Rating Report
Calvert Impact Climate, Inc. Series 2025-1

Morningstar DBRS
February 4, 2025

Contents

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Rating Summary

Class	Amount ($)	Coupon (%)	Rating	Rating Action
A	44,296,000	6.300	AAA (sf)	Provisional Rating – Finalized
B	452,000	6.550	AA (sf)	Provisional Rating – Finalized
C	452,000	6.850	BBB (sf)	Provisional Rating – Finalized
Total	45,200,000			

* See Appendix C for Scope and Meaning of Financial Obligations.

Executive Summary

DBRS, Inc. (Morningstar DBRS) finalized its provisional credit ratings on the Calvert Impact Climate, Inc. Series 2025-1 transaction (the Issuer or the Transaction) as listed above. The ratings are to the timely payment of interest and ultimate payment of principal by the legal final maturity date. The Transaction represents the third series of securitizations issued by Calvert Impact Climate, Inc. The Class A, Class B, and Class C Notes (together, the Notes) are expected to be aligned with the Green Bond Principles published by the International Capital Market Association. The Transaction collateral consists of $100.7 million of commercial property assessed clean energy assets (the PACE Assets).

The Transaction is structured under an indenture that provides for the issuance of three classes of notes as part of the Series 2025-1 issuance. The indenture can be modified to provide for the issuance of subsequent series of the Notes pursuant to a Notes Issuance Supplement. Each note will rank pari passu with each other note of the same class. Additionally, the classes of notes issued by each series are secured by the aggregate portfolio of the PACE Assets.

The transaction has a pro rata pay structure with payment obligations to the timely payment of interest and ultimate payment of principal. The payment structure transitions to a sequential-pay structure when either a Loss Trigger Event or an Event of Default (EOD) has occurred and is continuing.

Initial credit enhancement for the Notes consists of overcollateralization (OC), a Liquidity Reserve Account, and excess cash flow. Initial OC for the Notes is set to a fixed dollar amount equal to the difference between the aggregate principal amount of the PACE Assets and the aggregate principal amount of the Notes on the Closing Date of each series of issuance, subject to a floor of 3% of the aggregate principal amount of the PACE Assets. The OC at the close of this series will be 7.35%.

The Liquidity Reserve Account is funded at closing and is replenished on each Distribution Date at no less than 0.35% of the aggregate principal balance of all outstanding Notes. Funds held in this account can be used to cover fees and expenses and interest shortfalls for the Notes after remittance amounts are exhausted.

The Issuer anticipates interest paid on the PACE Assets will exceed the interest earned on the Notes for each collection period, net of fees and expenses paid by the Issuer on each Distribution Date, resulting in excess cash flow. Any excess cash flow will be used to maintain the Liquidity Reserve Account at its floor balance.

Transaction Parties and Relevant Dates

Issuer:	Calvert Impact Climate, Inc.
Sponsor, Master Servicer, and Master Portfolio Administrator:	Calvert Impact, Inc.
Originators:	PACE Equity LLC
Sellers:	PACE Equity Warehouse C, LLC
Indenture Trustee:	U.S. Bank Trust Company, National Association (rated AA (high) with a Stable trend)
Custodian:	U.S. Bank National Association (rated AA (high) with a Stable trend)
Closing Date:	February 4, 2025
Semiannual Distribution Dates:	15th of June and December
First Semiannual Distribution Date:	June 15, 2025
Legal Final Maturity:	December 15, 2053

