. In no event will ratings confirmation from any such other NRSRO be a condition to any action, or the exercise of any right, power or privilege by any person or entity, under the Trust and Servicing Agreement.

The Class P and Class R Certificates will not be rated by the Rating Agency or another NRSRO (unless an NRSRO issues an unsolicited rating), which may adversely affect the ability of an investor to purchase or retain, or otherwise impact the liquidity, market value and regulatory characteristics of that Class.

See “*Risk Factors—Credit Ratings of the Certificates Are Not Assurance of Performance and May Change Over Time*” in this Offering Circular.

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Annex A

**CERTAIN CHARACTERISTICS OF THE MORTGAGE LOAN AND THE MORTGAGED PROPERTY AS OF THE
CUT-OFF DATE**

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WBHT 2019-WBM

Mortgage Loan	Mortgage Loan	Originator	Seller	Property Name	Address	City	State	Zip Code	County	Year Built	Year Renovated
WFB/GS/JPM	WFB/GS/JPM	Waikiki Beach Marriott Resort & Spa		2552 Kalakaua Avenue and 155 Ohua Avenue	Honolulu	HI	96815	Honolulu	1971	1979, 2013, 2015-2016	

WBHT 2019-WBM

Mortgage Loan Originator	Mortgage Loan Seller	Property Name	General Property Type	Specific Property Type	No. of Units	Unit of Measure	Occupancy Rate	Occupancy as-of Date	Loan Purpose (Acquisition, Refinance)	Borrower Name
WFB/GS/JPM	WFB/GS/JPM	Waikiki Beach Marriott Resort & Spa	Hospitality	Full Service	1,310	Rooms	89.2%	10/31/2018	Refinance	W2005 WKI REALTY, LLC

WBHT 2019-WBM

Mortgage Loan Originator	Mortgage Loan Seller	Property Name	Recourse Carveout Guarantor	Property Manager	Origination Date	First Pay Date	Initial Maturity Date
WFB/GS/JPM	WFB/GS/JPM	Waikiki Beach Marriott Resort & Spa	HLB Funding LLC and Atrium Leveraged Loan Fund, LLC	Marriott Hotel Services, Inc.	12/5/2018	1/9/2019	12/9/2020

WBHT 2019-WBM

Mortgage Originator	Loan Seller	Mortgage Loan Seller	Property Name	Monthly Debt		Gross Mortgage Rate	Certificate Administrator Fee Rate	Operating Advisor Fee Rate		Servicing Fee Rate	CREFC Fee Rate
				Fully Extended Maturity Date	Service Amount			Mortgage Loan Spread	Rate		
WFB/GS/JPM	WFB/GS/JPM	Waikiki Beach Marriott Resort & Spa		12/9/2025	1,307,832.18	2.050%	4.600%	0.0118%	0.0042%	0.0025%	0.0005%

WBHT 2019-WBM

Mortgage									
Loan Originator	Mortgage Loan Seller	Property Name	Rate Type	Mortgage Rate Index	Rounding Factor	Rounding Direction	Lookback Period	LIBOR Floor %	LIBOR Cap Strike Price %
WFB/GS/JPM	WFB/GS/JPM	Waikiki Beach Marriott Resort & Spa	Floating	1M LIBOR	1/1000 of 1%	Upwards	2 business days prior to the 15th of the month prior to the related payment date interest period	0.0000%	4.5000%

WBHT 2019-WBM

Mortgage Originator	Loan Seller	Mortgage Loan Property Name	LIBOR Cap Provider	Interest Accrual Method	Original Balance (\$)	Cut-off Date	Cut-off Date Balance per key (\$)	Maturity Date Balloon Payment (\$)
WFB/GS/JPM	WFB/GS/JPM	Waikiki Beach Marriott Resort & Spa	SMBC Capital Markets, Inc.	Actual/360	336,500,000	336,500,000	256,870	336,500,000

WBHT 2019-WBM

Mortgage Loan Originator	Mortgage Loan Seller	Property Name	Prepayment Provisions	Original Amort Term (Mos.)	Remaining Amort Term (Mos.)	Original Term to Maturity (Mos.)	Remaining Term to Maturity (Mos.)	Original IO Period (Mos.)	Seasoning (Mos.)
WFB/GS/JPM	WFB/GS/JPM	Waikiki Beach Marriott Resort & Spa	SM(17),O(7)	IO	IO	24	22	24	2

WBHT 2019-WBM

Mortgage		Mortgage Loan		Amortization Type	Appraisal Date	Appraised Value (\$)	Cut-Off Date	LTV Ratio at Maturity	UW NCF DSCR	Cut-Off Date	
Originator	Seller	Property Name	LTV Ratio							Yield	UW NOI Debt
WFB/GS/JPM	WFB/GS/JPM	Waikiki Beach Marriott Resort & Spa	Interest-only, Balloon	10/3/2018	700,700,000	48.0%	48.0%	2.04x	11.0%		

WBHT 2019-WBM

Mortgage Loan Originator	Mortgage Loan Seller	Property Name	Cut-Off Date	Underwritten							Most Recent Period
			UW NCF Debt	Net Operating Yield	Underwritten Income	Underwritten FF&E	Underwritten Net Cash Flow	Underwritten ADR (\$)	Underwritten RevPAR (\$)	Description	
WFB/GS/JPM	WFB/GS/JPM	Waikiki Beach Marriott Resort & Spa		9.5%	37,085,830	5,143,538	31,942,292	212.61	189.58	T12 12 10/31/2018	

WBHT 2019-WBM

Mortgage Loan Originator	Mortgage Loan Seller	Property Name	Most Recent		Most Recent			Second Most Recent Period Description	Second Most Recent Net Operating Income
			Net Operating Income	Most Recent CapEx	Net Cash Flow	Most Recent ADR (\$)	Most Recent RevPAR (\$)		
			36,805,881	5,135,152	31,670,729	212.61	189.58		
WFB/GS/JPM	WFB/GS/JPM	Waikiki Beach Marriott Resort & Spa						Actual 2017	36,289,051

WBHT 2019-WBM

Mortgage Loan Originator	Mortgage Loan Seller	Property Name	Second Most Recent CapEx	Second Most Recent Net Cash Flow	Second Most Recent ADR (\$)	Second Most Recent RevPAR (\$)	Third Most Recent Period Description	Third Most Recent Net Operating Income	Third Most Recent CapEx
WFB/GS/JPM	WFB/GS/JPM	Waikiki Beach Marriott Resort & Spa	4,958,069	31,330,982	212.37	185.03	Actual 2016	37,259,196	4,983,422

WBHT 2019-WBM

Mortgage Originator	Mortgage Loan Seller	Property Name	Third Most Recent Net Cash Flow		Third Most Recent ADR (\$)	Third Most Recent RevPAR (\$)	Assumption Frequency	Assumption Fee	Lien Position	Ownership Interest
			WFB/GS/JPM	WFB/GS/JPM	Waikiki Beach Marriott Resort & Spa	32,275,774	215.24	190.11	1	\$250,000

WBHT 2019-WBM

Mortgage Loan Originator	Mortgage Loan Seller	Property Name	Ground Lease Initial Expiration Date	Lockbox	Tax Escrow (Initial) (\$)	Tax Escrow (Monthly) (\$)
WFB/GS/JPM	WFB/GS/JPM	Waikiki Beach Marriott Resort & Spa	Hotel (12/31/2080); Bolte (12/31/2050); Parking (12/31/2028)	Hard/Springing Cash Management	o	Springing

Mortgage Loan Originator	Mortgage Loan Seller	Property Name	Springing Tax Escrow Description	Insurance Escrow (Initial) (\$)	Insurance Escrow (Monthly) (\$)	Springing Insurance Escrow Description	FF&E Reserve (Initial) (\$)
WFB/GS/JPM	WFB/GS/JPM	Waikiki Beach Marriott Resort & Spa	After the first occurrence of a Cash Sweep Period, the Borrower shall deposit monthly 1/12 of the Property Taxes payable during the next ensuing 12 months	0	Springing	After the first occurrence of a Cash Sweep Period, the Borrower shall deposit monthly 1/12 of the Insurance Premiums; the insurance escrow could be suspended if an acceptable blanket policy is in effect	0

Mortgage Originator	Loan Seller	Mortgage Loan Seller	Property Name	FF&E Reserve (Monthly) (\$)	Springing FF&E Reserve Description	Other Escrow I Reserve Description	Other Escrow I (Initial) (\$)	Other Escrow I (Monthly) (\$)
WFB/GS/JPM	WFB/GS/JPM	Waikiki Beach Marriott Resort & Spa		Springing	At any time that the Marriott Management Agreement (or an agreement with an Approved Replacement Manager) is not in full force and effect the borrower must deposit: for the 1st 12 months, the greater of 4% of gross revenues and \$416,667, and 4% of gross revenues thereafter	Required Renovation Reserve	43,141,456	750,000

Mortgage Loan Originator	Mortgage Loan Seller	Property Name	Springing Other Escrow I Reserve Description	Other Escrow II Reserve Description	Other Escrow II (Initial) (\$)	Other Escrow II (Monthly) (\$)	Springing Other Escrow II Reserve Description
WFB/GS/JPM	WFB/GS/JPM	Waikiki Beach Marriott Resort & Spa	Capped at \$9,000,000	Ground Rent Reserve	0	Springing	After the first occurrence of a Cash Sweep Period, the Borrower is required to deposit a monthly escrow for amounts to be paid as ground rent under the various ground leases

Annex B

PERCENTAGE OF INITIAL CERTIFICATE BALANCE OUTSTANDING OF EACH CLASS OF SEQUENTIAL PAY CERTIFICATES AT THE SPECIFIED SCENARIOS

Percentage of Initial Certificate Balance Outstanding for Class A Certificates

Distribution Date	Scenario A	Scenario B	Scenario C
Closing Date.....	100%	100%	100%
February 15, 2020.....	100%	100%	100%
February 15, 2021.....	0%	0%	100%
February 15, 2022	0%	0%	100%
February 15, 2023	0%	0%	100%
February 15, 2024	0%	0%	100%
February 15, 2025.....	0%	0%	100%
February 15, 2026 and thereafter.....	0%	0%	0%
Weighted Average Life (in years)	1.32	1.82	6.82
First Principal Distribution Date.....	June 2020	December 2020	December 2025
Last Principal Distribution Date	June 2020	December 2020	December 2025

Percentage of Initial Certificate Balance Outstanding for Class B Certificates

Distribution Date	Scenario A	Scenario B	Scenario C
Closing Date.....	100%	100%	100%
February 15, 2020.....	100%	100%	100%
February 15, 2021.....	0%	0%	100%
February 15, 2022	0%	0%	100%
February 15, 2023	0%	0%	100%
February 15, 2024	0%	0%	100%
February 15, 2025.....	0%	0%	100%
February 15, 2026 and thereafter.....	0%	0%	0%
Weighted Average Life (in years)	1.32	1.82	6.82
First Principal Distribution Date.....	June 2020	December 2020	December 2025
Last Principal Distribution Date	June 2020	December 2020	December 2025

Percentage of Initial Certificate Balance Outstanding for Class C Certificates

Distribution Date	Scenario A	Scenario B	Scenario C
Closing Date.....	100%	100%	100%
February 15, 2020	100%	100%	100%
February 15, 2021.....	0%	0%	100%
February 15, 2022	0%	0%	100%
February 15, 2023	0%	0%	100%
February 15, 2024	0%	0%	100%
February 15, 2025.....	0%	0%	100%
February 15, 2026 and thereafter.....	0%	0%	0%
Weighted Average Life (in years)	1.32	1.82	6.82
First Principal Distribution Date.....	June 2020	December 2020	December 2025
Last Principal Distribution Date	June 2020	December 2020	December 2025

Percentage of Initial Certificate Balance Outstanding for Class D Certificates

Distribution Date	Scenario A	Scenario B	Scenario C
Closing Date.....	100%	100%	100%
February 15, 2020.....	100%	100%	100%
February 15, 2021.....	0%	0%	100%
February 15, 2022	0%	0%	100%
February 15, 2023	0%	0%	100%
February 15, 2024	0%	0%	100%
February 15, 2025.....	0%	0%	100%
February 15, 2026 and thereafter.....	0%	0%	0%
Weighted Average Life (in years)	1.32	1.82	6.82
First Principal Distribution Date.....	June 2020	December 2020	December 2025
Last Principal Distribution Date	June 2020	December 2020	December 2025

Percentage of Initial Certificate Balance Outstanding for Class E Certificates

Distribution Date	Scenario A	Scenario B	Scenario C
Closing Date.....	100%	100%	100%
February 15, 2020.....	100%	100%	100%
February 15, 2021.....	0%	0%	100%
February 15, 2022	0%	0%	100%
February 15, 2023	0%	0%	100%
February 15, 2024	0%	0%	100%
February 15, 2025.....	0%	0%	100%
February 15, 2026 and thereafter.....	0%	0%	0%
Weighted Average Life (in years)	1.32	1.82	6.82
First Principal Distribution Date.....	June 2020	December 2020	December 2025
Last Principal Distribution Date	June 2020	December 2020	December 2025

Percentage of Initial Certificate Balance Outstanding for Class F Certificates

Distribution Date	Scenario A	Scenario B	Scenario C
Closing Date.....	100%	100%	100%
February 15, 2020	100%	100%	100%
February 15, 2021.....	0%	0%	100%
February 15, 2022	0%	0%	100%
February 15, 2023	0%	0%	100%
February 15, 2024	0%	0%	100%
February 15, 2025.....	0%	0%	100%
February 15, 2026 and thereafter.....	0%	0%	0%
Weighted Average Life (in years)	1.32	1.82	6.82
First Principal Distribution Date.....	June 2020	December 2020	December 2025
Last Principal Distribution Date	June 2020	December 2020	December 2025

Percentage of Initial Certificate Balance Outstanding for Class HRR Certificates

Distribution Date	Scenario A	Scenario B	Scenario C
Closing Date.....	100%	100%	100%
February 15, 2020.....	100%	100%	100%
February 15, 2021.....	0%	0%	100%
February 15, 2022	0%	0%	100%
February 15, 2023	0%	0%	100%
February 15, 2024	0%	0%	100%
February 15, 2025.....	0%	0%	100%
February 15, 2026 and thereafter.....	0%	0%	0%
Weighted Average Life (in years)	1.32	1.82	6.82
First Principal Distribution Date.....	June 2020	December 2020	December 2025
Last Principal Distribution Date	June 2020	December 2020	December 2025

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TABLES OF DISCOUNT MARGIN FOR THE CERTIFICATES

Discount Margin (expressed in basis points) for Class A Certificates

Assumed Purchase Price (in 32 nd s)	Scenario A	Scenario B	Scenario C
99-00.....	182	161	128
99-08.....	163	147	124
99-16.....	143	133	120
99-24.....	124	119	116
100-00.....	105	105	112
100-08.....	86	91	108
100-16	67	77	104
100-24.....	48	63	99
101-00	29	49	95

Discount Margin (expressed in basis points) for Class B Certificates

Assumed Purchase Price (in 32 nd s)	Scenario A	Scenario B	Scenario C
99-00.....	200	180	146
99-08.....	181	165	142
99-16.....	162	151	138
99-24.....	142	137	134
100-00.....	123	123	130
100-08.....	104	109	126
100-16	85	95	121
100-24.....	66	81	117
101-00	47	67	113

Discount Margin (expressed in basis points) for Class C Certificates

Assumed Purchase Price (in 32 nd s)	Scenario A	Scenario B	Scenario C
99-00.....	225	205	171
99-08.....	206	190	167
99-16.....	187	176	163
99-24.....	167	162	159
100-00.....	148	148	155
100-08.....	129	134	150
100-16	110	120	146
100-24.....	90	106	142
101-00	71	92	138

Discount Margin (expressed in basis points) for Class D Certificates

Assumed Purchase Price (in 32nds)	Scenario A	Scenario B	Scenario C
99-00.....	281	260	227
99-08.....	261	246	222
99-16.....	242	231	218
99-24.....	222	217	214
100-00.....	203	203	210
100-08.....	184	189	205
100-16	164	175	201
100-24.....	145	161	197
101-00	126	147	193

Discount Margin (expressed in basis points) for Class E Certificates

Assumed Purchase Price (in 32nds)	Scenario A	Scenario B	Scenario C
99-00.....	346	325	292
99-08.....	326	311	287
99-16.....	307	297	283
99-24.....	287	282	279
100-00.....	268	268	274
100-08.....	249	254	270
100-16	229	240	266
100-24.....	210	225	262
101-00	191	211	257

Discount Margin (expressed in basis points) for Class F Certificates

Assumed Purchase Price (in 32nds)	Scenario A	Scenario B	Scenario C
99-00.....	386	366	332
99-08.....	367	351	328
99-16.....	347	337	323
99-24.....	328	323	319
100-00.....	308	308	315
100-08.....	289	294	310
100-16	269	280	306
100-24.....	250	265	301
101-00	231	251	297

Discount Margin (expressed in basis points) for Class HRR Certificates

Assumed Purchase Price (in 32nds)	Scenario A	Scenario B	Scenario C
99-00.....	668	647	613
99-08.....	648	632	608
99-16.....	628	617	603
99-24.....	608	603	599
100-00.....	588	588	594
100-08.....	568	573	589
100-16	548	559	584
100-24.....	529	544	580
101-00	509	530	575

MORTGAGE LOAN SELLER REPRESENTATIONS AND WARRANTIES

Each Mortgage Loan Seller represented in the Mortgage Loan Purchase Agreement solely with respect to the Mortgage Loan and the Mortgaged Property that, as of the Closing Date:

1. Such Mortgage Loan Seller is the sole owner of its respective Loan Percentage Interest in the Mortgage Loan and will transfer its respective Loan Percentage Interest in the Mortgage Loan and the Collateral to the purchaser of the Mortgage Loan and the Collateral free and clear of any liens, pledges, charges, security interests or encumbrances of any nature.

2. Except as set forth in the "mortgage file" delivered by such Mortgage Loan Seller under the Mortgage Loan Purchase Agreement, the Mortgage Loan Documents have not been modified since the origination of the Mortgage Loan and the Mortgaged Property has not been released from the lien of the Mortgage.

3. The Mortgage Loan constitutes a whole loan and not a participation interest or certificate.

4. To the best of such Mortgage Loan Seller's Knowledge (as defined below) after due inquiry, (A) there is no monetary or material non-monetary Mortgage Loan Event of Default existing under any of the Mortgage Loan Documents, (B) there is no event which, with the passage of time or with notice and the expiration of any applicable grace or cure period, would constitute a material Mortgage Loan Event of Default under any of the Mortgage Loan Documents, and (C) such Mortgage Loan Seller has not waived any Mortgage Loan Event of Default. "Mortgage Loan Seller's Knowledge" means the actual knowledge of any of the individuals at such Mortgage Loan Seller who were actively involved in the origination, administration or servicing of the Mortgage Loan.

5. The Mortgage Loan is a "qualified mortgage" within the meaning of Section 860G(a)(3) of the Code (but without regard to the rule in Treasury Regulations Section 1.860G-2(f)(2) that treats certain defective mortgage loans as qualified mortgages), which means that the gross proceeds of the Mortgage Loan at origination did not exceed the non-contingent principal amount of the Mortgage Loan and either: (a) the Mortgage Loan is secured by an interest in real property having a fair market value (i) at the date the Mortgage Loan was originated at least equal to 80% of the original principal balance of the Mortgage Loan or (ii) at the Closing Date at least equal to 80% of the principal balance of the Mortgage Loan on such date; or (b) substantially all the proceeds of the Mortgage Loan were used to acquire, improve or protect the real property which served as the only security for the Mortgage Loan (other than a recourse feature or other third party credit enhancement within the meaning of Treasury Regulations Section 1.860G-2(a)(1)(ii)). If the Mortgage Loan was "significantly modified" prior to the Closing Date so as to result in a taxable exchange under Section 1001 of the Code, it either (x) was modified as a result of the default or reasonably foreseeable default of the Mortgage Loan or (y) satisfies the provisions of either sub-clause (a)(i) above (substituting the date of the last such modification for the date the Mortgage Loan was originated) or sub-clause (a)(ii). Any Spread Maintenance Premium applicable to the Mortgage Loan constitute "customary prepayment penalties" within the meaning of Treasury Regulations Section 1.860G-1(b)(2).

6. In connection with a release of less than all of the Mortgaged Property, such portion of the Mortgaged Property may not be released as collateral for the Mortgage Loan if the loan-to-value ratio exceeds 125% immediately after the release (taking into account only land and buildings, and excluding personal property and going concern value, if any) unless the Borrower pays down the principal balance of the Mortgage Loan by an amount not less than the greater of (x) the applicable release amount, if any, or (y) the least of one of the following amounts: (i) if such released portion of the Mortgaged Property is sold, the net proceeds of an arm's length sale of the released portion of the Mortgaged Property to an unrelated person, (ii) the fair market value of the released portion of the Mortgaged Property (taking into account only land and buildings, and excluding personal property and going concern value, if any) at the time of the release or (iii) an amount such that the loan-to-value ratio (as so determined) after the release is not greater than the loan-to-value ratio (as so determined) of the Mortgaged Property immediately prior to the release, unless the Mortgage Lender receives an opinion that if clause (y) is not followed, the Trust will not fail to maintain its status as a REMIC as a result of the release of the applicable portion of the Mortgaged Property.

7. In the event of a taking of any portion of the Mortgaged Property by any governmental authority (including any court, board, agency, commission, office or other authority of any nature whatsoever for any governmental unit (foreign, federal, state, county, district, municipal, city or otherwise)), whether by legal proceeding or by agreement, and immediately after giving effect to the release of any portion of the lien of the Mortgage in connection with such taking (but taking into account any proposed restoration on the remaining portion of the Mortgaged Property), the loan-to-value ratio is greater

than 125% (taking into account only land and buildings, and excluding personal property and going concern value, if any), the Borrower must pay down the principal balance of the Mortgage Loan by an amount not less than the least of one of the following amounts: (i) the condemnation award (less reasonable costs and expenses in collecting such award), (ii) the fair market value of the released portion of the Mortgaged Property (taking into account only land and buildings, and excluding personal property and going concern value, if any) at the time of the release or (iii) an amount such that the loan-to-value ratio (as so determined) after the release is not greater than the loan-to-value ratio (as so determined) of the remaining portion of such Mortgaged Property immediately prior to the release, unless such Mortgage Loan Seller receives an opinion that if such amount is not paid, the Trust will not fail to maintain its status as a REMIC as a result of the release of the applicable portion of the Mortgaged Property.

REPRESENTATIONS AND WARRANTIES OF THE BORROWER

The Borrower represented to the Mortgage Lender as follows under the Mortgage Loan Agreement. Capitalized terms used in this Annex E and not otherwise defined in this Offering Circular have the meanings assigned to such terms in the Mortgage Loan Agreement.

(a) Organization. Borrower has been duly organized and is validly existing and in good standing with requisite power and authority to own or lease, as applicable, the Mortgaged Property and to transact the businesses in which it is now engaged. Borrower is duly qualified to do business and is in good standing in each jurisdiction where it is required to be so qualified in connection with its businesses and operations. Borrower possesses all rights and all material licenses, permits and authorizations, governmental or otherwise, necessary to entitle it to own or lease, as applicable, the Mortgaged Property and to transact the businesses in which it is now engaged, and the sole business of Borrower is the ownership or leasing, as applicable, management and operation of the Mortgaged Property. The ownership interests in the Borrower are as set forth on the organizational chart attached as Schedule 1.12 to the Mortgage Loan Agreement.

(b) Proceedings. Borrower has taken all necessary action to authorize the execution, delivery and performance of the Mortgage Loan Agreement and the other Loan Documents. The Mortgage Loan Agreement and such other Loan Documents have been duly executed and delivered by or on behalf of Borrower and constitute legal, valid and binding obligations of Borrower enforceable against Borrower in accordance with their respective terms, subject only to applicable bankruptcy, insolvency and similar laws affecting rights of creditors generally, and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law).

(c) No Conflicts. The execution, delivery and performance of the Mortgage Loan Agreement and the other Loan Documents by Borrower will not conflict with or result in a breach of any of the terms or provisions of, or constitute a default under, or result in the creation or imposition of any lien, charge or encumbrance (other than pursuant to the Mortgage Loan Documents) upon any of the property or assets of Borrower pursuant to the terms of any indenture, mortgage, deed of trust, loan agreement, partnership agreement, management agreement or other agreement or instrument to which Borrower is a party or by which the Mortgaged Property or Borrower's assets is subject, nor will such action result in any violation of the provisions of any statute or any order, rule or regulation of any Governmental Authority having jurisdiction over Borrower or any of Borrower's properties or assets, and any consent, approval, authorization, order, registration or qualification of or with any court or any such Governmental Authority required for the execution, delivery and performance by Borrower of the Mortgage Loan Agreement or any other Loan Documents has been obtained and is in full force and effect if the failure to obtain the same would have a Material Adverse Effect or otherwise have an adverse effect on Lender or the collateral for the Mortgage Loan.

(d) Litigation. There are no actions, suits or proceedings at law or in equity by or before any Governmental Authority or other agency now pending or, to Borrower's knowledge, threatened against or affecting Borrower, Principal, Guarantor or the Mortgaged Property, which actions, suits or proceedings, if determined against Borrower, Principal, Guarantor or the Mortgaged Property, would reasonably be expected to have a Material Adverse Effect.

(e) Agreements. Borrower is not a party to any agreement or instrument or subject to any restriction which would reasonably be expected to have a Material Adverse Effect. Borrower is not in default in any material respect in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any agreement or instrument to which it is a party or by which Borrower or the Mortgaged Property is bound. Borrower does not have any material financial obligation under any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which Borrower is a party or by which Borrower or the Mortgaged Property is otherwise bound, other than (a) obligations permitted pursuant to clause (w) of the definition of "Special Purpose Entity" set forth in Section 1.1 of the Mortgage Loan Agreement, and (b) obligations under the Mortgage Loan Documents.

(f) Title. Borrower has good, marketable and insurable leasehold estate to the real property comprising part of the Mortgaged Property and good title to the balance of the Mortgaged Property, free and clear of all Liens whatsoever, in each case, except the Permitted Encumbrances, such other Liens as are permitted pursuant to the Mortgage Loan Documents and the Liens created by the Mortgage Loan Documents. The Permitted Encumbrances in the aggregate do not have a Material Adverse Effect. The Mortgage, when properly recorded in the appropriate

records, together with any Uniform Commercial Code financing statements required to be filed in connection therewith, will create (a) a valid, perfected first priority lien on Borrower's interests in the Mortgaged Property, subject only to Permitted Encumbrances and the Liens created by the Mortgage Loan Documents and (b) perfected security interests in and to, and perfected collateral assignments of, all personality (including the Leases), all in accordance with the terms thereof, in each case subject only to any applicable Permitted Encumbrances, such other Liens as are permitted pursuant to the Mortgage Loan Documents and the Liens created by the Mortgage Loan Documents. There are no claims for payment for work, labor or materials affecting the Mortgaged Property which are or may become a Lien prior to, or of equal priority with, the Liens created by the Mortgage Loan Documents and as to which Lender has not otherwise received affirmative insurance in the Title Insurance Policy.

(g) Solvency. Borrower has not (a) entered into this transaction or executed the Note, the Mortgage Loan Agreement or any other Loan Documents with the actual intent to hinder, delay or defraud any creditor and (b) received reasonably equivalent value in exchange for its obligations under such Loan Documents. After giving effect to the Loan, the fair saleable value of Borrower's assets exceeds and will, immediately following the making of the Loan, exceed Borrower's total liabilities, including, without limitation, subordinated, unliquidated, disputed and contingent liabilities. The fair saleable value of Borrower's assets is and will, immediately following the making of the Loan, be greater than Borrower's probable liabilities, including the maximum amount of its contingent liabilities on its debts as such debts become absolute and matured. Borrower's assets do not and, immediately following the making of the Loan will not, constitute unreasonably small capital to carry out its business as conducted or as proposed to be conducted. Borrower does not intend to, nor does it believe that it will, incur debt and liabilities (including contingent liabilities and other commitments) beyond its ability to pay such debt and liabilities as they mature (taking into account the timing and amounts of cash to be received by Borrower and the amounts to be payable on or in respect of obligations of Borrower). No petition in bankruptcy has been filed against Borrower, Principal or Guarantor in the last seven (7) years, and none of Borrower, Principal or Guarantor in the last seven (7) years has ever made an assignment for the benefit of creditors or taken advantage of any insolvency act for the benefit of debtors. None of Borrower, Principal or Guarantor are contemplating either the filing of a petition by it under any state or federal bankruptcy or insolvency laws or the liquidation of all or a major portion of Borrower's assets or property, and Borrower does not have knowledge of any Person contemplating the filing of any such petition against Borrower, Principal or Guarantor.

(h) Full and Accurate Disclosure. No statement of fact made by Borrower in the Mortgage Loan Agreement or in any of the other Loan Documents contains any untrue statement of a material fact or omits to state any material fact necessary to make the statements contained therein not misleading. There is no material fact presently known to Borrower which has not been disclosed to Lender which would result in a Material Adverse Effect.

(i) ERISA. (a) Generally. (i) Except as would not reasonably be expected to have a Material Adverse Effect, each of the Borrower, Principal and Guarantor is in compliance in all material respects with the applicable provisions of ERISA, the Code and other applicable law relating to any Plans and the regulations and published interpretations thereunder; (ii) none of Borrower, Principal or Guarantor has incurred or reasonably expects to incur any liability for a prohibited transaction (as such term is defined in Section 406 of ERISA or Section 4975 of the Code); (iii) no ERISA Event or termination of any Single Employer Plan has occurred or is reasonably expected to occur and no notice of termination has been filed by or with the PBGC with respect to any Single Employer Plan; and (iv) none of Borrower, Principal, Guarantor or any ERISA Affiliate has incurred, or reasonably expects to incur, any liability under Section 4201 of ERISA with respect to a Multiemployer Plan. With respect to each Foreign Benefit Arrangement and with respect to each Foreign Plan, except as would not reasonably be expected to have a Material Adverse Effect: (i) any employer and employee contributions required by law or by the terms of any Foreign Benefit Arrangement or any Foreign Plan have been made, or, if applicable, accrued, in accordance with normal accounting practices, (ii) the fair market value of the assets of each funded Foreign Plan, the liability of each insurer for any Foreign Plan funded through insurance or the book reserve established for any Foreign Plan, together with any accrued contributions, is sufficient to procure or provide for the accrued benefit obligations, as of the Origination Date, with respect to all current and former participants in such Foreign Plan according to the actuarial assumptions and valuations most recently used to account for such obligations in accordance with applicable generally accepted accounting principles, and (iii) each Foreign Plan that is required to be registered has been registered and has been maintained in good standing with applicable regulatory authorities.

(j) Plan Assets; Prohibited Transactions. None of Borrower, Principal or the Guarantor is, nor shall any of Borrower, Principal or Guarantor become, an entity deemed to hold "plan assets" within the meaning of 29 C.F.R. § 2510.3-101 (as modified by Section 3(42) of ERISA) of an employee benefit plan (as defined in Section 3(3) of ERISA) which is subject to Title I of ERISA or any plan (within the meaning of and subject to Section 4975 of the Code). None of Borrower, Principal or the Guarantor is a "governmental plan" within the meaning of Section 3(32) of ERISA and none of Borrower, Principal or Guarantor are, to Borrower's knowledge, subject to any state or other statute, regulation

or other restriction regulating investments of, or fiduciary obligations with respect to, governmental plans within the meaning of Section 3(32) of ERISA which is similar to Section 406 of ERISA or Section 4975 of the Code ("Similar Law"). Assuming the accuracy of Section 2.1.1(b) of the Mortgage Loan Agreement, the execution of the Mortgage Loan Agreement, the making of the Loan and the other transactions contemplated by the Mortgage Loan Documents, including but not limited to the exercise by the Lender of its rights under the Mortgage Loan Documents, are not and will not give rise to a non-exempt "prohibited transaction" within the meaning of Section 406(a) of ERISA or Section 4975(c)(1)(A)-(D) of the Code, and are not prohibited or otherwise restricted by Similar Law.

(k) Compliance. The Borrower and the Mortgaged Property and the use thereof comply in all material respects with all applicable Legal Requirements, including, without limitation, building and zoning ordinances and codes, except where such non-compliance would not have a Material Adverse Effect. Borrower is not in default or violation of any order, writ, injunction, decree or demand of any Governmental Authority which would have a Material Adverse Effect. There has not been committed by the Borrower or to the Borrower's knowledge, any other Person in occupancy of or involved with the operation or use of the Mortgaged Property, any act or omission affording the federal government or any other Governmental Authority the right of forfeiture as against the Mortgaged Property or any part thereof or any monies paid in performance of Borrower's obligations under any of the Mortgage Loan Documents. On the Origination Date, the Improvements at the Mortgaged Property were in material compliance with applicable law, except where such non-compliance would not have a Material Adverse Effect.

(l) Financial Information. All financial data (excluding any forecasts, projections or other non-historical information), including, without limitation, the statements of cash flow and income and operating expense, that have been prepared by or on behalf of Borrower and delivered to Lender by or on behalf of Borrower in connection with the Loan (a) are true, complete and correct in all material respects, (b) to Borrower's knowledge, accurately represent the financial condition of Borrower, Borrower's interest in the Mortgaged Property, as applicable, as of the date of such reports, and (c) to the extent prepared or audited by an independent certified public accounting firm, have been prepared in accordance with an Acceptable Accounting Method or the Uniform System of Accounts throughout the periods covered, except as disclosed therein. Except for Permitted Encumbrances, Borrower does not have any contingent liabilities, liabilities for taxes, unusual forward or long-term commitments or unrealized or anticipated losses from any unfavorable commitments that are known to Borrower and reasonably likely to have a Material Adverse Effect, except as referred to or reflected in said financial statements. Since the date of such financial statements, there has been no material adverse change in the financial condition, operations or business of Borrower, from that set forth in said financial statements.

(m) Condemnation. No Condemnation or other similar proceeding has been commenced or, to Borrower's best knowledge, is threatened or contemplated with respect to all or any portion of the Mortgaged Property or for the relocation of roadways providing access to the Mortgaged Property.

(n) Federal Reserve Regulations. No part of the proceeds of the Loan will be used for the purpose of purchasing or acquiring any "margin stock" within the meaning of Regulation U of the Board of Governors of the Federal Reserve System or for any other purpose which would be inconsistent with such Regulation U or any other Regulations of such Board of Governors, or for any purposes prohibited by Legal Requirements or by the terms and conditions of the Mortgage Loan Agreement or the other Loan Documents.

(o) Utilities and Public Access. Except as shown on the Survey (a) the Mortgaged Property has rights of access to public ways and is served by water, sewer, sanitary sewer and storm drain facilities adequate to service the Mortgaged Property for its current uses, (b) all public utilities necessary or convenient to the full use and enjoyment of the Mortgaged Property are located either in the public right of way abutting the Mortgaged Property (which are connected so as to serve the Mortgaged Property without passing over other property) or in recorded easements serving the Mortgaged Property and such easements are set forth in and insured by the related Title Insurance Policy, and (c) all roads necessary for the use of the Mortgaged Property for its current respective purposes have been completed and dedicated to public use and accepted by all Governmental Authorities.

(p) Not a Foreign Person. Borrower (or if such entity is a disregarded entity for U.S. federal income tax purposes, such entity's beneficial owner) is not a "foreign person" within the meaning of Section 1445(f)(3) of the Code.

(q) Separate Lots. The Mortgaged Property is comprised of one (1) or more parcels which constitute a separate tax lot or lots and does not constitute a portion of any other tax lot not a part of the Mortgaged Property.

(r) Assessments. To Borrower's knowledge there are no pending or proposed special or other assessments for public improvements or otherwise affecting the Mortgaged Property, nor are there any contemplated improvements to the Mortgaged Property that may result in such special or other assessments.

(s) Enforceability. The Mortgage Loan Documents are enforceable by Lender (or any subsequent holder thereof) in accordance with their respective terms, subject to principles of equity and bankruptcy, insolvency and other laws generally applicable to creditors' rights and the enforcement of debtors' obligations. The Mortgage Loan Documents are not subject to any right of rescission, set off, counterclaim or defense by Borrower or Guarantor, including the defense of usury, nor would the operation of any of the terms of the Mortgage Loan Documents, or the exercise of any right thereunder, render the Mortgage Loan Documents unenforceable (subject to principles of equity and bankruptcy, insolvency and other laws generally affecting creditors' rights and the enforcement of debtors' obligations), and neither Borrower nor Guarantor has asserted any right of rescission, set-off, counterclaim or defense with respect thereto.

(t) No Prior Assignment. There are no prior assignments of the Leases or any portion of the Rents due and payable or to become due and payable which are presently outstanding.

(u) Insurance. Borrower has obtained and has delivered to Lender certified copies of the Policies reflecting the insurance coverages, amounts and other requirements set forth in the Mortgage Loan Agreement. No material claims are currently pending, outstanding or otherwise remain unsatisfied under any such Policy which would reasonably be expected to have a Material Adverse Effect, and neither Borrower nor, to Borrower's knowledge, any other Person has done, by act or omission, anything which would impair the coverage of any such Policy.

(v) Use of Property. The Mortgaged Property is used exclusively for hotel purposes and other appurtenant and related uses, including, for retail purposes.

(w) Certificate of Occupancy; Licenses. All certifications, permits, licenses and approvals, including without limitation, certificates of completion and occupancy permits, hospitality licenses and liquor licenses required for the current legal use, occupancy and operation of the Mortgaged Property as a hotel (collectively, the "Licenses") have been obtained and are in full force and effect, except where the failure to have such licenses or for such licenses to not be in full force and effect does not have a Material Adverse Effect. Borrower shall keep and maintain or cause to be kept and maintained all Licenses necessary for the operation of the Mortgaged Property as a hotel to the extent the failure to have such licenses would reasonably be expected to result in a Material Adverse Effect. The use being made of the Mortgaged Property is in conformity with the certificate of occupancy issued for the Mortgaged Property.

(x) Flood Zone. None of the Improvements on the Mortgaged Property are located in an area as identified by the Federal Emergency Management Agency as an area having special flood hazards, or, if so located, the flood insurance required under the Mortgage Loan Agreement is in full force and effect with respect to the Mortgaged Property.

(y) Physical Condition. Except as disclosed to Lender in the engineering or property condition reports delivered to Lender in connection with the making of the Loan, (a) the Mortgaged Property, including, without limitation, all buildings, improvements, parking facilities, sidewalks, storm drainage systems, roofs, plumbing systems, HVAC systems, fire protection systems, electrical systems, equipment, elevators, exterior sidings and doors, landscaping, irrigation systems and all structural components, are in good working condition, order and repair in all material respects; and (b) there exists no structural or other material defects or damages in the Mortgaged Property, whether latent or otherwise, and Borrower has not received written notice from any insurance company or bonding company of any defects or inadequacies in the Mortgaged Property, or any part thereof, which would adversely affect the insurability of the same or cause the imposition of extraordinary premiums or charges thereon or of any termination or threatened termination of any policy of insurance or bond.

(z) Boundaries. Except as shown on the Survey, (a) all of the improvements which were included in determining the appraised value of the Mortgaged Property lie wholly within the boundaries and building restriction lines of the Mortgaged Property, (b) no improvements on adjoining properties encroach upon the Mortgaged Property, and (c) no easements or other encumbrances upon the Mortgaged Property encroach upon any of the Improvements, so as to materially or adversely affect the value or marketability of the Mortgaged Property except those which are insured against by the Title Insurance Policy.

(aa) Leases. The Mortgaged Property is not subject to any Leases, which if terminated would reasonably be expected to result in a Material Adverse Effect.

(bb) Survey. To Borrower's knowledge, the Survey delivered to Lender in connection with the Mortgage Loan Agreement does not fail to reflect any material matter affecting the Mortgaged Property or the title thereto that is reasonably expected to result in a Material Adverse Effect.

(cc) Inventory. Borrower is the owner of all of the Equipment, Fixtures and Personal Property (as such terms are defined in the Mortgage) located on or at the Mortgaged Property (except for any personal property owned by (i) Property Manager pursuant to and in accordance with the Management Agreement or (ii) any Tenant under its Lease) and shall not lease any Equipment, Fixtures or Personal Property other than as permitted hereunder. All of the Equipment, Fixtures and Personal Property are sufficient to operate the Mortgaged Property in the manner required hereunder and in the manner in which it is currently operated.

(a) Filing and Recording Taxes. All transfer taxes, deed stamps, intangible taxes or other amounts in the nature of transfer taxes required to be paid by any Person with respect to the Mortgaged Property under applicable Legal Requirements have been paid (or will be paid concurrently with the recordation of the Mortgage). All mortgage, mortgage recording, stamp, intangible or other similar tax required to be paid by any Person under applicable Legal Requirements currently in effect in connection with the execution, delivery, recordation, filing, registration, perfection or enforcement of any of the Mortgage Loan Documents, including, without limitation, the Mortgage, have been paid (or will be paid concurrently with the recordation of the Mortgage).

(dd) Special Purpose Entity/Separateness.

(a) Borrower hereby represents, warrants and covenants that Borrower and Principal is, and until the Debt has been paid in full, shall be and shall continue to be a Special Purpose Entity.

(b) The representations, warranties and covenants set forth in Section 4.1.30(a) of the Mortgage Loan Agreement shall survive for so long as any portion of the Debt remains outstanding.