Rating Rationale

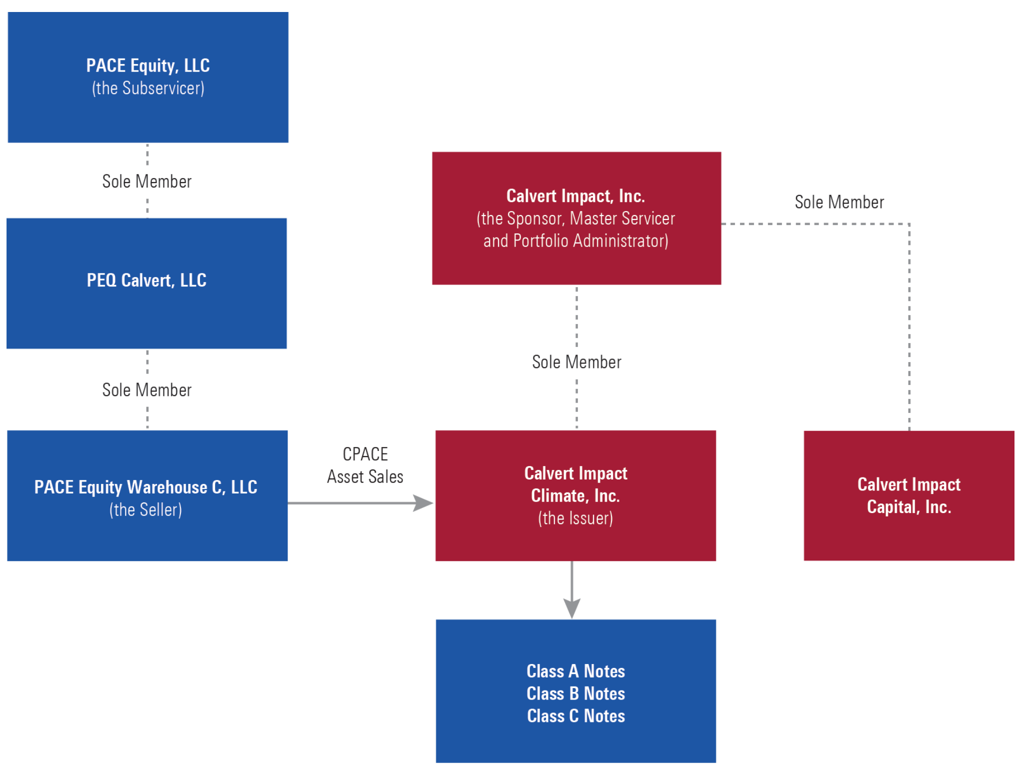
The credit ratings are based on Morningstar DBRS' review of the following analytical considerations:

- Transaction capital structure, proposed credit ratings, and form and sufficiency of available credit enhancement.
- Credit enhancement in the form of OC, liquidity reserve, and excess spread.
- Credit enhancement levels sufficient to support the Morningstar DBRS-expected delinquency and loss severity assumptions under various stress scenarios.
- The value of the commercial properties that secure the underlying assessments relative to the outstanding balance of the assessments and the priority of each assessment being senior to a first-lien mortgage.
- Review of specific properties (e.g., properties securing larger assessments and/or nonstandard property types) and review of the construction status of existing properties.
- The ability of the Transaction to withstand stressed cash flow assumptions and repay investors according to the terms of the transaction documents. For this transaction, the rating addresses the timely payment of interest and the payment of principal by the Legal Final Maturity.
- Morningstar DBRS performed an operational review of Calvert Impact, Inc. and considers it to be an acceptable Master Servicer for PACE transactions, which typically do not include the collection of cash and investor level reporting.
- Morningstar DBRS performed an operational review of PACE Equity LLC (PACE Equity) and considers it to be an acceptable originator and servicer of PACE assessments.

- The legal structure and presence of legal opinions that address that the Issuer has a valid first-priority security interest and consistency with Morningstar DBRS' *Legal Criteria for U.S. Structured Finance* methodology.
- Review of legal considerations specific to PACE.
- Performance of servicing, primarily by local county tax collection offices.
- The transaction assumptions consider Morningstar DBRS' baseline macroeconomic scenarios for rated sovereign economies, available in its commentary *Baseline Macroeconomic Scenarios for Rated Sovereigns: December 2024 Update*, published on December 19, 2024. These baseline macroeconomic scenarios replace Morningstar DBRS' moderate and adverse COVID-19 pandemic scenarios, which were first published in April 2020.

Transaction Structure

The following diagram summarizes the transaction structure:



Company Descriptions

Master Servicing

Calvert Impact, Inc.