(c) Any and all of the stated facts and assumptions made in any Insolvency Opinion, including, but not limited to, any exhibits attached thereto, will have been and shall be true and correct in all respects, and Borrower and Principal will have complied and will comply with all of the stated facts and assumptions made with respect to it in any Insolvency Opinion. Each Affiliate of Borrower and Principal with respect to which an assumption is made or a fact stated in any Insolvency Opinion will have complied and will comply with all of the assumptions made and facts stated with respect to it in any such Insolvency Opinion. Borrower covenants that in connection with any Additional Insolvency Opinion delivered in connection with the Mortgage Loan Agreement it shall provide an updated certification regarding compliance with the facts and assumptions made therein.

(d) Borrower covenants and agrees that (i) Borrower shall provide Lender with five (5) Business Days' written notice prior to the removal of an Independent Director of Borrower or Principal and (ii) no Independent Director shall be removed other than for Cause.

(e) Borrower hereby represents and warrants that Borrower has never owned any real property that is not the Mortgaged Property.

(f) Borrower hereby represents with respect to itself that (i) any amendment or restatement of any organizational document has been accomplished in accordance with, and was permitted by, the relevant provisions of such document prior to its amendment or restatement from time to time, (ii) each assignment of limited liability company interests in Borrower by all the prior members of Borrower to their successor member and the admission of their successor member as a member of Borrower, were accomplished in accordance with, and were permitted by, the limited liability company agreement governing the affairs of Borrower at the time of such assignment and admission and (iii) at all times since the formation of Borrower there has been at least one member of Borrower and that Borrower was not dissolved prior to the entering into of the LLC Agreement of Borrower.

(g) Borrower hereby represents that the following statements are true and correct from the date of its formation to the date hereof:

(i) its business has been limited solely to (A) acquiring, owning, holding, leasing, financing, operating and managing the Property, (B) entering into financings and refinancings of the Property and (C) transacting any and all lawful business that was incident, necessary and appropriate to accomplish the foregoing;

(ii) it has not engaged in any business other than as set forth in (i) above;

(iii) it has not entered into any contract or agreement with any of the Sponsor Entities, except upon terms and conditions that are commercially reasonable and substantially similar to those available in an arm's-length transaction with an unrelated party, except as may have been expressly permitted pursuant to the terms of any prior financings;

(iv) it has not (a) made any loans or other extensions of credit to any Sponsor Entity which remain unpaid or (b) acquired or held evidence of indebtedness issued by any Sponsor Entity;

(v) it has paid its debts and liabilities from its assets and not from the assets of the Sponsor Entities or such debts and liabilities have been repaid or discharged as of the date hereof;

(vi) it has done or caused to be done all things reasonably necessary to observe organizational formalities and preserve and keep in full force and effect its existence separate from any Sponsor Entity;

(vii) it has maintained all of its books, records, financial statements and bank accounts separate from those of any Sponsor Entity and Borrower's, to the extent applicable, assets have not been listed as assets on the financial statement of any Sponsor Entity, provided however, that Borrower's assets may have been included in a consolidated financial statement of a Sponsor Entity provided that if applicable (i) appropriate notices were made as such consolidated financial statements to indicate the separateness of Borrower and such Sponsor Entity and to indicate that Borrower's asset and credit were not available to satisfy the debts and obligations of such Sponsor Entity and (ii) such assets were listed in Borrower's own balance sheet. Borrower, to the extent applicable, has filed its own tax returns (except to the extent that it has been a tax-disregarded entity not required to file tax returns under applicable law), except that Borrower may have filed (or caused to be filed) or may have been a part of the consolidated federal tax return of a Sponsor Entity;

(viii) it has been, and at all times has held itself out to the public as, a legal entity separate and distinct from any Sponsor Entity, has corrected any known misunderstanding regarding its status as a separate entity, has conducted its business in its own name, has not identified itself or any Sponsor Entity as a division or part of the other and has maintained and utilized separate stationery, invoices and checks, provided, for tax purposes, it may be treated as an entity disregarded from its tax owner under applicable tax law;

(ix) it has not commingled its assets with those of any Sponsor Entity and has held all of its assets in its own name and not in the name of any Sponsor Entity;

(x) it has not guaranteed or become obligated for the debts of any Sponsor Entity and has not held itself out as being responsible for the debts or obligations of any Sponsor Entity;

(xi) it has allocated fairly and reasonably any overhead expenses that have been shared with a Sponsor Entity, including paying for office space and services performed by any employee of a Sponsor Entity;

(xii) it has not granted a security interest or lien in, to or upon, or pledged or otherwise encumbered any of its assets to secure the obligations of any Sponsor Entity;

(xiii) it has intended to maintain adequate capital in light of its reasonably contemplated business operations;

(xiv) it has not owned any subsidiary or any equity interest in any other Person and is not a survivor of a merger with any other entity;

(xv) it has not made loans to any Sponsor Entity that have not been released or discharged nor has it bought or held evidence of indebtedness issued by any Sponsor Entity; and

(xvi) it has not incurred any Indebtedness that is still outstanding other than Indebtedness that is permitted under the Mortgage Loan Documents and contingent obligations set forth in environmental indemnitees and recourse carveout guarantees relating to prior financings that have been paid in full.

(g) Borrower hereby represents that the following statements are true and correct from the date of its formation to the date hereof:

(i) it is not now, nor has ever been, party to any lawsuit, arbitration, summons, or legal proceeding that is still pending or that resulted in a judgment against it that has not been paid in full;

- (ii) it has no material contingent or actual obligations not related to the Mortgaged Property;
- (iii) it is and has since its formation been duly formed, validly existing and in good standing in the state of its formation and in all other jurisdictions where it is qualified to do business except where the failure to be so qualified would not reasonably be expected to result in a Material Adverse Effect;
- (iv) except in connection with prior financings secured by the Mortgaged Property that have been paid in full, it has not had any of its obligations guaranteed by an Affiliate prior to the date hereof;
- (v) none of the Tenants holding leasehold interests with respect to the Mortgaged Property is Affiliated with Borrower;
- (vi) has no judgments or liens of any nature against it except for material tax liens not yet delinquent as set forth in the Title Insurance Policy;
- (vii) is in compliance in all material respects with all laws, regulations, and orders applicable to it and, except as otherwise disclosed in this Agreement, has received all material permits necessary for it to operate;
- (viii) is not involved in any material dispute with any taxing authority; and
- (ix) has paid all taxes which it owes except as permitted pursuant to the Mortgage Loan Agreement.

(ee) Management Agreement and Asset Management Agreement.

a. The Management Agreement and Asset Management Agreement are each in full force and effect and there is no monetary or material default thereunder by Borrower and, to Borrower's knowledge, any other party thereto and to Borrower's knowledge, (i) no event has occurred that, with the passage of time and/or the giving of notice would constitute a material or monetary default thereunder, and (ii) none of Property Manager, Asset Manager or Borrower has given or received any notice for the purpose of terminating the Management Agreement or Asset Management Agreement. The Management Agreement and Asset Management Agreement were entered into on commercially reasonable terms. There is no key money payable, repayable or that could become repayable by Borrower under Management Agreement.

b. The amount of the Owner's Priority (as defined in the Marriott Management Agreement) as of the Closing Date is \$24,000,000.00. Subject to any express audit and/or reconciliation provisions of the Management Agreement, all Base Management Fees, Incentive Management Fees (as each such term is defined in the Marriott Management Agreement) and all other sums due and payable to Property Manager under the Management Agreement have been paid through October 31, 2018.

c. As of the Closing Date, there are no credit enhancement, loans or funding (as defined in the Marriott Management Agreement) from Marriott Manager to, or for the benefit of Borrower with respect to the Property which are outstanding and no direct or indirect interests in Borrower are owned by Marriott Manager.

(ff) Illegal Activity. No portion of the Mortgaged Property has been, or will be, purchased by Borrower with proceeds of any illegal activity.

(gg) No Change in Facts or Circumstances; Disclosure. All information submitted by and on behalf of Borrower to Lender (including, all financial statements, reports, certificates and other documents submitted by and on behalf of Borrower, but excluding any forecasts, projections or other non-historical information in connection with the Loan or in satisfaction of the terms thereof) and all statements of fact made by Borrower in the Mortgage Loan Agreement or in any other Loan Document, are true, complete and correct in all material respects. There has been no material adverse change in any condition, fact, circumstance or event that would make any such information inaccurate, incomplete or otherwise misleading in any material respect or that otherwise materially and adversely affects or might reasonably be expected to materially and adversely affect the use, operation or value of the Mortgaged Property or the business operations or the financial condition of Borrower. Borrower has not failed to disclose any material fact known to it that could cause any Provided Information or representation or warranty made in the Mortgage Loan Agreement to be materially misleading.

(hh) Investment Company Act. Borrower is not (a) an "investment company" or a company "controlled" by an "investment company," within the meaning of the Investment Company Act of 1940, as amended; (b) a "holding

company" or a "subsidiary company" of a "holding company" or an "affiliate" of either a "holding company" or a "subsidiary company" within the meaning of the Public Utility Holding Company Act of 2005, as amended; or (c) subject to any other federal or state law or regulation which purports to restrict or regulate its ability to borrow money.

(ii) Embargoed Person. As of the Origination Date, (a) none of the funds or other assets of Borrower, Principal and Guarantor constitute property of, or are beneficially owned, directly or indirectly, by any Embargoed Person; (b) no Embargoed Person has any interest of any nature whatsoever in Borrower, Principal or Guarantor, as applicable, with the result that the investment in Borrower, Principal or Guarantor, as applicable (whether directly or indirectly), is prohibited by law or the Loan is in violation of law; and (c) none of the funds of Borrower, Principal or Guarantor, as applicable, have been derived from any unlawful activity with the result that the investment in Borrower, Principal or Guarantor, as applicable (whether directly or indirectly), is prohibited by law or the Loan is in violation of law.

(jj) Principal Place of Business; State of Organization. Borrower's principal place of business as of the Origination Date is the address set forth in the introductory paragraph of the Mortgage Loan Agreement. Borrower is organized under the laws of the State of Delaware and its Delaware organizational identification number is 90-0810132.

(kk) Environmental Representations and Warranties. Except as otherwise disclosed by that certain Phase I environmental report (or Phase II environmental report, if required) delivered to Lender by Borrower in connection with the origination of the Loan (such report is referred to below as the "Environmental Report"), to Borrower's knowledge, (i) there are no Hazardous Substances or underground storage tanks in, on, or under the Mortgaged Property, except those that are (A) in compliance with Environmental Laws and with permits issued pursuant thereto (to the extent such permits are required under Environmental Law), (B) de-minimis amounts necessary to operate the Mortgaged Property for the purposes it is currently operated which will not result in an environmental condition in, on or under the Mortgaged Property and which are otherwise permitted under and used in compliance with Environmental Law and (C) fully disclosed to Lender in writing pursuant to the Environmental Report; (ii) there are no past, present or threatened Releases of Hazardous Substances in, on, under or from the Mortgaged Property which has not been fully remediated in accordance with Environmental Law; (iii) there is no threat of any Release of Hazardous Substances migrating to the Mortgaged Property; (iv) there is no past or present non-compliance with Environmental Laws, or with permits issued pursuant thereto, in connection with the Mortgaged Property which has not been fully remediated in accordance with Environmental Law; (v) Borrower does not know of, and has not received, any written notice or other communication from any Person (including, but not limited to, a Governmental Authority) relating to Hazardous Substances or Remediation thereof, of possible liability of any Person pursuant to any Environmental Law, other environmental conditions in connection with the Mortgaged Property, or any actual or potential administrative or judicial proceedings in connection with any of the foregoing; and (vi) Borrower has truthfully and fully disclosed to Lender, in writing, any and all material information relating to environmental conditions in, on, under or from the Mortgaged Property that is known to Borrower.

(ll) Cash Management Account. Borrower hereby represents and warrants to Lender that:

a. The Mortgage Loan Agreement, together with the other Loan Documents, create a valid and continuing security interest (as defined in the Uniform Commercial Code of the State of New York) in the Lockbox Account and, upon the opening of the Cash Management Account pursuant to the Mortgage Loan Agreement and the Cash Management Agreement, the Cash Management Account in favor of Lender, which security interest is prior to all other Liens, other than Permitted Encumbrances, and is enforceable as such against creditors of and purchasers from Borrower. Other than in connection with the Mortgage Loan Documents and except for Permitted Encumbrances, Borrower has not sold, pledged, transferred or otherwise conveyed the Lockbox Account;

b. Each of the Lockbox Account and, upon the opening of the Cash Management Account pursuant to the Mortgage Loan Agreement and the Cash Management Agreement, the Cash Management Account constitutes "deposit accounts" and/or "securities accounts" within the meaning of the Uniform Commercial Code of the State of New York;

c. Pursuant and subject to the terms hereof and the other applicable Loan Documents, the Lockbox Bank and Agent have agreed to comply with all instructions originated by Lender, without further consent by Borrower, directing disposition of the Lockbox Account and Cash Management Account in accordance with the Lockbox Agreement and the Cash Management Agreement, respectively, and all sums at any time held, deposited or invested therein, together with any interest or other earnings thereon, and all proceeds thereof (including proceeds of sales and other dispositions), whether accounts, general intangibles, chattel paper, deposit accounts, instruments, documents or securities;

d. The Lockbox Account is not in the name of any Person other than Borrower, as pledgor, or Lender, as pledgee. Borrower has not consented to the Lockbox Bank and Agent complying with instructions with respect to the Lockbox Account and Cash Management Account from any Person other than Lender; and

e. The Mortgaged Property is not subject to any cash management system (other than pursuant to the Loan Documents and pursuant to the Management Agreement), and any and all existing tenant instruction letters issued in connection with any previous financing have been duly terminated prior to the date hereof.

(mm) Taxes. For U.S. federal income tax purposes, Borrower is disregarded as a separate entity. Borrower has timely filed or caused to be filed all material tax returns required to have been filed by it and has timely paid or caused to be paid all material Section 2.7 Taxes required to have been paid by it, if any, except for (a) any such Section 2.7 Taxes that are being contested in good faith by appropriate proceedings and for which Borrower has set aside on its books adequate reserves in accordance with GAAP and (b) Taxes and Other Charges, the payment of which shall be governed by Section 5.1.2 and Section 7.2 of the Mortgage Loan Agreement.

(nn) Ground Lease. Borrower hereby represents and warrants to Lender the following with respect to each Ground Lease:

(i) The Ground Lease or a memorandum of the Ground Lease has been duly recorded. The Ground Lease permits the interest of Borrower to be encumbered by a mortgage or the Ground Lessor has approved and consented to the encumbrance of the Mortgaged Property by the Mortgage. There have not been amendments or modifications to the terms of the Ground Lease since recordation of the Ground Lease (or a memorandum thereof), with the exception of written instruments which have been recorded or as disclosed to Lender in the Mortgage Loan Agreement.

(ii) The Ground Lease may not be terminated, surrendered or amended without the prior written consent of Lender, except for a termination by Ground Lessor upon a Condemnation of 100% of the premises demised under the Ground Lease in accordance with the terms of the Ground Lease; provided that the Ground Lessor shall not be prevented from exercising its remedies in accordance with the Ground Lease (including a termination of the Ground Lease by Ground Lessor) if the obligations of Borrower under the Ground Lease are not performed as provided in the Ground Lease, subject to the applicable notice and cure period of Ground Lessee and Lender.

(iii) Except for the Permitted Encumbrances and other encumbrances of record, Borrower's interest in the Ground Lease is not subject to any Liens or encumbrances superior to, or of equal priority with, the applicable Mortgage other than the Ground Lessor's related fee interest.

(iv) Borrower's interest in the Ground Lease is assignable to Lender without the consent of the Ground Lessor (but otherwise made in accordance with the terms of the Ground Lease), and to the purchaser at any foreclosure sale or the Lender or its designee under a deed or assignment in lieu of foreclosure in connection with the foreclosure of the Lien of the Mortgage or transfer of Borrower's leasehold estate by deed or assignment in lieu of foreclosure. Thereafter, the Ground Lease is further assignable by such transferee and its successors and assigns without the consent of the Ground Lessor in accordance with the terms of the Ground Lease.

(v) As of the Origination Date, the Ground Lease is in full force and effect and no default has occurred on the part of the Borrower under the Ground Lease, nor to Borrower's knowledge has any default occurred by the Ground Lessor under such Ground Lease (except in each case, any such default that has been previously cured). There is no existing condition which, but for the passage of time or the giving of notice, could result in a default by the Borrower or to Borrower's knowledge, Ground Lessor under the terms of such Ground Lease.

(vi) Under the terms of the Ground Lease and the Mortgage Loan Documents, taken together, any related insurance and condemnation proceeds or awards that are paid or awarded to Borrower following a Casualty or Condemnation with respect to the leasehold interest will be applied either to the repair or restoration of all or part of the Property, with Lender having the right, subject to the terms of the Ground Lease and Loan Documents, to hold and disburse the proceeds as the repair or restoration progresses, or to the payment of the outstanding principal balance of the Loan together with any accrued interest thereon.

(vii) The Ground Lease requires the Ground Lessor to give copies of all notices of default by Borrower under the Ground Lease to Lender prior to exercising its remedies thereunder, provided Ground Lessor has received written notice of the Mortgage and a copy of the Mortgage.

(viii) Pursuant to the terms of the Ground Lease, Lender is permitted the opportunity to cure any default under the Ground Lease, which is curable after the receipt of notice of the default before the Ground Lessor thereunder may terminate the Ground Lease, provided Ground Lessor has received written notice of the Mortgage and a copy of the Mortgage.

(ix) The Ground Lease has a term which extends not less than twenty (20) years beyond the Maturity Date (including any unexercised option periods and automatic renewal periods), except for the Parking Parcel Lease, provided that Borrower shall have the option to incorporate the Parking Parcel under the terms of the Hotel Parcel Lease upon the termination of the Parking Parcel Lease.

(x) The Ground Lease requires the Ground Lessor to enter into a new lease upon termination (prior to expiration of the term thereof) of the Ground Lease for any reason, including rejection or disaffirmation of the Ground Lease in a bankruptcy proceeding (other than upon a termination by Ground Lessor upon a Condemnation of 100% of the premises demised under the Ground Lease in accordance with the terms of the Ground Lease and provided that with respect to the Parking Parcel Lease and Bolte Lease, Ground Lessor will enter into a new lease upon a rejection in bankruptcy or upon any termination by Ground Lessor pursuant to any right of termination by Ground Lessor thereunder, subject to cure of any defaults susceptible to cure by Lender).

(oo) PIP. As of the Origination Date, there are no property improvement plans applicable to the Mortgaged Property other than the Required Renovation Work.

(pp) REA. Borrower hereby represents and warrants, as of the date hereof, to Lender the following with respect to each REA:

(i) Borrower is a party to the REA and to Borrower's knowledge has not been amended or modified (except as disclosed to Lender in writing or as disclosed in any Title Insurance Policy). Borrower's interest therein has not been assigned pursuant to any assignment which survives the Origination Date except the assignment to Lender pursuant to the Mortgage Loan Documents;

(ii) to the best of Borrower's knowledge, the REA is in full force and effect and is in full compliance with all applicable local, state and federal laws, rules and regulations in all material respects, except whether the failure to be in full force and effect or in compliance with the applicable local, state and federal laws, rules and regulations would not reasonably be expected to result in a Material Adverse Effect;

(iii) to the best of Borrower's knowledge, Borrower is not in material default under the REA (beyond any applicable notice and cure periods);

(iv) Borrower has no knowledge of any current or outstanding notices of termination or default given with respect to the REA;

(v) to the best of Borrower's knowledge, there are no set-offs, claims, counterclaims or defenses being asserted in writing, if any, required under the REA or otherwise known by Borrower for the enforcement of the obligations under the REA; and

(vi) to Borrower's knowledge, all common charges and other material sums due from Borrower under the REA have been paid to the extent they are payable prior to the Origination Date.

(tt) Labor Matters. Borrower is not a party to any collective bargaining agreement or other similar labor or employment agreement with respect to the Property. The Property Manager is party to the collective bargaining agreement attached to the Mortgage Loan Agreement which, to Borrower's knowledge, is in full force and effect.

Annex F

FORM OF DISTRIBUTION DATE STATEMENT

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Wells Fargo Bank, N.A.
Corporate Trust Services
8480 Stagecoach Circle
Frederick, MD 21701-4747

Wakiki Beach Hotel Trust 2019-WBM

Commercial Mortgage Pass-Through Certificates Series 2019-WBM

For Additional Information please contact
CTSLink Customer Service
1-866-846-4526
Reports Available www.ctslink.com

Distribution Date: 3/15/19
Record Date: 3/14/19
Determination Date: 3/8/19

DISTRIBUTION DATE STATEMENT

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Depositor

Wells Fargo Commercial Mortgage Securities, Inc.
375 Park Avenue
2nd Floor
New York, NY 10152

Contact: A.J. Sfarrà A.J.Sfarrà@wellsfargo.com
Phone Number: (212) 214-8970

Master Servicer

Wells Fargo Bank, National Association
Three Wells Fargo, MAC D1050-084
401 S. Tryon Street, 8th Floor
Charlotte, NC 28202

Contact: REAM_InvestorRelations@wellsfargo.com

Special Servicer

CWC Capital Asset Management LLC
7501 Wisconsin Avenue
Suite 500 W
Bethesda, MD 20814

Contact: Brian Hanson
Phone Number: (202) 715-9500

Operating Advisor

Park Bridge Lender Services LLC
600 Third Avenue
40th Floor
New York, NY 10016

Contact: David Rodgers
Phone Number: (212) 230-9025

This report is compiled by Wells Fargo Bank, N.A. from information provided by third parties. Wells Fargo Bank, N.A. has not independently confirmed the accuracy of the information.

Please visit www.ctslink.com for additional information and if applicable, any special notices and any credit risk retention notices. In addition, certificateholders may register online for email notification when special notices are posted. For information or assistance please call 866-846-4526.



Wells Fargo Bank, N.A.
 Corporate Trust Services
 8480 Stagecoach Circle
 Frederick, MD 21701-4747

Waiki Beach Hotel Trust 2019-WBM

Commercial Mortgage Pass-Through Certificates Series 2019-WBM

For Additional Information please contact
 CTSLink Customer Service
 1-866-846-4526
 Reports Available www.ctslink.com

Distribution Date: 3/15/19
Record Date: 3/14/19
Determination Date: 3/8/19

Certificate Distribution Detail

Class	CUSIP	Pass-Through Rate	Original Balance	Beginning Balance	Principal Distribution	Interest Distribution	Prepayment Premium	Realized Loss/Additional Trust Fund Expenses	Total Distribution	Ending Balance	Current Subordination Level (1)
A		0.000000%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B		0.000000%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C		0.000000%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D		0.000000%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
E		0.000000%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
F		0.000000%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
HRR		0.000000%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
P		0.000000%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
R		0.000000%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Totals			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

(1) Calculated by taking (A) the sum of the ending certificate balance of all classes less (B) the sum of (i) the ending balance of the designated class and (ii) the ending certificate balance of all classes which are not subordinate to the designated class and dividing the result by (A).



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Certificate Factor Detail

Class	CUSIP	Beginning Balance	Principal Distribution	Interest Distribution	Prepayment Premium	Realized Loss/ Additional Trust Fund Expenses	Ending Balance
A		0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000
B		0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000
C		0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000
D		0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000
E		0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000
F		0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000
HRR		0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000
P		0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000
R		0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000



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Reconciliation Detail

Principal Reconciliation

	Stated Beginning Principal Balance	Unpaid Beginning Principal Balance	Scheduled Principal	Unscheduled Principal	Principal Adjustments	Realized Loss	Stated Ending Principal Balance	Unpaid Ending Principal Balance	Current Principal Distribution Amount
Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Certificate Interest Reconciliation

Class	Accrual Dates	Accrual Days	Accrued Certificate Interest	Net Aggregate Prepayment Interest Shortfall	Distributable Certificate Interest	Distributable Certificate Interest Adjustment	WAC CAP Shortfall	Interest Shortfall/(Excess)	Interest Distribution	Remaining Unpaid Distributable Certificate Interest
A	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
E	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
F	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
HRR	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
P	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Totals		0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00



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Other Required Information

Available Distribution Amount (1)	0.00
Borrower Reimbursable Trust Fund Expenses	0.00
Current 1 Month LIBOR	0.000000%
Next 1 Month LIBOR	0.000000%

Appraisal Reduction Amount

Component Rate	Net Component Rate	Loan Number	Appraisal Reduction Effected	Cumulative ASER Amount	Most Recent App. Reduction Date
Component A	0.00000%				
Component B	0.00000%				
Component C	0.00000%				
Component D	0.00000%				
Component E	0.00000%				
Component F	0.00000%				
Component HRR	0.00000%				
Total					

(1) The Available Distribution Amount includes any Prepayment Fees.



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Cash Reconciliation Detail

Total Funds Collected

Interest:

Scheduled Interest	0.00
Interest reductions due to Nonrecoverability Determinations	0.00
Interest Adjustments	0.00
Deferred Interest	0.00
ARD Interest	0.00
Default Interest and Late Payment Charges	0.00
Net Prepayment Interest Shortfall	0.00
Net Prepayment Interest Excess	0.00
Extension Interest	0.00
Interest Reserve Withdrawal	0.00

Total Interest Collected

0.00

Principal:

Scheduled Principal	0.00
Unscheduled Principal	0.00
Principal Prepayments	0.00
Collection of Principal after Maturity Date	0.00
Recoveries from Liquidation and Insurance Proceeds	0.00
Excess of Prior Principal Amounts paid	0.00
Curtailments	0.00
Negative Amortization	0.00
Principal Adjustments	0.00

Total Principal Collected

0.00

Other:

Prepayment Penalties/Spread Maintenance Premiums	0.00
Repayment Fees	0.00
Borrower Option Extension Fees	0.00
Excess Liquidation Proceeds	0.00
Net Swap Counterparty Payments Received	0.00

Total Other Collected

0.00

Total Funds Collected

0.00

Total Funds Distributed

Fees:

Servicing Fee - Wells Fargo Bank, N.A.	0.00
Trustee Fee - Wilmington Trust, N.A.	0.00
Certificate Administrator Fee - Wells Fargo Bank, N.A.	0.00
CREFC® Intellectual Property Royalty License Fee	0.00
Operating Advisor Fee - Park Bridge Lender Services LLC	0.00

Total Fees

0.00

Additional Trust Fund Expenses:

Reimbursement for Interest on Advances	0.00
ASER Amount	0.00
Special Servicing Fee	0.00
Attorney Fees & Expenses	0.00
Bankruptcy Expense	0.00
Taxes Imposed on Trust Fund	0.00
Non-Recoverable Advances	0.00
Workout-Delayed Reimbursement Amounts	0.00
Other Expenses	0.00

Total Additional Trust Fund Expenses

0.00

Interest Reserve Deposit

0.00

Payments to Certificateholders & Others:

Interest Distribution	0.00
Principal Distribution	0.00
Prepayment Penalties/Spread Maintenance Premiums	0.00
Borrower Option Extension Fees	0.00
Net Swap Counterparty Payments Received	0.00

Total Payments to Certificateholders & Others

0.00

Total Funds Distributed

0.00



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Mortgage Loan Detail

Loan Number	ODCR	Property Type (1)	City	State	Interest Payment	Principal Payment	Gross Coupon	Anticipated Repayment Date	Maturity Date	Neg. Amort (Y/N)	Beginning Scheduled Balance	Ending Scheduled Balance	Paid Thru Date	Appraisal Reduction Date	Appraisal Reduction Amount	Res. Strat. (2)	Mod. Code (3)
Totals																	

(1) Property Type Code

MF - Multi-Family SS - Self Storage
 RT - Retail 98 - Other
 HC - Health Care SE - Securities
 IN - Industrial CH - Cooperative Housing
 MH - Mobile Home Park WH - Warehouse
 OF - Office ZZ - Missing Information
 MU - Mixed Use SF - Single Family
 LO - Lodging

(2) Resolution Strategy Code

1 - Modification 7 - REO 11 - Full Payoff
 2 - Foreclosure 8 - Resolved 12 - Reps and Warranties
 3 - Bankruptcy 9 - Pending Return 13 - TBD
 4 - Extension to Master Servicer 98 - Other
 5 - Note Sale 10 - Deed in Lieu Of
 6 - DPO Foreclosure

(3) Modification Code

1 - Maturity Date Extension 6 - Capitalization on Interest
 2 - Amortization Change 7 - Capitalization on Taxes
 3 - Principal Write-Off 8 - Other
 4 - Blank 9 - Combination
 5 - Temporary Rate Reduction 10 - Forbearance



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NOI Detail

Loan Number	ODCR	Property Type	City	State	Ending Scheduled Balance	Most Recent Fiscal NOI (1)	Most Recent NOI (1)	Most Recent NOI Start Date	Most Recent NOI End Date
Total									

(1) The Most Recent Fiscal NOI and Most Recent NOI fields correspond to the financial data reported by the Master Servicer. An NOI of 0.00 means the Master Servicer did not report NOI figures in their loan level reporting.



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Principal Prepayment Detail

Loan Number	Loan Group	Offering Document Cross-Reference	Principal Prepayment Amount		Prepayment Penalties	
			Payoff Amount	Curtailment Amount	Prepayment Premium	Yield Maintenance Charge
Totals						



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Historical Detail

Delinquencies								Prepayments		Rate and Maturities									
Distribution Date	30-59 Days #	Balance	60-89 Days #	Balance	90 Days or More #	Balance	Foreclosure #	Balance	REO #	Balance	Modifications #	Balance	Curtailments #	Amount	Payoff #	Amount	Next Weighted Avg. Coupon	Remit	WAM

Note: Foreclosure and REO Totals are excluded from the delinquencies.



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Delinquency Loan Detail

Loan Number	Offering Document Cross-Reference	# of Months Delinq.	Paid Through Date	Current P & I Advances	Outstanding P & I Advances **	Status of Loan (1)	Resolution Strategy Code (2)	Servicing Transfer Date	Foreclosure Date	Actual Principal Balance	Outstanding Servicing Advances	Bankruptcy Date	REO Date
Totals													

(1) Status of Mortgage Loan

- A - Payment Not Received
But Still in Grace Period
Or Not Yet Due
 - 0 - Current
 - 1 - 30-59 Days Delinquent
 - 2 - 60-89 Days Delinquent
 - 3 - 90-120 Days Delinquent
- B - Late Payment But Less
Than 30 Days Delinquent

** Outstanding P & I Advances include the current period advance.

(2) Resolution Strategy Code

- | | | | |
|------------------------------------|------------------|----------------------|--------------------------|
| 4 - Performing Matured Balloon | 1 - Modification | 7 - REO | 11 - Full Payoff |
| 5 - Non Performing Matured Balloon | 2 - Foreclosure | 8 - Resolved | 12 - Reps and Warranties |
| 6 - 121+ Days Delinquent | 3 - Bankruptcy | 9 - Pending Return | 13 - TBD |
| | 4 - Extension | to Master Servicer | 98 - Other |
| | 5 - Note Sale | 10 - Deed In Lieu Of | |
| | 6 - DPO | Foreclosure | |



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Specially Serviced Loan Detail - Part 1

Loan Number	Offering Document Cross-Reference	Servicing Transfer Date	Resolution Strategy Code (1)	Scheduled Balance	Property Type (2)	State	Interest Rate	Actual Balance	Net Operating Income	DSCR Date	DSCR	Note Date	Maturity Date	Remaining Amortization Term

(1) Resolution Strategy Code

- 1 - Modification
- 2 - Foreclosure
- 3 - Bankruptcy
- 4 - Extension
- 5 - Note Sale
- 6 - DPO
- 7 - REO
- 8 - Resolved
- 9 - Pending Return to Master Servicer
- 10 - Deed in Lieu Of Foreclosure
- 11 - Full Payoff
- 12 - Reps and Warranties
- 13 - TBD
- 98 - Other

(2) Property Type Code

- MF - Multi-Family
- RT - Retail
- HC - Health Care
- IN - Industrial
- MH - Mobile Home Park
- OF - Office
- MU - Mixed Use
- LO - Lodging
- SS - Self Storage
- 98 - Other
- SE - Securities
- CH - Cooperative Housing
- WH - Warehouse
- ZZ - Missing Information
- SF - Single Family



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Specially Serviced Loan Detail - Part 2

Loan Number	Offering Document Cross-Reference	Resolution Strategy Code (1)	Site Inspection Date	Phase 1 Date	Appraisal Date	Appraisal Value	Other REO Property Revenue	Comment from Special Servicer

(1) Resolution Strategy Code

- | | | |
|------------------|----------------------|--------------------------|
| 1 - Modification | 7 - REO | 11 - Full Payoff |
| 2 - Foreclosure | 8 - Resolved | 12 - Reps and Warranties |
| 3 - Bankruptcy | 9 - Pending Return | 13 - TBD |
| 4 - Extension | to Master Servicer | 98 - Other |
| 5 - Note Sale | 10 - Deed in Lieu Of | |
| 6 - DPO | Foreclosure | |

(2) Property Type Code

- | | |
|-----------------------|--------------------------|
| MF - Multi-Family | SS - Self Storage |
| RT - Retail | 98 - Other |
| HC - Health Care | SE - Securities |
| IN - Industrial | CH - Cooperative Housing |
| MH - Mobile Home Park | WH - Warehouse |
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Advance Summary

Loan Group	Current P&I Advances	Outstanding P&I Advances	Outstanding Servicing Advances	Current Period Interest on P&I and Servicing Advances Paid
Totals	0.00	0.00	0.00	0.00



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Modified Loan Detail

Loan Number	Offering Document Cross-Reference	Pre-Modification Balance	Post-Modification Balance	Pre-Modification Interest Rate	Post-Modification Interest Rate	Modification Date	Modification Description
Totals							



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Historical Liquidated Loan Detail

Distribution Date	ODCR	Beginning Scheduled Balance	Fees, Advances, and Expenses *	Most Recent Appraised Value or BPO	Gross Sales Proceeds or Other Proceeds	Net Proceeds Received on Liquidation	Net Proceeds Available for Distribution	Realized Loss to Trust	Date of Current Period Adj. to Trust	Current Period Adjustment to Trust	Cumulative Adjustment to Trust	Loss to Loan with Cum Adj. to Trust
Current Total												
Cumulative Total												

* Fees, Advances and Expenses also include outstanding P & I advances and unpaid fees (servicing, trustee, etc.).



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Historical Bond/Collateral Loss Reconciliation Detail

Distribution Date	Offering Document Cross-Reference	Beginning Balance at Liquidation	Aggregate Realized Loss on Loans	Prior Realized Loss Applied to Certificates	Amounts Covered by Credit Support	Interest (Shortages)/Excesses	Modification /Appraisal Reduction Adj.	Additional (Recoveries) /Expenses	Realized Loss Applied to Certificates to Date	Recoveries of Realized Losses Paid as Cash	(Recoveries)/Losses Applied to Certificate Interest
Totals											



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Interest Shortfall Reconciliation Detail - Part 1

Offering Document Cross-Reference	Stated Principal Balance at Contribution	Current Ending Scheduled Balance	Special Servicing Fees			ASER	(PPIS) Excess	Non-Recoverable (Scheduled Interest)	Interest on Advances	Modified Interest Rate (Reduction) /Excess
			Monthly	Liquidation	Work Out					
Totals										



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Interest Shortfall Reconciliation Detail - Part 2

Offering Document Cross-Reference	Stated Principal Balance at Contribution	Current Ending Scheduled Balance	Reimb of Advances to the Servicer		Other (Shortfalls)/ Refunds	Comments
			Current Month	Left to Reimburse Master Servicer		
Totals						
Interest Shortfall Reconciliation Detail Part 2 Total			0.00			
Interest Shortfall Reconciliation Detail Part 1 Total			0.00			
Total Interest Shortfall Allocated to Trust			0.00			



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Supplemental Reporting

Disclosable Special Servicer Fees, Loan Event of Default, Servicer Termination Event or Special Servicer Termination Event information would be disclosed here.

Annex G

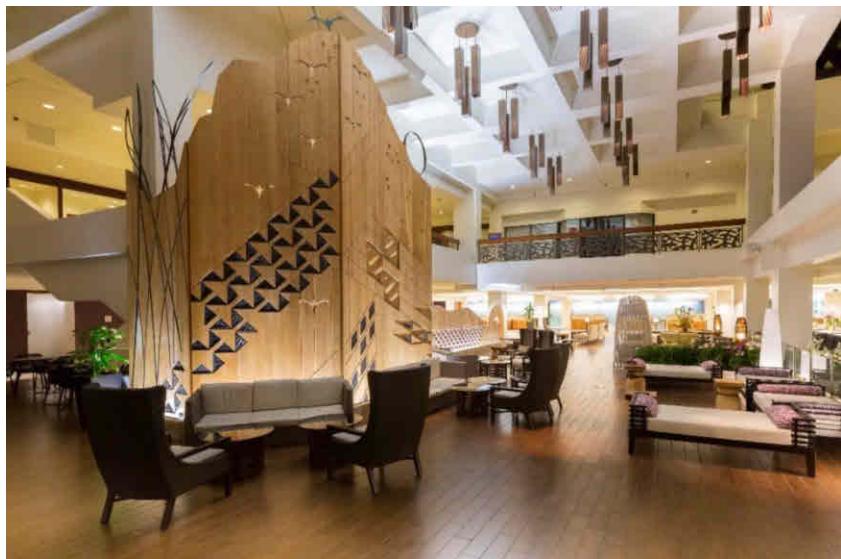
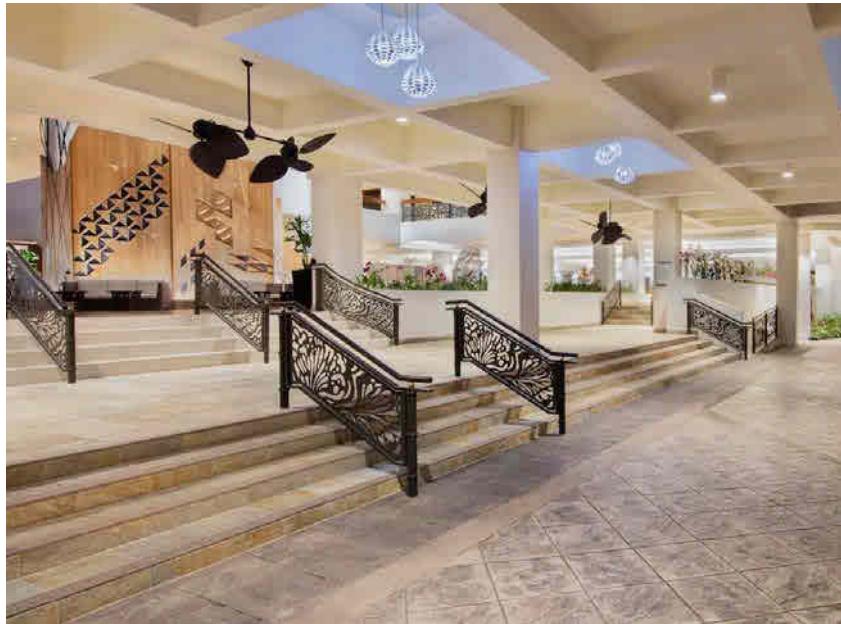
ADDITIONAL INFORMATION REGARDING THE MORTGAGED PROPERTY

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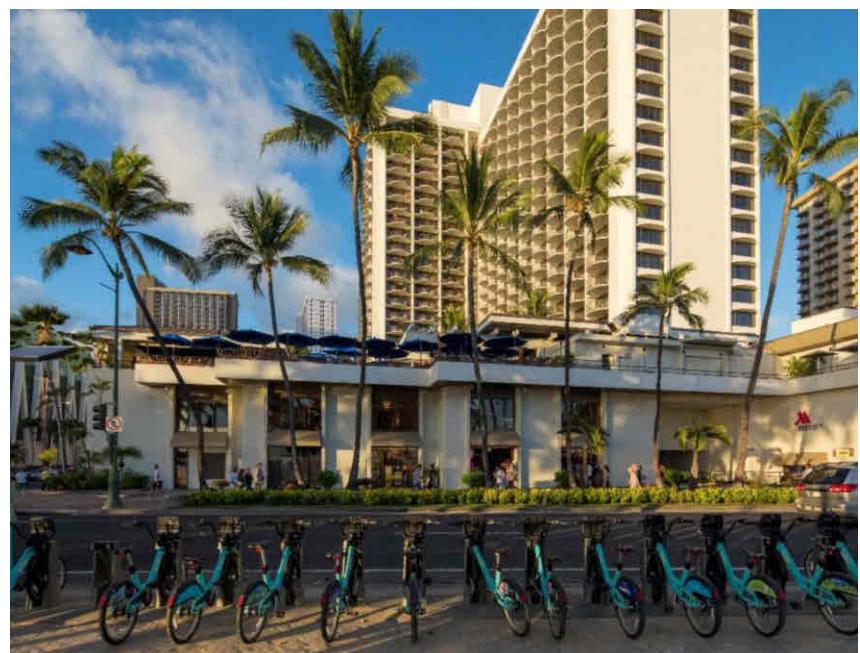
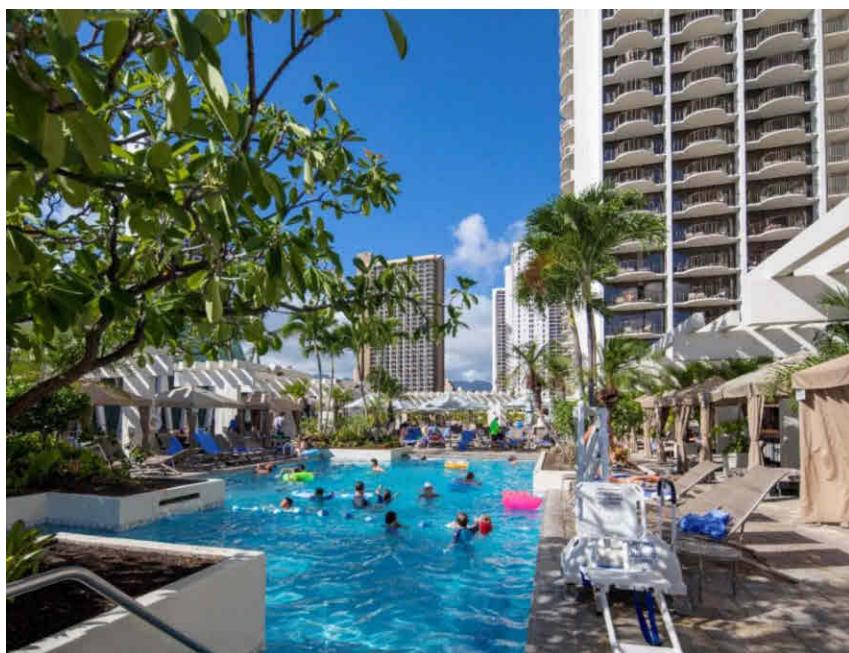
Waikiki Beach Marriott Resort & Spa



Waikiki Beach Marriott Resort & Spa



Waikiki Beach Marriott Resort & Spa



Waikiki Beach Marriott Resort & Spa



Executive Summary

Waikiki Beach Hotel Trust 2019-WBM (“WBHT 2019-WBM” or the “Trust”) Commercial Mortgage Pass-Through Certificates, Series 2019-WBM (the “Certificates”) is a 144A/Regulation D/Regulation S private placement that represents the beneficial ownership interests in a floating-rate, two-year, interest-only, mortgage loan with five, one-year extension options (the “Mortgage Loan”) with an outstanding principal balance as of the Cut-off Date of \$336,500,000 (\$256,870 per key) (the “Mortgage Loan Amount”). The Mortgage Loan is secured by a first-lien mortgage on the Borrower’s leasehold interests in the Waikiki Beach Marriott Resort & Spa (the “Mortgaged Property”, “Resort” or “Hotel”), located on Kalakaua Avenue directly across from Waikiki Beach in Honolulu, Hawaii. The trust assets will consist primarily of the Mortgage Loan, evidenced by three componentized promissory notes.

- On December 5, 2018 (the “Origination Date”), Wells Fargo Bank, National Association, Goldman Sachs Mortgage Company and JPMorgan Chase Bank, National Association (collectively, the “Mortgage Lenders” or the “Mortgage Loan Sellers”) originated the Mortgage Loan in favor of W2005 WKI Realty, LLC (the “Borrower”) to refinance the existing debt encumbering the Mortgaged Property. The “Borrower Sponsor” is Atrium WKI Holding LLC (an affiliate of Atrium Holding Company (“Atrium”)). HLB Funding LLC and Atrium Leveraged Loan Fund, LLC guarantee the recourse obligations of the Borrower.
- Waikiki Beach Marriott Resort & Spa is a 1,310 room, two-tower, full-service hotel that overlooks the Pacific Ocean and Waikiki Beach in Honolulu, on the Island of Oahu, Hawaii. The Hotel is the third-largest hotel in Hawaii and is situated on an entire city block fronting Kalakaua Avenue.
- The Hotel features guest rooms averaging 418 square feet, a two-tower design with views of Diamond Head or the Pacific Ocean from more than 85% of guest rooms, more than 56,000 square feet of meeting and event space (including three recently-renovated ballrooms), and approximately 54,000 square feet of retail space on Kalakaua Avenue.
- According to Smith Travel Research, the Resort’s performance has been consistent as evidenced by an average occupancy rate of approximately 88.7% since 2014 (ranging from 87.1% to 89.9%). With its central location, brand affiliation and significant barriers to new supply, the Hotel is well-positioned to continue to benefit from favorable demand dynamics within the Waikiki lodging market.
- Atrium gained control of the Mortgaged Property in December 2012 through a conveyance in lieu of its mezzanine debt position, which it acquired in June 2012. Atrium has since invested approximately \$38.2 million (\$29,179 per key) in renovations to the Mortgaged Property. This recent work included a \$15.9 million renovation to the lobby, retail and other public areas and meeting spaces in 2015 and 2016. Commencing in 2019, Atrium is expected to embark on an approximate \$80.0 million (\$61,052 per key) renovation of the Hotel’s guest rooms and other common areas (approximately \$68.1 million) and the third floor terrace and pool deck (approximately \$11.9 million).
- Atrium is one of the largest private owners and operators of full-service hotels in the United States. With offices in New York, Phoenix and Atlanta, Atrium owns, among other hospitality and real estate interests, 74 hotels in 29 states containing approximately 19,400 keys. Atrium’s hotel portfolio carries major brands, including those of Marriott, Hilton and IHG.
- The \$336,500,000 Mortgage Loan and additional Borrower Sponsor equity will be used to refinance \$320,000,000 of existing debt, fund closing costs and reserves, and facilitate the Borrower’s planned guest room and pool deck renovation.
- Based on the as-is appraised value of the Mortgaged Property as of October 3, 2018 of \$700,700,000 (\$534,885 per key) as provided by Cushman & Wakefield, the Mortgage Loan represents a loan-to-value ratio (“LTV”) of 48.0%. The LTV of the Mortgaged Property net of the Parking Parcel that is subject to release without the payment of a release amount is 48.3%.
- The Mortgage Loan represents an underwritten net cash flow debt yield (“UW NCF DY”) of 9.5%.

Executive Summary

The Mortgage Loan

- **Certificates:** Nine classes of certificates backed by the Mortgage Loan including seven classes of principal balance certificates, one spread maintenance premium class and one class of residual interest certificates.
- **Mortgage Loan:** \$336,500,000 (\$256,870 per key) two-year, floating-rate interest-only mortgage loan, with an interest rate of one month LIBOR plus 2.050% and an initial maturity date of December 9, 2020.
- **Extension Options:** Five (5) one-year options.
- **Interest Rate Protection:** An interest rate cap agreement with a strike rate of 4.500% for the initial term.
- **Prepayment / Lockout:** The Mortgage Loan may be repaid, in whole or in part, at any time, subject to payment of a spread maintenance premium if such payment occurs on or before the Mortgage Loan Payment Date in May 2020.
- **Lockbox and Cash Management:** Hard lockbox and springing cash management.
- **Reserves:** Monthly taxes, insurance reserves and ground rent reserves are waived, provided no Cash Sweep Period exists and certain other conditions are satisfied. The loan documents require a furniture, fixtures and equipment ("FF&E") reserve as outlined herein. A \$43.1 million reserve for renovations was collected at loan closing. In addition, a monthly deposit in the amount of \$750,000 is required until such time as an additional \$9.0 million is collected.
- **Additional Debt:** None.
- **Permitted Future Mortgage Debt:** None.

Mortgage Loan Financial Metrics

- **LTV:** 48.0% based on the as-is value of \$700,700,000 (\$534,885 per key) as of October 3, 2018.
- **Underwritten Net Operating Income:** \$37,085,830.
- **Underwritten Net Cash Flow:** \$31,942,292.
- **Mortgage Loan Underwritten NOI/NCF Debt Yields:** 11.0%/9.5%.
- **Mortgage Loan Underwritten NCF DSCR⁽¹⁾:** 2.04x.

1. Based on an assumed 1-month LIBOR of 2.550% and the Spread of 2.050%.

2. Source: Smith Travel Research

The Mortgaged Property

- **Waikiki Beach Marriott Resort & Spa** is a 1,310 room, two-tower, full-service hotel that overlooks the Pacific Ocean and Waikiki Beach in Honolulu, on the Island of Oahu, Hawaii.
- **Location:** Located along Waikiki's Kalakaua Avenue overlooking the beach and the Pacific Ocean, the Waikiki Beach Marriott Resort & Spa is immediately proximate to Kapi'olani Park, home to the Honolulu Zoo and Waikiki Aquarium, and is less than ten miles from the Honolulu International Airport.
- **Operating Performance⁽²⁾:** The Resort's performance has been consistent since 2014 through TTM October 2018, as evidenced by an average occupancy rate of 88.7% (ranging from 87.1% to 89.9%), ADR of \$212.48 (ranging from \$209.89 to \$215.18) and RevPar of \$188.36 (ranging from \$185.04 to \$190.01).
- **Capital Expenditures:** Approximately \$38.2 million (\$29,179 per key) in renovations have been made since 2013, including a \$15.9 million renovation to the lobby, retail and other public areas and meeting spaces in 2015 and 2016. Further, the Borrower plans to spend approximately \$80.0 million (\$61,052 per key) on capital expenditures over the next two years, highlighted by a \$68.1 million guest room renovation (\$51,981 per key) and an \$11.9 million upgrade to the third floor terrace and pool deck.

Sponsorship and Property Management

- The Borrower and the Borrower Sponsor are affiliates of Atrium Holding Company, which is a leading hotel and asset management company.
- Atrium is one of the largest private owners and operators of full-service hotels in the United States. With offices in New York, Phoenix and Atlanta, Atrium owns, among other hospitality and real estate interests, 74 hotels in 29 states containing approximately 19,400 keys. Atrium's hotel portfolio carries major brands, including those of Marriott, Hilton and IHG.
- The Waikiki Beach Marriott Resort & Spa is managed by Marriott Hotel Services, Inc., a subsidiary of Marriott International, Inc. ("Marriott") (NASDAQ: MAR), one of the leading hospitality companies in the world. As of the quarter ended June 30, 2018, Marriott has 4,491 franchised properties and 140 unconsolidated joint venture properties. Marriott is one of the world's leading hoteliers with approximately 6,717 operated or franchised properties in 130 countries and boasts over 110 million loyalty members globally.
- The Mortgaged Property currently serves as Marriott's flagship property in Hawaii and is the only Marriott-branded full-service hotel in Honolulu.

Transaction Highlights

- **Low Leverage & Strong Fundamentals:** The \$336,500,000 Mortgage Loan (\$256,870 per key) has an underwritten NCF debt yield of 9.5% with an as-is LTV of 48.0%.
- **Planned Capital Expenditures:** The Borrower has indicated it plans to spend approximately \$80.0 million (\$61,052 per key) on capital expenditures over the next two years, highlighted by a \$68.1 million guest room renovation (\$51,981 per key) and an \$11.9 million upgrade to the third floor terrace and pool deck. The renovations are intended to reposition the Resort and improve its penetration metrics within its competitive set.
- **Marriott Brand & Long Term Management Agreement:** As of the quarter ended June 30, 2018, Marriott has 4,491 franchised properties and 140 unconsolidated joint venture properties. Marriott is one of the world's leading hoteliers with approximately 6,717 operated or franchised properties in 130 countries with over 110 million loyalty members globally. The Hotel is managed by Marriott under its namesake Marriott Hotels & Resorts brand with a management agreement that expires in 2027, with five 10-year auto-renewing extension options.
- **Increased Airline Capacity:** According to the Hawaii Tourism Authority, airline seat capacity into Hawaii has also contributed significantly to the market's demand for high-quality lodging, growing total capacity by nearly 39.3% since 2009 and surpassing the 2007 peak by 1.8 million seats per year, with new daily nonstop flights from the U.S. mainland and Asian feeder markets driving growth.
- **Prime Location:** Located along Waikiki's Kalakaua Avenue overlooking the beach and the Pacific Ocean, the Waikiki Beach Marriott Resort & Spa is immediately proximate to Waikiki's retail, dining and entertainment venues including the Royal Hawaiian Center, DFS Galleria, Waikiki Beach Walk and the newly redeveloped, \$350 million International Marketplace. The Resort is also within walking distance to Kapi'olani Park, home to the Honolulu Zoo and Waikiki Aquarium, and is less than ten miles from the Honolulu International Airport.
- **Experienced Sponsorship:** Atrium currently owns, among other hospitality and real estate interests, 74 hotels primarily in the upper-upscale segment operated under nationally recognized brands such as Marriot, Hilton and IHG.

Summary of Mortgage Loan Terms

Transaction Capitalization

Debt Capital Stack	% of Debt Stack	LTV ⁽¹⁾	UW NOI DY ⁽²⁾	UW NCF DY ⁽³⁾	UW NCF DSCR ⁽⁴⁾	Cumulative \$ per Key
\$336,500,000 Mortgage Loan	100.0%	48.0%	11.0%	9.5%	2.04x	\$256,870
\$364,200,000 Implied Equity ⁽¹⁾						\$534,885

1. Based upon the as-is appraised value of \$700,700,000 as of October 3, 2018. The LTV of the Mortgaged Property net of the value of the Parking Parcel that is subject to release without the payment of a release amount is 48.3%.
 2. Based upon the Mortgage Lenders' underwritten NOI of \$37,085,830.
 3. Based upon the Mortgage Lenders' underwritten NCF of \$31,942,292.
 4. Based upon an assumed 1-month LIBOR of 2.550% and the Spread of 2.050%.

Sources & Uses

Sources	Amount (\$)	\$ Key	% of Total	Uses	Amount (\$)	\$ Key	% of Total
Total Loan	\$336,500,000	\$256,870	82.7%	Payoff Existing Debt	\$320,000,000	\$244,275	78.6%
Equity Contributed at Loan Closing	33,538,220	\$25,602	8.2%	Closing Costs	6,896,764	\$5,265	1.7%
Room Renovation Spent to Date	9,226,267	\$7,043	2.3%	Budgeted Room Renovation (est.)	68,095,169	\$51,981	16.7%
Additional Equity to be Contributed (est.)	27,609,956	\$21,076	6.8%	Planned Pool Renovation (est.)	11,882,510	\$9,071	2.9%
Total Sources	\$406,874,443	\$310,591	100.0%	Total Uses	\$406,874,443	\$310,591	100.0%

Mortgaged Property Overview



Waikiki Beach Marriott Resort & Spa

- Built on the site of the former summer home of Queen Lili'uokalani, Hawaii's last reigning monarch, the Waikiki Beach Marriott Resort & Spa is one of the largest resorts in Hawaii with 1,310 guest rooms.
- The Mortgaged Property originally opened in 1971 with the 25-story Kealohilani Tower and was expanded in 1979 with the addition of the 33-story Paoakalani Tower. The Resort benefits from approximately \$38.2 million (\$29,179 per key) in renovations since 2013, including a \$15.9 million renovation to the lobby, retail and other public areas and meeting spaces in 2015 and 2016.
- The Hotel's guests enter the main entrance via a porte cochere located off Ohua Avenue on the west side of the Resort. The Hotel comprises two guest room towers situated on an entire city block with meeting spaces, third-party retail and restaurant leases primarily on the first three floors of both towers. An expansive third floor terrace connects both towers and houses two outdoor swimming pools, cabanas and the Moana Terrace Bar & Grill, all of which will receive extensive renovations as part of the proposed capital plan. The business and fitness center are located on the lobby and third floor of the Paoakalani Tower and the spa is located on the second floor of the Kealohilani Tower.

Location Overview

- Located along Waikiki's Kalakaua Avenue overlooking the beach and the Pacific Ocean, the Waikiki Beach Marriott Resort & Spa is immediately proximate to Kapi'olani Park, home to the Honolulu Zoo and Waikiki Aquarium, and is less than ten miles from the Honolulu International Airport.
- Diamond Head Crater, an icon of the Waikiki skyline, is located to the east. A few miles toward the windward side of the island is Hanauma Bay, famous for snorkeling and the Sea Life Park, with an expansive reef tank and interactive dolphin and sea lion experiences. Waikiki's leading attractions include Kapi'olani Park, the Honolulu Zoo, the Waikiki Aquarium, the Royal Hawaiian Shopping Center, and the recently renovated International Marketplace.
- Leading retailers such as Louis Vuitton, Gucci, Burberry, Coach, and Tiffany & Co. are all within a short walk from the Resort. The Ala Moana Center is a short car ride from the Resort.

Mortgaged Property Overview

Guest Rooms

- The Resort's standard guest rooms are among the largest in Waikiki. Averaging 418 square feet, nearly 100% of guest rooms feature private balconies overlooking the Pacific Ocean, Diamond Head, or Kapi'olani Park.
- The Resort's 1,310 rooms are broken down as follows:
 - Standard: 1,156 rooms
 - Junior Suite: 121 rooms
 - Family Room: 19 rooms
 - Ocean Suite: 7 rooms
 - Deluxe Suite: 6 rooms
 - Queen Suite: 1 room



Meeting Rooms

- The Hotel offers an extensive selection of indoor and outdoor meeting and event space totaling more than 56,000 square feet. The Resort offers more than 23,000 square feet of flexible indoor meeting space, including the 6,993 square-foot Kona Moku Ballroom and the 3,993 square-foot Waikiki Ballroom. The Kona Moku and the Waikiki Ballrooms are each divisible into three breakout rooms, providing maximum flexibility for larger and smaller events. Indoor meeting space is located throughout the Resort's two towers, allowing for efficient use with minimum congestion.
- Outdoor space at the Resort totals approximately 33,000 square feet and is highlighted by the 20,000 square-foot Moana Terrace poolside space (which is a part of the planned renovation) and the 4,050 square-foot Pualeilani Terrace, each overlooking Waikiki and located on the third floor of the Kealohilani Tower, as well as the 1,350 square-foot Kona Moku Ballroom Lanai. These outdoor spaces are popular venues for corporate events, black tie galas and weddings that feature Waikiki as a backdrop.
- The Resort offers extensive meeting and event support services including wedding planning, audio/visual equipment and technical support, catering, and other amenities including high speed Internet access and full business services.



Mortgaged Property Overview

Food & Beverage

- The Mortgaged Property features five distinct restaurants and two Starbucks Coffee outlets in addition to room service. Two of the outlets are operated by management and the remaining are leased (Sansei Seafood Restaurant & Sushi Bar, d.k Steak House, Arancino di Mare and Starbucks Coffee).
- Kuhio Beach Grill:** The Hotel's primary restaurant seats 212 patrons and was recently renovated to expand dining space toward the beach's boardwalk. The restaurant offers continental cuisine infused with flavors of Hawaii and the Pacific Rim, and is open daily for breakfast and dinner.
- Moana Terrace Bar & Grill:** Located on the third floor of the Kealohilani Tower overlooking Waikiki Beach and the Pacific Ocean, the 112-seat, open air Moana Terrace Bar & Grill offers poolside dining and beverage service throughout the day. Lunch and dinner are served daily with an array of island-flavored appetizers. Nightly live entertainment is available at the restaurant's poolside venue. Moana Terrace is expected to be redeveloped as part of the planned pool deck renovation.
- Sansei Seafood Restaurant & Sushi Bar:** The restaurant offers Japanese-based Pacific Rim cuisine with panoramic views of Waikiki Beach and the Pacific Ocean. Sansei is a sushi and seafood restaurant that attracts demand not only from Resort guests but also other tourists and island residents.
- d.k Steak House:** Separated from Sansei Seafood Restaurant & Sushi Bar by a central bar, d.k Steak House features premium dry-aged steaks, an upscale ambience with scenic views of Waikiki and the Pacific Ocean from its open-air lanai.
- Arancino di Mare:** Located on the ground level of the Kealohilani Tower, Arancino di Mare offers upscale authentic Italian cuisine. The restaurant's Napoli-Italian style cuisine is served with a Japanese flare and is open for breakfast, lunch and dinner. The 120-seat restaurant provides access and frontage immediately from Ohua Avenue and features indoor and outdoor dining with an exhibition kitchen.
- Starbucks:** The Hotel features two Starbucks Coffee outlets (one at the base of each tower) offering a selection of gourmet coffee drinks and light fare including sandwiches, pastries and desserts.



Mortgaged Property Overview

Other Amenities

- **Royal Kaila Spa:** The Resort features the 4,605 square-foot Royal Kaila Spa, which specializes in treatments based on traditional Hawaiian methods of healing and beautifying. Located on the second floor of the Kealohilani Tower, the spa's ten treatment rooms are situated along a 75-foot lounge area with glass windows and views of Waikiki Beach and the Pacific Ocean. Services include body wraps, scrubs, massages, facials and other specialty salon services using Aveda concepts and products.
- **Fitness Center:** Located on the 3rd Floor of the Paokalani tower is the fitness center, which features ocean views and a variety of cardio and weight machines.
- **Pools:** The Resort offers two outdoor heated swimming pools located on the third floor between the two towers. Both the Kealohilani and Paoakalani outdoor pools include expansive decks with lounge furniture. The pool area located on the Kealohilani Tower also features private shaded cabanas overlooking Waikiki Beach, and the pool area in the Paoakalani Tower features a whirlpool spa.
- **Business Center:** The business center provides individual computer stations, copy and fax machines, 24-hour wireless and high-speed Internet access and packaging and shipping.
- **Parking:** The Resort has a total of 513 parking spaces, including 383 spaces in the Hotel parcel garage for self-parking and 130 spaces in the parking parcel open surface lot adjacent to the Resort, which is used for valet parking.
- **Resort Fee Charge:** The Resort charges a \$37 daily Resort Fee, in exchange for which guests receive certain amenities including high-speed Internet access, reusable water bottles, free breakfast for Platinum Elite members, local calls, long distance and international calls up to 60 minutes per day, daily fitness and cultural classes, unlimited Blu-Ray rentals, discounts at retailers throughout the Mortgaged Property, and daily digital newspapers.



Mortgaged Property Overview

Retail Tenancy

- The Mortgaged Property currently has leases to nearly 50 third-party retail, spa, and restaurant tenants across approximately 54,040 square feet of recently renovated space that is primarily located on the first three floors of the Kealohilani Tower fronting Kalakaua Avenue.
- The restaurant and retail space is approximately 98.2% leased.

Waikiki Beach Marriott Resort & Spa Retail Tenant Summary						
Top 10 Tenants by Base Rent	Square Feet	% of Total SF	Annual Base Rent ⁽¹⁾	% of Total Base Rent	Annual Base Rent PSF	Lease Expiration
Expedia	400	0.7%	\$725,656	10.2%	\$1,814.14	5/31/2020
ABC Stores	3,000	5.6%	\$684,000	9.6%	\$228.00	12/31/2023
Arancino di Mare	3,025	5.6%	\$363,000	5.1%	\$120.00	6/30/2023
Resveralife	1,095	2.0%	\$292,759	4.1%	\$267.36	12/31/2021
Royal Kaila Spa (EXEO USA, Inc.)	4,605	8.5%	\$285,120	4.0%	\$61.92	12/31/2022
Fortoire	992	1.8%	\$269,745	3.8%	\$271.92	5/31/2023
Eri Moni	1,099	2.0%	\$266,134	3.7%	\$242.16	3/1/2021
Honolulu Cookie Company	735	1.4%	\$245,284	3.4%	\$333.72	1/31/2023
Sansei Seafood Restaurant	5,471	10.1%	\$226,200	3.2%	\$41.34	11/30/2019
d.k Steak House	5,471	10.1%	\$225,840	3.2%	\$41.28	5/31/2019
Total Top 10	25,893	47.9%	\$3,583,737	50.1%	\$138.40	
Remaining Tenants	27,192	50.3%	\$3,563,358	49.9%	\$131.04	
Total Occupied	53,085	98.2%	\$7,147,096	100.0%	\$134.63	
Vacant	955	1.8%				
Total	54,040	100.0%				

Source: Borrower's November 14, 2018 rent roll.

1. Annual Base Rent reflects rent steps through December 2019.

Mortgaged Property Overview

Historical and Forecast Spend on Capital Expenditures

- The Borrower has invested \$38.2 million since 2013, including a comprehensive \$15.9 million renovation to the lobby, retail and other public areas and meeting spaces in 2015 and 2016, enhancements to guest rooms, a 5,400 square-foot expansion of the retail center, and building system and mechanical upgrades.
- The Borrower is expected to embark on a comprehensive renovation of the Resort's guest rooms (mandated by Marriott) at an anticipated cost of \$68.1 million and certain common areas (not mandated by Marriott and consisting primarily of the third floor terrace pool deck renovations) at an anticipated cost of approximately \$11.9 million.

Waikiki Beach Marriott Resort & Spa Historical Capital Expenditures							
	Actual Expenditures						
	2013	2014	2015	2016	2017	YTD 6/18	Total
Guest Rooms	\$2,329,480	\$1,811,567	\$1,100,843	\$1,884,322	\$1,141,564	\$3,810,614	\$12,078,389
Lobby & Public Areas	1,116,128	2,631,262	7,661,144	1,824,022	1,364,676	324,232	14,921,464
Retail	50,283	-	-	4,764,582	-	-	4,814,865
F&B	489,926	56,590	53,619	65,864	157,456	40,891	864,345
Meeting & Event Space	30,302	4,441	847,263	836,878	55,328	-	1,774,212
Other	558,916	372,664	929,182	507,282	1,049,619	353,531	3,771,194
Total Capital Invested	\$4,575,036	\$4,876,524	\$10,592,049	\$9,882,949	\$3,768,643	\$4,529,268	\$38,224,469
Total Per Key	\$3,492	\$3,723	\$8,086	\$7,544	\$2,877	\$3,457	\$29,179

Capital Expenditure Plan

Guest Room and Pool Deck Renovation (Beginning Q1 2019)

- Commencing in the first quarter of 2019 with a required completion date of June 30, 2020, the Borrower is expected to embark on a planned guest room renovation that totals approximately \$68.1 million, representing approximately \$51,981 per key. The plan includes the replacement of all soft goods and case goods, the addition of new electrical outlets, USB ports, and modern CAT 6 cabling, new ceiling paint and smart door locks.
- The Borrower plans to renovate the guest rooms by replacing all soft goods and case goods, adding new electrical outlets, USB ports, and modern CAT 6 cabling, new ceiling paint, smart door locks as well as remodeling the guest bathrooms and corridors on guest floors.
- Atrium further plans to invest approximately \$11.9 million to redevelop and redefine the third floor terrace and rooftop deck, where the Resort's primary pool, entertainment and outdoor dining venues are located.



Photo of completed model king bathroom



Photo of completed model king room

Capital Expenditure Plan



Clockwise from upper left: photo of completed double model room; double model bathroom; king room model pullout and king room model wet bar.

Capital Expenditure Plan

Current Guest Room



CapEx Plan Model Rooms
(subject to change)⁽¹⁾



1. The above renovation plan is for illustrative purposes only and may not accurately reflect the final renovations. We cannot assure you that the proposed renovations will ever be completed in full or in part.

Capital Expenditure Plan

Pool Deck Renovation Plan⁽¹⁾

- Atrium plans to invest approximately \$11.9 million to redevelop and redefine the third floor rooftop terrace and pool deck, where the Resort's primary pool, entertainment and outdoor dining venues are located. The current plan, which is subject to change, includes an exclusive adults only pool that will include a newly-relocated infinity spa on the edge of the Resort; a reimagined outdoor dining deck with the ability to accommodate banquets, weddings, and casual and formal dining; an expansive, family-friendly open lawn lined with cabanas and an adjacent "splash pad" for kids; and a wooded lounge deck with new glass railing, allowing for expansive views of Waikiki Beach and the Pacific Ocean, complete with fire pits.

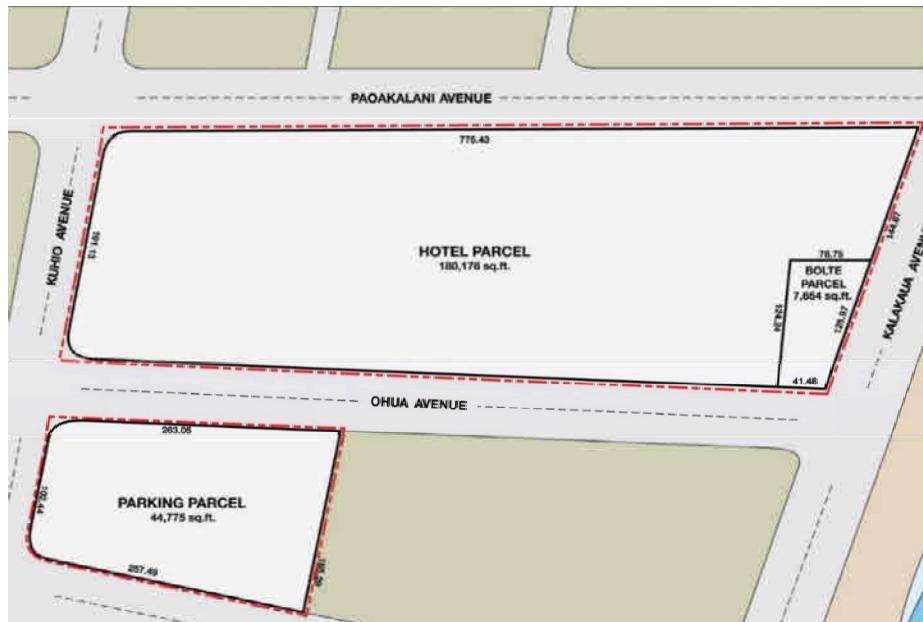


1. The above renovation plan is for illustrative purposes only and may not accurately reflect the final renovations. We cannot assure you that the proposed renovations will ever be completed in full or in part.

Ground Lease Overview

Ground Lease Provisions

- The Resort is situated on three leasehold parcels:
 - The Lessor on two of the parcels (the Hotel Parcel and the Parking Parcel) is the Lili'uokalani Trust, which was established by Queen Lili'uokalani.
 - The Lessor on the third parcel is the Bolte Trust, a private family trust. Over the past several years, an affiliate of the Borrower has acquired interests in the Bolte parcel and currently has an approximately 47% non-controlling interest.
- Approximately 97% of the improvements, including the two Hotel towers themselves, are located on land covered by the Hotel Parcel, with a term that runs through 2080.



Waikiki Beach Marriott Resort & Spa Ground Lease Overview

Parcel	Land Owner	Land Area (Square Feet)	Expiration Date	Minimum Rent ⁽¹⁾
Hotel ⁽²⁾	Lili'uokalani Trust	180,176	December 31, 2080	\$6,211,881
Bolte	Bolte Trust	7,654	December 31, 2050	450,000 ⁽³⁾
Parking ⁽⁴⁾	Lili'uokalani Trust	44,775	December 31, 2028 ⁽⁴⁾	750,000 ⁽⁵⁾
Total		232,605		

1. Minimum Rent does not account for general excise tax (4.712%) due as part of the total rent payment under the Hotel and Parking leases.

2. Rent resets on January 1, 2019 (CPI increase over 5 years). The Hotel lease does not have a fair rental value reset until 2045.

3. The Borrower is currently negotiating the 2018 rent reset. See "Risk Factors-Risks Related to the Ground Leases" in the Offering Circular.

4. The Borrower has the option, exercisable at any time prior to December 31, 2026, to include the Parking Parcel under the Hotel Parcel ground lease, which terminates on December 31, 2080.

5. The Borrower is currently negotiating the 2018 rent reset. See "Risk Factors-Risks Related to the Ground Leases" in the Offering Circular.

Summary of the Ground Lease for the Hotel Parcel

Lessor	Thomas K. Kaulukukui, Jr., Patrick K.S.L. Yim, and Claire L. Asam, Trustees of the Lili'uokalani Trust		
Lessee	W2005 WKI Realty, LLC, a Delaware limited liability company		
Term	November 15, 2000 to December 31, 2080		
Land	180,176 square-foot parcel encompassing the parcels upon which both the hotel and parking garage are situated		
Premises	The Land together with all improvements located thereon, and all rights, easements, privileges and appurtenances belonging or appertaining to such Land and such improvements		
Rent	The sum of Minimum Rent and Percentage Rent, subject to a general excise tax of 4.712%		
Minimum Rent	Period	Minimum Rent (Annual)	Percentage Rent
	1/1/2014 - 12/31/2018	\$6,211,881	For every 5-year period, the sum of (i) 3.5% of Gross Guest Room Revenues greater than \$56,955,000 adjusted for the cumulative inflation since lease commencement plus (ii) 1.6% of Gross F&B Revenues greater than \$12,197,000 adjusted for the cumulative inflation since lease commencement plus (iii) 10% of retail lease income.
	1/1/2019 - 12/31/2044	Adjusted every 5 years for inflation.	For every 5-year period, the sum of (i) 3.5% of Gross Guest Room Revenues greater than \$56,955,000 adjusted for the cumulative inflation since lease commencement plus (ii) 1.6% of Gross F&B Revenues greater than \$12,197,000 adjusted for the cumulative inflation since lease commencement plus (iii) 10% of retail lease income excluding the retail income on the Bolte parcel.
	01/01/2045+	Minimum Rent determined by a formula set out in the Hotel Parcel ground lease.	No percentage rent.
Total Rent	Total Rent in 2017 was \$7,626,544, and for TTM October 2018 was \$7,702,271 (each inclusive of Minimum Rent and a general excise tax of 4.712%).		
Lessee Expenses	Lessee is required to pay as additional rent:		
	<ul style="list-style-type: none"> i) The real property taxes and assessments of every description ii) All electricity, water, sewage, garbage, and other charges attributable to the premises iii) The general excise tax on gross income or any other state or federal tax measured by rents iv) Any and all conveyance taxes payable with respect to the Hotel Parcel ground lease 		
Assignment	The lessee may not, without the prior written consent of the lessor, mortgage or assign the Hotel Parcel ground lease, except that the lessee is permitted to (i) assign the Hotel Parcel ground lease to an affiliate or (ii) provide its interest in the Hotel Parcel ground lease as security for a leasehold mortgage.		

Summary of the Ground Lease for the Bolte Parcel

Lessor	A group of individuals and trusts and an LLC affiliate of the Borrower, as landlord, as successors in interest to Bishop Trust Company, Limited, as trustee under a trust made by C. Bolte date April 15, 1919 (collectively, the “ <u>Lessors</u> ” or the “ <u>Bolte Trust</u> ”)
Lessee	W2005 WKI Realty, LLC, a Delaware limited liability company
Term	April 1, 1968 to December 31, 2050
Ground Parcel	7,654 square-foot parcel located on the corner of Kalakaua Avenue and Ohua Avenue
Rent	The greater of Minimum Rent or Percentage Rent. Rent in 2017 was \$1,190,135 and for TTM October 2018 was \$1,125,324. Such rents paid were based on Percentage Rent.
Minimum Rent	\$450,000 per year beginning January 1, 2008. The Minimum Rent will be renegotiated for each ten-year period commencing January 1, 2018, January 1, 2028, January 1, 2038, and the three-year period commencing January 1, 2048. The renegotiated amount commencing in 2018 is not final; negotiations are currently underway. The Minimum Rent is required under the Bolte Parcel ground lease to be at least \$450,000.
Percentage Rent	Sum of the following percentages of gross sales and sublease and concession rentals of tenants on the ground lease site: a) 15% of the gross sales if operated by the Lessee; and b) A percentage of the gross annual sublease and concession rentals received by the Lessee from subleases or concessions of space by floor: i) 40% - first floor ii) 25% - second floor; and iii) 20% - any other floor Percentage rent is expected to be reduced as a consequence of certain components of the pool deck renovation (dependent upon the result of the ongoing Minimum Rent negotiation). See “ <i>Risk Factors—Risks Related to Ground Leases</i> ” in the Offering Circular.
Lessee Expenses	Tenant must pay, in addition to Minimum Rent and Percentage Rent, all real estate taxes relating to the premises, utilities, garbage and other similar costs, expenses and charges.
Assignment	The Lessee shall not assign or sublet the premises without the prior written consent of the Lessor. The Lessor’s consent shall not be required as to subleases of the portions of the demised premises made by Lessee in the ordinary course of business.

Summary of the Ground Lease for the Parking Parcel

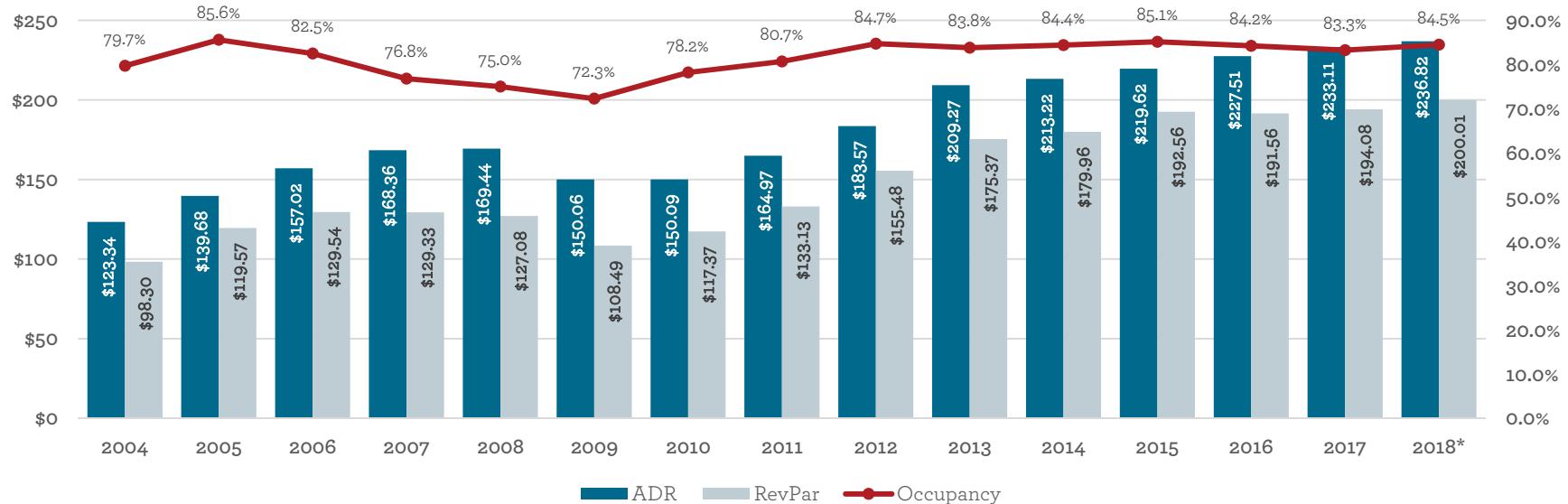
Lessor	Thomas K. Kaulukukui, Jr., Patrick K.S.L. Yim, and Claire L. Asam, Trustees of the Lili'uokalani Trust
Lessee	W2005 WKI Realty, LLC, a Delaware limited liability company
Parking Parcel	44,775 square-foot parcel located adjacent to the main Resort bounded by Ohua Avenue, Kuhio Avenue, and Kealohilani Avenue
Term	April 1, 1976 to December 31, 2028 with an option, exercisable at any time prior to December 31, 2026, to include the Parking Parcel under the ground lease for the Hotel Parcel, which terminates on December 31, 2080. Such option is found in the Hotel Parcel lease.
Rent	\$750,000 per year (beginning December 1, 2008), subject to the general excise tax of 4.712%. The renegotiated amount of Minimum Rent commencing December 1, 2018 has not been established; negotiations are currently underway. The rent is required under the Parking Parcel ground lease to be at least the greater of: (i) \$90,000 per year, (ii) the rent for the immediately preceding period (which, for the avoidance of doubt is currently equal to \$750,000 per year (exclusive of the 4.712% general excise tax)) or (iii) the fair market value of the Parking Parcel multiplied by the then-prevailing rate of return on similar property in the community (but no less than 6%). See " <i>Risk Factors—Risks Related to Ground Leases</i> " in the Offering Circular.
Assignment	The Lessee is not permitted to assign or mortgage its interest in the Parking Parcel without the prior written consent of the Lessor. The Lessor's consent may not be unreasonably or arbitrarily withheld. The Lessor's consent was obtained for the transaction described herein.
Special Provisions	Subject to certain terms and conditions listed in the Hotel Parcel ground lease, upon the termination of the Parking Parcel ground lease, the Lessee has an option to amend the Hotel Parcel ground lease to include the Parking Parcel and extend the term to December 31, 2080.

Market Overview

Hawaii and Oahu Hospitality Trends

- According to the Hawaii Tourism Authority, the Hawaii lodging market has historically been strong with RevPAR growing at a CAGR of 4.6% since 2004. Although RevPAR declined in 2009 as a result of the global economic downturn, the market has exhibited a strong rebound since 2010. Between 2010 and 2017, the Hawaii hotel market achieved eight consecutive years of RevPAR growth, with increases of 7.7% in 2010, 12.4% in 2011, 13.4% in 2012, 11.6% in 2013, 2.8% in 2014, 6.4% in 2015, 4.8% in 2016, and 4.9% in 2017, resulting in a CAGR of 8.0%. Since 2004, Oahu has grown at a faster pace than Maui, with a RevPAR CAGR of 5.4% compared to 4.6% on Maui.
- According to Smith Travel Research, the Oahu hospitality market as of October 2018 encompasses approximately 29,500 hotel rooms across 91 properties. Oahu has historically been Hawaii's strongest lodging market, consistently recording the highest occupancy rates of the Hawaiian Islands with a recent rate of 83.3% in 2017 compared to 77.1% on Maui and 74.4% on the Big Island. Oahu is benefited by strong international and domestic leisure demand, complemented by a large government and military presence and the internationally-oriented Hawaii Convention Center.
- According to the Hawaii Tourism Authority, Oahu has experienced more stable cash flows compared to the other Hawaiian islands historically, with a pre-Great Recession peak-to-trough decline in RevPAR from 2007 to 2009 of only 16.1%, compared to 29.1% in Maui and 27.6% on the Big Island.

Oahu Hotel Historical Performance



Source: Hawaii Tourism Authority

* 2018 represents the YTD Smith Travel Research figures as of October 31, 2018.

Market Overview

Hawaii Visitor Trends

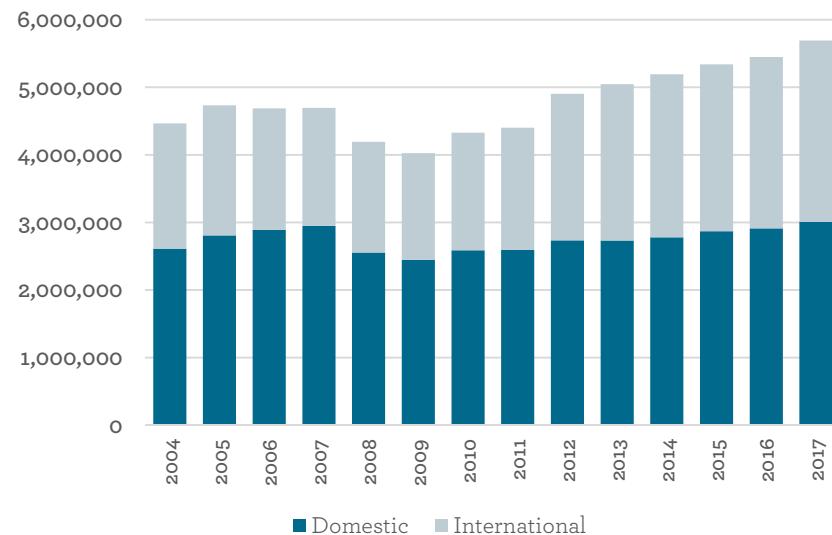
- According to the Hawaii Tourism Authority, the largest share of visitors to Hawaii by air in 2017 were from the U.S. West (41.4%), followed by U.S. East (21.5%), Japan (17.1%) and Canada (5.6%).
- According to the Hawaii Tourism Authority, since 2006, domestic visitors have made up approximately 70.2% of tourists arriving by air on average, while 29.8% are international. While the percentage of international tourists to domestic tourists has remained relatively stable, arrivals by international tourists have grown at a compounded annual growth rate of approximately 7.1% since 2009, while domestic visitors have grown at a CAGR of 3.7% over the same period.
- According to the Hawaii Tourism Authority, approximately 88.3% of all international tourists arriving by air to Hawaii travel through Oahu.
- According to the Hawaii Tourism Authority, in 2017, approximately 40.9% of the visitors arriving by air were first-timers to Oahu, while approximately 59.1% were repeat visitors. On average, repeat visitors have traveled to Oahu more than four times, supporting the island's consistently positive tourism trends.
- According to the 2017 Hawaii Tourism Authority Annual Report, approximately 72.5% of visitors arriving by air who went to Oahu planned on staying in hotels, followed by condominiums (10.4%), friends or relatives (9.4%), rental homes (6.7%) and timeshare properties (4.1%).

Annual Hawaii Visitors



Source: Hawaii Tourism Authority

Annual Oahu Visitors

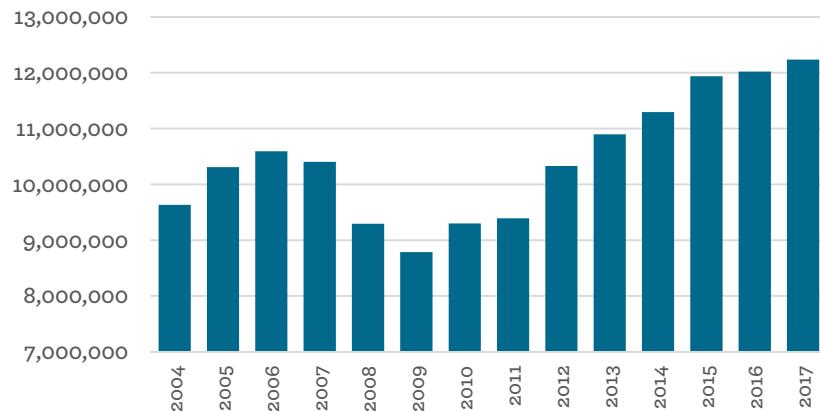


Market Overview

Hawaii Airlift Trends

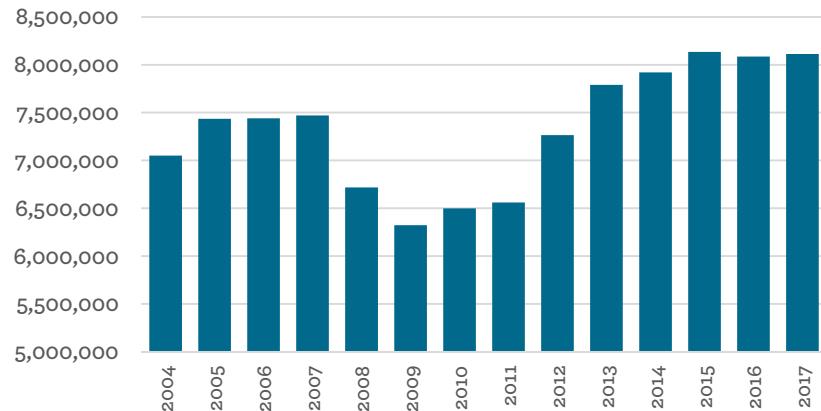
- Honolulu International Airport (“HNL”) is the largest airport in the State of Hawaii and the primary gateway to the Hawaiian Islands. According to the State of Hawaii Department of Transportation, in 2017, HNL accommodated approximately 57.0% of all passenger traffic throughout the entire 15-airport system. HNL had an annual air seat capacity of approximately 8.1 million in 2017.
- According to the Hawaii Tourism Authority, airlift capacity has been increasing to accommodate the demand for travel to Hawaii, and total air seat capacity to all of Hawaii has increased 39.3% from approximately 8.8 million seats in 2009 to approximately 12.2 million seats in 2017.
- According to the Hawaii Tourism Authority, air seat capacity to Oahu has increased 28.3% from approximately 6.3 million seats in 2009 to approximately 8.1 million seats in 2017.
- Hawaiian Airlines launched new daily non-stop service from Long Beach, CA to HNL in June and has plans for nonstop service from Boston Logan five days a week beginning April 4, 2019. Southwest Airlines, the largest U.S. domestic carrier, recently announced it would begin offering direct flights to Hawaii in 2018, with flights from Oakland, San Jose, Sacramento and San Diego. In addition to other direct flight announcements, Delta has recently announced a direct flight from Detroit to HNL, which is scheduled to begin June 29, 2019.
- HNL is served by 26 international, domestic and commuter airlines and benefits from airline access from the mainland U.S., as well as increased airlift from Japan, China, Canada and New Zealand. As part of a state-wide airport modernization program, work is currently underway on a new \$220 million Mauka Concourse, which will expand gate capacity, improve TSA screening and add new retail and concessions. The new concourse is anticipated to be completed by the end of 2020 and will enable HNL to accommodate future passenger growth.

Total Hawaii Air Seat Capacity



Source: Hawaii Tourism Authority

Total Oahu Air Seat Capacity



Market Overview

Competitive Set



Market Overview

Competitive Set

- The Waikiki Beach Marriott Resort & Spa's competitive set includes seven hotels located on or near the Pacific Ocean in Waikiki. The Resort's competitive properties range in size from the 524-room Outrigger Waikiki Beach Resort to the 2,860-room Hilton Hawaiian Village Waikiki Beach Resort. The competitive hotels are affiliated with leading brands and have completed or are in the process of completing significant capital upgrades.
- The competitive market has experienced strong occupancy, averaging 89.2% since 2014. Year-to-date through October 2018, occupancy decreased 0.8% over the same time in 2017 to end the first ten months at 89.1%, which compares to the Waikiki Beach Marriott Resort & Spa's YTD occupancy of 91.5% (and an increase over YTD October 2017 occupancy of 2.8%).
- Average daily rate across the competitive properties equaled \$254.57 in 2017, representing a year-over-year increase of 2.8% over 2016. Year-to-date through October 2018, ADR is up 2.5% over the same period in 2017.
- The competitive market posted a 3-year RevPAR CAGR of 2.8% from 2014 through 2017. The competitive market continued to increase performance through October 2018, with a further 1.6% growth in RevPAR over the same period in 2017.
- The strength of the market is most clearly defined by the ability to attract demand from a wide geographical area including North America, Asia and Oceania combined with extremely high barriers to new supply that sharply limit new development. The Borrower's planned room and pool deck renovations are anticipated to allow the Resort to improve its positioning relative to its competitive properties.

Waikiki Beach Marriott Resort & Spa Competitive Property Set								
	Waikiki Beach Marriott Resort & Spa	Sheraton Waikiki	Sheraton Princess Kaiulani	Hyatt Regency Waikiki Beach Resort and Spa	Hilton Hawaiian Village Waikiki Beach Resort	Outrigger Waikiki Beach Resort	Outrigger Reef Waikiki Beach Resort	Alohilani Resort Waikiki Beach
								
Address	2552 Kalakaua Ave & 155 Ohua Ave Honolulu, HI	2255 Kalakaua Ave Honolulu, HI	120 Kaiulani Ave Honolulu, HI	2424 Kalakaua Ave Honolulu, HI	2005 Kalia Rd Honolulu, HI	2335 Kalakaua Ave Honolulu, HI	2169 Kalia Road Honolulu, HI	2490 Kalakaua Ave Honolulu, HI
Year Opened	1971, 1979	1971	1955	1976	1955	1967	1956	1969, 1979
Affiliation	Marriott	Marriott	Marriott	Hyatt	Hilton	Outrigger	Outrigger	Highgate
Stories	25, 33	31	11, 29	40	Various	16	18	17, 39
Number of Rooms	1,310	1,636	1,140	1,230	2,860	524	635	839
No. / % of Suites	135 / 10%	128 / 8%	7 / 1%	19 / 2%	UAV	UAV	UAV	8 / 1%
F&B Outlets	6	6	2	3	18	5	3	5
Total Indoor Meeting Space	23,251	44,590	14,451	17,510	56,663	2,770	4,456	20,982
Largest Room / Ballroom	6,993	26,400	7,071	9,800	27,054	1,350	2,520	12,005
Swimming Pool	2 Outdoor (Heated)	3 Outdoor	1 Outdoor	2 Outdoor	5 Outdoor	2 Outdoor	2 Outdoor	2 Outdoor
Fitness Room	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Business Center	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Gift Shop	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Spa	Royal Kaila Spa	Yes	No	Yes	Yes	Yes	Yes	Yes

Market Overview

Operating Statistics, Penetration and Segmentation

- Per Smith Travel Research reports for year-end 2017 and October 2018, the Mortgaged Property is in the middle of the pack among its competitive set for occupancy, while its RevPAR and ADR lag. The Borrower's planned room and pool deck renovations are anticipated to allow the Resort to improve its positioning relative to its peers. As of the October 2018 STR report, segmentation of the Mortgaged Property's room nights was approximately 77% transient, 12% group and 11% contract bookings, which remains consistent over the past three year-end periods. Transient revenue as a percent of total revenue has increased 1.0% from year-end 2017 to the TTM period, while group bookings decreased by 7.3% and contract rooms increased 1.8%.

Operating Statistics and Penetration Indices															
	Occupancy					ADR				RevPAR					
	2014	2015	2016	2017	TTM*	2014	2015	2016	2017	TTM*	2014	2015	2016	2017	TTM*
Waikiki Beach Marriott Resort & Spa	89.9%	88.7%	88.3%	87.1%	89.2%	\$209.89	\$212.32	\$215.18	\$212.38	\$212.61	\$188.76	\$188.40	\$190.01	\$185.04	\$189.58
Competitive Set	88.6%	89.7%	89.8%	89.3%	88.7%	\$236.32	\$241.86	\$247.71	\$254.57	\$259.84	\$209.47	\$217.02	\$222.36	\$227.41	\$230.53
Index	101.5%	98.9%	98.4%	97.5%	100.5%	88.8%	87.8%	86.9%	83.4%	81.8%	90.1%	86.8%	85.4%	81.4%	82.2%
Rank	4 of 8	5 of 8	4 of 8	4 of 8	4 of 8	6 of 8	6 of 8	6 of 8	6 of 8	7 of 8	6 of 8				

Source: Smith Travel Research.

* TTM figures are for the twelve months ended October 31, 2018.

Segmentation										
	Yr. End 2014	% of Total	Yr. End 2015	% of Total	Yr. End 2016	% of Total	Yr. End 2017	% of Total	TTM 10/2018	% of Total
Transient Rooms Sold	343,302	79.8%	334,705	78.9%	337,497	79.7%	316,713	76.0%	328,719	77.1%
Group Rooms Sold	71,223	16.6%	57,878	13.6%	56,653	13.4%	56,521	13.6%	51,778	12.1%
Contract Rooms Sold	15,482	3.6%	31,688	7.5%	29,224	6.9%	43,358	10.4%	45,866	10.8%
Total Rooms Sold	430,007	100.0%	424,271	100.0%	423,374	100.0%	416,592	100.0%	426,363	100.0%
Transient ADR	\$208.92		\$215.80		\$219.42		\$217.34		\$216.77	
Group ADR	\$215.56		\$204.01		\$207.27		\$207.83		\$215.50	
Contract ADR	\$205.36		\$190.75		\$181.49		\$182.07		\$179.50	
Total ADR	\$209.89		\$212.32		\$215.18		\$212.38		\$212.61	
Total RevPAR	\$188.76		\$188.40		\$190.01		\$185.04		\$189.58	
Transient Revenue	\$71,723,327	79.5%	\$72,229,062	80.2%	\$74,054,113	81.3%	\$68,834,425	77.8%	\$71,256,529	78.6%
Group Revenue	\$15,352,630	17.0%	\$11,807,732	13.1%	\$11,742,603	12.9%	\$11,746,925	13.3%	\$11,158,027	12.3%
Contract Revenue	\$3,179,317	3.5%	\$6,044,336	6.7%	\$5,303,949	5.8%	\$7,894,144	8.9%	\$8,233,142	9.1%
Total Revenue	\$90,255,274	100.0%	\$90,081,130	100.0%	\$91,100,665	100.0%	\$88,475,494	100.0%	\$90,647,698	100.0%

Source: Smith Travel Research

Overview of Atrium and Management

Atrium Hotels

- The Borrower and the Borrower Sponsor are affiliates of Atrium, which is a leading hotel and asset management company.
- Atrium is one of the largest private owners and operators of full-service hotels in the United States. With offices in New York, Phoenix and Atlanta, Atrium owns, among other hospitality and real estate interests, 74 hotels in 29 states containing approximately 19,400 keys. Atrium's hotel portfolio carries major brands, including those of Marriott, Hilton and IHG.
- Atrium's principals, Jonathan Eilian and Ron Brown have experience as hotel owners and managers. Mr. Eilian was an original partner of Starwood Capital Group during the formation and growth of Starwood Hotels and Resorts Worldwide, Inc. Mr. Brown was the CFO of Starwood Hotels for nine years and prior to that, President of Doubletree Hotels.



Marriott

- The Waikiki Beach Marriott Resort & Spa is managed by Marriott Hotel Services, Inc., a subsidiary of Marriott International, Inc. (NASDAQ: MAR), one of the leading hospitality companies in the world. As of the quarter ended June 30, 2018, Marriott has 4,491 franchised properties and 140 unconsolidated joint venture properties. Marriott is one of the world's leading hoteliers with approximately 6,717 operated or franchised properties in 130 countries and boasts over 110 million loyalty members globally.
- Marriott's hotels include full-service brands such as its flagship Marriott Hotels & Resorts, as well as select-service and extended-stay brands such as Courtyard by Marriott and Fairfield Inn. Marriott also owns the Ritz-Carlton luxury chain and resort. In 2016, Marriott merged with Starwood Hotels and Resorts Worldwide, creating the world's largest hotel company with approximately 1.3 million rooms and a portfolio of 30 brands including St. Regis, W Hotels, Westin and Sheraton.
- The Mortgaged Property currently serves as Marriott's flagship property in Hawaii and is the only Marriott-branded full-service hotel in Honolulu.

Overview of Atrium and Management

The Marriott Management Agreement

- The management agreement for the Waikiki Beach Marriott Resort & Spa (the “Marriott Management Agreement”) runs through December 31, 2027, with five, 10-year, automatically renewing extensions, unless the property manager provides notice one year prior. The fully-extended term expires December 31, 2076.
- The agreement requires the Borrower to pay a base fee of 3.0% of gross revenues minus 1.0% of the total amount of rents received by the property manager for the leased retail or restaurant spaces in excess of a minimum amount (adjusted annually for inflation as described in *Description of the Management Agreement and Assignment of the Management Agreement-Compensation* in the Offering Circular), along with an incentive fee of 15.0% of annual operating profit in excess of the sum of (i) \$24,000,000 and (ii) 11.5% of certain capital expenditures for the fiscal year.
- In conjunction with the planned guest room renovation, the Management Agreement allows the Borrower to deduct a substantial portion of the Borrower’s capital invested into the renovation against operating profit for purposes of the calculation of the incentive management fee.
- The Marriott FF&E reserve is 4.0% of gross revenue until September 30, 2043 and thereafter scheduled to increase to no more than 5.0%.

See *Description of the Management Agreement and Assignment of the Management Agreement* in the Offering Circular.

Financials and Underwriting

Historical and Underwritten Cash Flows

Rooms	1,310		1,310		1,310
Rooms Available	478,150		478,150		479,460
Rooms Occupied	430,007		424,255		423,478
Occupancy Rate	89.9%		88.7%		88.3%
Avg. Daily Rate	\$209.89		\$212.31		\$215.24
RevPAR	\$188.76		\$188.38		\$190.11

	December 31, 2014				December 31, 2015				December 31, 2016				
	No.	Amount	% Rev	POR	PAR	Amount	% Rev	POR	PAR	Amount	% Rev	POR	PAR
Departmental revenue:													
Rooms Revenue:		90,255,275	73.7%	\$ 209.89	\$ 188.76	90,073,127	72.8%	\$ 212.31	\$ 188.38	91,148,492	73.2%	\$ 215.24	\$ 190.11
Food & Beverage Revenue:		10,674,177	8.7%	24.82	22.32	11,571,960	9.4%	27.28	24.20	10,842,946	8.7%	25.60	22.61
Telephone Revenue:		40,725	0.0%	0.09	0.09	17,288	0.0%	0.04	0.04	28,848	0.0%	0.07	0.06
Parking Revenue:		4,168,854	3.4%	9.69	8.72	4,686,105	3.8%	11.05	9.80	4,821,488	3.9%	11.39	10.06
Retail/Commercial Revenue:		6,924,034	5.7%	16.10	14.48	6,893,972	5.6%	16.25	14.42	7,479,049	6.0%	17.66	15.60
Resort Fee Revenue:		9,684,938	7.9%	22.52	20.26	9,829,778	7.9%	23.17	20.56	9,641,696	7.7%	22.77	20.11
Rent & Other Revenue:		666,770	0.5%	1.55	1.39	647,718	0.5%	1.53	1.35	623,026	0.5%	1.47	1.30
Total departmental revenue		122,414,773	100.0%	\$ 284.68	\$ 256.02	123,719,948	100.0%	\$ 291.62	\$ 258.75	124,585,545	100.0%	\$ 294.20	\$ 259.85
Departmental expenses:													
Rooms Expense:		25,740,054	28.5%	\$ 59.86	\$ 53.83	26,314,488	29.2%	\$ 62.03	\$ 55.03	26,741,815	29.3%	\$ 63.15	\$ 55.77
Food & Beverage Expense:		12,861,437	120.5%	29.91	26.90	14,190,663	122.6%	33.45	29.68	14,354,223	132.4%	33.90	29.94
Telephone Expense:		713,243	1751.4%	1.66	1.49	726,962	4205.0%	1.71	1.52	(103)	-0.4%	(0.00)	(0.00)
Parking Expense:		655,429	15.7%	1.52	1.37	779,630	16.6%	1.84	1.63	869,288	18.0%	2.05	1.81
Total departmental expenses		39,970,163	32.7%	\$ 92.95	\$ 83.59	42,011,743	34.0%	\$ 99.02	\$ 87.86	41,965,223	33.7%	\$ 99.10	\$ 87.53
GROSS OPERATING PROFIT		82,444,610	67.3%	\$ 191.73	\$ 172.42	81,708,205	66.0%	\$ 192.59	\$ 170.88	82,620,322	66.3%	\$ 195.10	\$ 172.32
General & unapplied expenses:													
Administrative & General Expense:		7,629,383	6.2%	17.74	15.96	7,985,284	6.5%	18.82	16.70	9,265,083	7.4%	21.88	19.32
Sales & Marketing Expense:		6,568,700	5.4%	15.28	13.74	7,082,996	5.7%	16.70	14.81	7,314,655	5.9%	17.27	15.26
Utilities Expense:		5,526,630	4.5%	12.85	11.56	4,528,325	3.7%	10.67	9.47	4,167,029	3.3%	9.84	8.69
Repairs & Maintenance Expense:		3,852,197	3.1%	\$ 8.96	\$ 8.06	3,734,432	3.0%	\$ 8.80	\$ 7.81	3,852,043	3.1%	\$ 9.10	\$ 8.03
Total general & unapplied expenses		23,576,910	19.3%	\$ 54.83	\$ 49.31	23,331,037	18.9%	\$ 54.99	\$ 48.79	24,598,810	19.7%	\$ 58.09	\$ 51.31
HOUSE PROFIT		58,867,700	48.1%	\$ 136.90	\$ 123.12	58,377,168	47.2%	\$ 137.60	\$ 122.09	58,021,512	46.6%	\$ 137.01	\$ 121.01
Other operating costs:													
Insurance:		1,649,137	1.3%	3.84	3.45	1,621,369	1.3%	3.82	3.39	1,575,336	1.3%	3.72	3.29
Property Taxes:		3,725,818	3.0%	8.66	7.79	4,188,507	3.4%	9.87	8.76	4,469,093	3.6%	10.55	9.32
Management Fees:		3,630,893	3.0%	8.44	7.59	3,664,863	3.0%	8.64	7.66	3,685,374	3.0%	8.70	7.69
Incentive Management Fees:		1,493,362	1.2%	3.47	3.12	1,307,814	1.1%	3.08	2.74	1,237,339	1.0%	2.92	2.58
Other Expense:		171,088	0.1%	0.40	0.36	172,688	0.1%	0.41	0.36	173,655	0.1%	0.41	0.36
Ground Rent:		9,593,441	7.8%	\$ 22.31	\$ 20.06	9,585,031	7.7%	\$ 22.59	\$ 20.05	9,621,519	7.7%	\$ 22.72	\$ 20.07
Total other operating costs		20,263,740	16.6%	\$ 47.12	\$ 42.38	20,540,272	16.6%	\$ 48.41	\$ 42.96	20,762,316	16.7%	\$ 49.03	\$ 43.30
NET OPERATING INCOME		38,603,961	31.5%	\$ 89.78	\$ 80.74	37,836,896	30.6%	\$ 89.18	\$ 79.13	37,259,196	29.9%	\$ 87.98	\$ 77.71
FF&E Reserve:	A	4,896,591	4.0%	11.39	10.24	4,948,798	4.0%	11.66	10.35	4,983,422	4.0%	11.77	10.39
NET CASH FLOW		33,707,370	27.5%	\$ 78.39	\$ 70.50	32,888,098	26.6%	\$ 77.52	\$ 68.78	32,275,774	25.9%	\$ 76.22	\$ 67.32

Historical financials exclude interest income, currency foreign exchange income, owners expense, prior year adjustments, and other deductions to net house profit.

Financials and Underwriting

Historical and Underwritten Cash Flows

Rooms	1,310	1,310	1,310
Rooms Available	478,150	478,150	478,150
Rooms Occupied	416,592	426,363	426,363
Occupancy Rate	87.1%	89.2%	89.2%
Avg. Daily Rate	\$212.37	\$212.61	\$212.61
RevPAR	\$185.03	\$189.58	\$189.58

	December 31, 2017				TTM October 2018				As-Is Underwriting				
	No.	Amount	% Rev	POR	PAR	Amount	% Rev	POR	PAR	Amount	% Rev	POR	Notes
Departmental revenue:													
Rooms Revenue:		88,473,498	71.4%	\$ 212.37	\$ 185.03	90,647,703	70.6%	\$ 212.61	\$ 189.58	90,647,703	70.5%	\$ 212.61	\$ 189.58
Food & Beverage Revenue:		11,343,142	9.2%	\$ 27.23	\$ 23.72	12,447,513	9.7%	\$ 29.19	\$ 26.03	12,447,513	9.7%	\$ 29.19	\$ 26.03
Telephone Revenue:		37,918	0.0%	0.09	0.08	55,497	0.0%	0.13	0.12	55,497	0.0%	0.13	0.12
Parking Revenue:		4,906,107	4.0%	11.78	10.26	5,387,798	4.2%	12.64	11.27	5,387,798	4.2%	12.64	11.27
Retail/Commercial Revenue:		8,766,972	7.1%	\$ 21.04	\$ 18.34	8,507,005	6.6%	\$ 19.95	\$ 17.79	8,507,005	6.6%	\$ 19.95	\$ 17.79
Resort Fee Revenue:		9,655,579	7.8%	\$ 23.18	\$ 20.19	10,968,002	8.5%	\$ 25.72	\$ 22.94	11,177,645	8.7%	\$ 26.22	\$ 23.38
Rent & Other Revenue:		768,515	0.6%	1.84	1.61	365,281	0.3%	0.86	0.76	365,281	0.3%	0.86	0.76
Total departmental revenue		123,951,731	100.0%	\$ 297.54	\$ 259.23	128,378,799	100.0%	\$ 301.10	\$ 268.49	128,588,442	100.0%	\$ 301.59	\$ 268.93
Departmental expenses:													
Rooms Expense:		26,280,267	29.7%	\$ 63.08	\$ 54.96	27,714,173	30.6%	\$ 65.00	\$ 57.96	27,714,173	30.6%	\$ 65.00	\$ 57.96
Food & Beverage Expense:		14,896,666	131.3%	\$ 35.76	\$ 31.15	15,209,700	122.2%	\$ 35.67	\$ 31.81	15,209,700	122.2%	\$ 35.67	\$ 31.81
Telephone Expense:		-	0.0%	-	-	-	0.0%	-	-	-	0.0%	-	-
Parking Expense:		881,889	18.0%	2.12	1.84	942,360	17.5%	2.21	1.97	942,360	17.5%	2.21	1.97
Total departmental expenses		42,058,822	33.9%	\$ 100.96	\$ 87.96	43,866,233	34.2%	\$ 102.88	\$ 91.74	43,866,233	34.1%	\$ 102.88	\$ 91.74
GROSS OPERATING PROFIT		81,892,909	66.1%	\$ 196.58	\$ 171.27	84,512,566	65.8%	\$ 198.22	\$ 176.75	84,722,209	65.9%	\$ 198.71	\$ 177.19
General & unapplied expenses:													
Administrative & General Expense:		9,088,483	7.3%	21.82	19.01	9,428,417	7.3%	22.11	19.72	9,428,417	7.3%	22.11	19.72
Sales & Marketing Expense:		7,494,273	6.0%	\$ 17.99	\$ 15.67	7,475,126	5.8%	\$ 17.53	\$ 15.63	7,475,126	5.8%	\$ 17.53	\$ 15.63
Utilities Expense:		4,440,333	3.6%	\$ 10.66	\$ 9.29	4,779,926	3.7%	\$ 11.21	\$ 10.00	4,779,926	3.7%	\$ 11.21	\$ 10.00
Repairs & Maintenance Expense:		3,935,643	3.2%	\$ 9.45	\$ 8.23	4,055,645	3.2%	\$ 9.51	\$ 8.48	4,055,645	3.2%	\$ 9.51	\$ 8.48
Total general & unapplied expenses		24,958,732	20.1%	\$ 59.91	\$ 52.20	25,739,114	20.0%	\$ 60.37	\$ 53.83	25,739,114	20.0%	\$ 60.37	\$ 53.83
HOUSE PROFIT		56,934,177	45.9%	\$ 136.67	\$ 119.07	58,773,452	45.8%	\$ 137.85	\$ 122.92	58,983,095	45.9%	\$ 138.34	\$ 123.36
Other operating costs:													
Insurance:		1,380,614	1.1%	3.31	2.89	1,466,464	1.1%	3.44	3.07	2,189,806	1.7%	5.14	4.58
Property Taxes:		4,721,937	3.8%	11.33	9.88	5,662,306	4.4%	13.28	11.84	5,909,702	4.6%	13.86	12.36
Management Fees:		3,653,858	2.9%	8.77	7.64	3,789,350	3.0%	8.89	7.93	3,795,639	3.0%	8.90	7.94
Incentive Management Fees:		1,167,878	0.9%	2.80	2.44	1,226,225	1.0%	2.88	2.56	1,788,92	0.1%	0.42	0.37
Other Expense:		172,170	0.1%	0.41	0.36	178,555	0.1%	0.42	0.37	178,555	0.1%	0.42	0.37
Ground Rent:		9,548,669	7.7%	\$ 22.92	\$ 19.97	9,644,671	7.5%	\$ 22.62	\$ 20.17	9,644,671	7.5%	\$ 22.62	\$ 20.17
Total other operating costs		20,645,126	16.7%	\$ 49.56	\$ 43.18	21,967,571	17.1%	\$ 51.52	\$ 45.94	21,897,265	17.0%	\$ 51.36	\$ 45.80
NET OPERATING INCOME		36,289,051	29.3%	\$ 87.11	\$ 75.89	36,805,881	28.7%	\$ 86.33	\$ 76.98	37,085,830	28.8%	\$ 86.98	\$ 77.56
FF&E Reserve:	A	4,958,069	4.0%	11.90	10.37	5,135,152	4.0%	12.04	10.74	5,143,538	4.0%	12.06	10.76
NET CASH FLOW		31,330,982	25.3%	\$ 75.21	\$ 65.53	31,670,729	24.7%	\$ 74.28	\$ 66.24	31,942,292	24.8%	\$ 74.92	\$ 66.80

Historical financials exclude interest income, currency foreign exchange income, owners expense, prior year adjustments, and other deductions to net house profit.

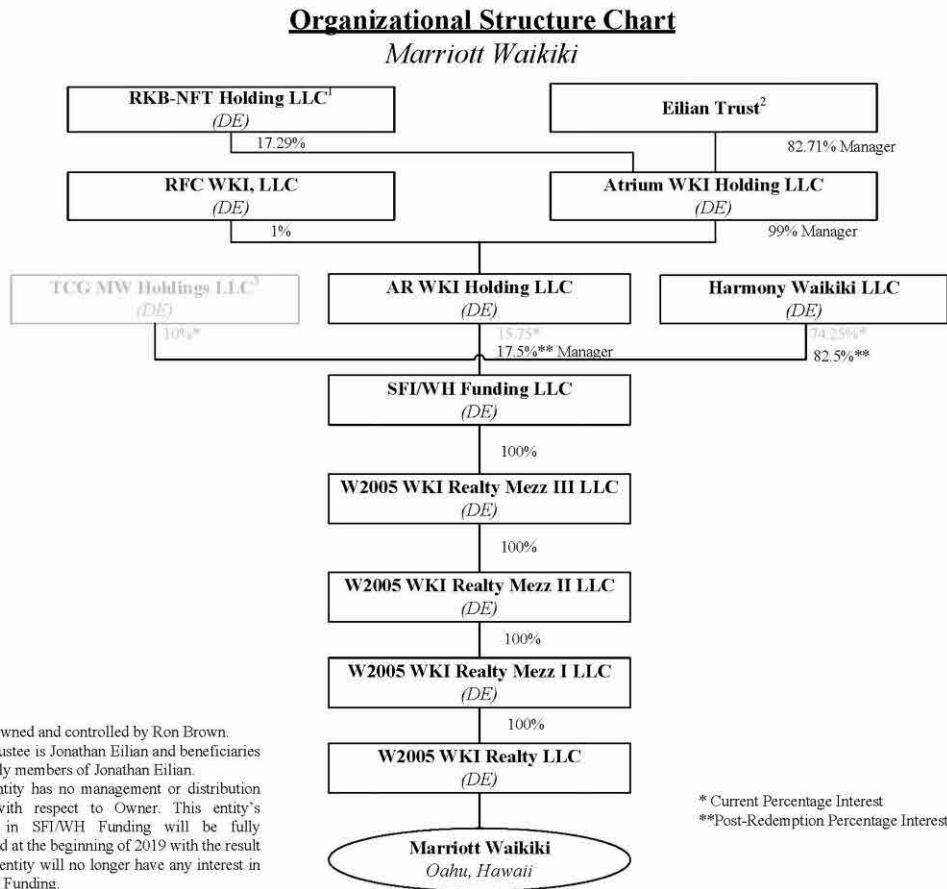
Financials and Underwriting

As-is Underwriting Notes

- (A) FF&E has been adjusted in the historical periods to reflect the FF&E requirement pursuant to the Fourth Amendment to the Management Agreement.
- 1) **Rooms Revenue:** Based on the trailing 12-month period ending October 31, 2018 Occupancy and ADR.
 - 2) **F&B Revenue:** Based on the trailing 12-month period ending October 31, 2018.
 - 3) **Telephone Revenue:** Based on the trailing 12-month period ending October 31, 2018.
 - 4) **Parking Revenue:** Based on the trailing 12-month period ending October 31, 2018.
 - 5) **Retail/Commercial:** Based on the trailing 12-month period ending October 31, 2018.
 - 6) **Resort Fee Revenue:** The Borrower increased the Resort Fee from \$35 to \$37 during the trailing period. UW amount reflects occupied rooms multiplied by the current Resort Fee multiplied by the historical Resort Fee capture.
 - 7) **Rent & Other Revenue:** Based on the trailing 12-month period ending October 31, 2018.
 - 8) **Rooms Expenses:** Based on the trailing 12-month period ending October 31, 2018 ratio.
 - 9) **F&B Expenses:** Based on the trailing 12-month period ending October 31, 2018 ratio.
 - 10) **Parking Expense:** Based on the trailing 12-month period ending October 31, 2018 ratio.
 - 11) **Administrative & General:** Based on the trailing 12-month period ending October 31, 2018 expenses.
 - 12) **Sales & Marketing:** Based on the trailing 12-month period ending October 31, 2018 expenses.
 - 13) **Utilities Expense:** Based on the trailing 12-month period ending October 31, 2018 expenses.
 - 14) **Repairs & Maintenance Expense:** Based on the trailing 12-month period ending October 31, 2018 expenses.
 - 15) **Insurance:** Based on the anticipated insurance premium.
 - 16) **Property Taxes:** Based on the forecasted 2018 taxes.
 - 17) **Management Fee:** Calculated pursuant to the Management Agreement as described on page G32.
 - 18) **Incentive Management Fee:** Average Incentive Management Fee anticipated to be incurred over the seven year loan term based on the As Is UW and the Fourth Amendment to the Management Agreement.
 - 19) **Other Expense:** Based on the trailing 12-month period ending October 31, 2018 expenses.
 - 20) **Ground Rent:** Based on the trailing 12-month period ending October 31, 2018. A portion of the ground lease is variable based on a breakout of revenue components. See pages G21-G24 for detail.
 - 21) **FF&E Reserves:** 4% of Gross Revenues as required by the Fourth Amendment to the Management Agreement.

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ORGANIZATIONAL STRUCTURE OF THE BORROWER



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FORM OF OPERATING ADVISOR ANNUAL REPORT¹

Report Date: This report will be delivered annually no later than 120 days after the end of calendar year, pursuant to the terms and conditions of the Trust and Servicing Agreement, dated as of February 20, 2019 (the “Trust and Servicing Agreement”), among Wells Fargo Bank, National Association, as servicer, as servicer, CWCapital Asset Management LLC, as special servicer, Wells Fargo Bank, National Association, as servicer, as certificate administrator, as custodian, Wilmington Trust, National Association, as trustee, and Park Bridge Lender Services LLC, as operating advisor.

Transaction: Waikiki Beach Hotel Trust 2019-WBM, Commercial Mortgage Pass Through Certificates, Series 2019-WBM

Operating Advisor: Park Bridge Lender Services LLC

Special Servicer: CWCapital Asset Management LLC

I. Executive Summary

Based on the requirements and qualifications set forth in the Trust and Servicing Agreement, as well as the items listed below, the Operating Advisor (in accordance with the Operating Advisor’s analysis requirements outlined in the Trust and Servicing Agreement) has undertaken a limited review of the Special Servicer’s actions under the Trust and Servicing Agreement. Based solely on such limited review of the items listed below, and subject to the assumptions, limitations and qualifications set forth herein, the Operating Advisor believes, in its sole discretion exercised in good faith, that the Special Servicer [is/is not] operating in compliance with Accepted Servicing Practices with respect to its performance of its duties under the Trust and Servicing Agreement during the prior calendar year. [The Operating Advisor believes, in its sole discretion exercised in good faith, that the Special Servicer has failed to comply with Accepted Servicing Practices, as a result of the following material deviations.]

- [LIST OF ANY MATERIAL DEVIATION ITEMS]

In addition, the Operating Advisor notes the following: [PROVIDE SUMMARY OF ANY ADDITIONAL MATERIAL INFORMATION].

[ADD RECOMMENDATION OF REPLACEMENT OF SPECIAL SERVICER, IF APPLICABLE]

II. List of Items that Were Considered in Compiling this Report

In rendering our assessment herein, we examined and relied upon the accuracy and completeness of the items listed below:

1. Major Decision Reporting Package.
2. Written recommendations and analyses related to Major Decisions.
3. Reports by the Special Servicer made available to Privileged Persons that are posted on the Certificate Administrator’s Website and each Asset Status Report and Final Asset Status Report.
4. The Special Servicer’s assessment of compliance report, attestation report by a third party regarding the Special Servicer’s compliance with its obligations and net present value calculations and Appraisal Reduction Amount calculations.
5. [LIST OTHER REVIEWED INFORMATION]
6. [INSERT IF AN OPERATING ADVISOR CONSULTATION PERIOD IS IN EFFECT: Consulted with the Special Servicer as provided under the Trust and Servicing Agreement in respect to the Asset Status Reports for the Mortgage Loan when a Special Servicing Loan Event has occurred and with respect to Major Decisions.]

¹ This report is an indicative report and does not reflect the final form of annual report to be used in any particular year. The Operating Advisor will have the ability to modify or alter the organization and content of any particular report, subject to the compliance with the terms of the Trust and Servicing Agreement, including, without limitation, provisions relating to Privileged Information.

NOTE: The Operating Advisor's review of the above materials should be considered a limited review and not be considered a full or limited audit. For instance, we did not review each page of the Special Servicer's policy and procedures manual (including amendments and appendices), review underlying lease agreements, re-engineer the quantitative aspects of their net present value calculator, visit any related property, visit the Special Servicer, visit the Directing Certificateholder or interact with any borrower. In addition, our review of the net present value calculations and Appraisal Reduction calculations is limited to the mathematical accuracy of the calculations and the corresponding application of the non-discretionary portions of the applicable formulas, and as such, does not take into account the reasonableness of the discretionary portions of such formulas.

III. Qualifications and Disclaimers Related to the Work Product Undertaken and Opinions Related to this Report

As provided in the Trust and Servicing Agreement, the Operating Advisor is not required to report on instances of non-compliance with, or deviations from, Accepted Servicing Practices or the Special Servicer's obligations under the Trust and Servicing Agreement that the Operating Advisor determines, in its sole discretion exercised in good faith, to be immaterial.

1. In rendering our assessment herein, we have assumed that all executed factual statements, instruments, and other documents that we have relied upon in rendering this assessment have been executed by persons with legal capacity to execute such documents.
2. Other than the receipt of the Major Decision Reporting Package, the Operating Advisor did not participate in, or have access to, the Special Servicer's and Directing Certificateholder's discussion(s) regarding the Mortgage Loan when a Special Servicing Loan Event has occurred. The Operating Advisor does not have authority to speak with the Directing Certificateholder or borrower directly. As such, the Operating Advisor relied solely upon the information delivered to it by the Special Servicer as well as its interaction with the Special Servicer, if any, in gathering the relevant information to generate this report. The services that we perform are not designed and cannot be relied upon to detect fraud or illegal acts should any exist.
3. The Special Servicer has the legal authority and responsibility to service the Mortgage Loan when a Special Servicing Loan Event has occurred pursuant to the Trust and Servicing Agreement. The Operating Advisor has no responsibility or authority to alter the standards set forth therein or the actions of the Special Servicer.
4. Confidentiality and other contractual limitations limit the Operating Advisor's ability to outline the details or substance of any communication held between it and the Special Servicer regarding the Mortgage Loan when a Special Servicing Loan Event has occurred and certain information it reviewed in connection with its duties under the Trust and Servicing Agreement. As a result, this report may not reflect all the relevant information that the Operating Advisor is given access to by the Special Servicer.
5. The Operating Advisor is not empowered to speak with any investors directly. If the investors have questions regarding this report, they should address such questions to the Trustee through the Certificate Administrator's Website.

Terms used but not defined herein have the meaning set forth in the Trust and Servicing Agreement.

No dealer, salesman or other person is authorized to give any information or to represent anything not contained in this Offering Circular. You must not rely on any unauthorized information or representations. This Offering Circular is an offer to sell only the securities offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this Offering Circular is current only as of its date.

Offering Circular

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\$336,500,000

(Approximate Certificates)

Waikiki Beach Hotel Trust 2019-WBM

Issuing Entity

Wells Fargo Commercial Mortgage Securities, Inc.

Depositor

Commercial Mortgage Pass- Through Certificates Series 2019-WBM

Class A	\$ 112,200,000
Class B	\$ 36,800,000
Class C	\$ 27,300,000
Class D	\$ 36,100,000
Class E	\$ 56,900,000
Class F	\$ 50,375,000
Class HRR	\$ 16,825,000

OFFERING CIRCULAR

Wells Fargo Securities

Co-Lead Manager and Joint Bookrunner

J.P. Morgan

Co-Lead Manager and Joint Bookrunner

Goldman Sachs & Co. LLC

Co-Lead Manager and Joint Bookrunner

February 4, 2019