Calvert Impact, Inc. (the Company) acts as the Sponsor, Master Servicer, and Master Portfolio Administrator for this transaction. The Company is headquartered in Bethesda, Maryland, and was formed for charitable and educational purposes. The Company's focus is conducting research and education about the field of impact investing, including how impact investments may be used to address critical social issues, such as helping disadvantaged populations and mitigating the effects of climate change. The Company is the sole member of Calvert Impact Capital, Inc. (CIC) and the parent of other corporate entities that, in general, are associated with discrete investment strategies and securities offerings. The Calvert Impact Group consists of the Company and its subsidiaries. The Calvert Impact Group uses capital to create a more equitable and sustainable world.

The Company was formed in 2021 and was subsequently made the sole member of CIC and the parent company of the other entities in the Calvert Impact Group. In addition to arranging the Cut Carbon Note, the Company is developing investment products and strategies related to expanding access to finance for small businesses, investing growth capital in mission-driven and minority-owned banking institutions, and mitigating climate change.

The Calvert Impact Group and PACE Equity have worked together for nearly four years. Since August 7, 2020, CIC has financed over $576 million in C-PACE assets originated by PACE Equity, including the nearly $100 million in C-PACE assets that constitute the collateral for the Transaction. The Cut Carbon Note was established in 2023 to finance Cirrus Low Carbon assets originated by PACE Equity, though the Cut Carbon portfolio will include conventional C-PACE assets as well. Of the approximately $100 million in C-PACE asset collateral for the Transaction, 12 C-PACE assets totaling $73.9 million were Cirrus Low Carbon assets.

Calvert Impact, Inc acts as the Master Servicer and Master Portfolio Administrator for this transaction. The Master Servicer is permitted to delegate, and will delegate, certain servicing duties. The Master Portfolio Administrator is permitted to delegate, and will delegate, certain portfolio administration duties to one or more subportfolio administrators. PACE Equity will act as subservicer and subportfolio administrator for this transaction. PACE Equity has contracts with Willdan Financial for part of the portfolio servicing duties as outlined below.

Led by an experienced and stable leadership team, the Calvert Impact Group of companies employs 41 full-time employees and has hired several new team members over the last year to continue to build out operational capacity for the Cut Carbon program. Management reports no change to the 10-member leadership team in the last eight years. The Calvert Impact Group uses third-party service providers for IT management, certain aspects of human resources and benefits administration, and outside legal counsel for specific legal issues including securities regulatory compliance.

Calvert Impact Group maintains a very basic control structure and does not have an internal audit function. However, management has indicated that the Calvert Impact Group and its subsidiaries have undergone significant operational due diligence from many of its investors over time—including large banks and other institutional investors—to ensure that systems, processes, policies, and practices are sufficient to manage private capital. The Calvert Impact Group has a general counsel and two associate general counsels who oversee all legal matters for the organization. The Calvert Impact Group works with multiple outside law firms to help ensure legal and regulatory compliance. The Company reports no material litigation or regulatory investigations.

Several quality control and audit procedures are undertaken by Calvert Impact Group with respect to the assets underlying the Cut Carbon notes. At the origination stage, CIC's loan administration team reviews the C-PACE asset materials to ensure compliance with the applicable eligibility criteria and completes a standardized eligibility analysis. Ahead of each issuance, the Company also reviews and summarizes the municipal diligence charts prepared by PACE Equity for each C-PACE asset it originated. Finally, as part of the initial credit rating process, Johnson Lambert LLP, the Company's auditor, performs an independent review of certain characteristics of the assets in the C-PACE asset pool, including, without limitation, examining the underlying legal documents for each asset to confirm certain key terms.

Asset-level monitoring is performed on PACE Equity's RAMP system. Calvert Impact Group also receives ongoing reporting from US Bank and monitors the timely receipt of all C-PACE payments. The Issuer is in the process of implementing Salesforce product to further support loading funding schedules and closing documents to dual-track asset-level payment and performance. Additionally, weekly calls are conducted with PACE Equity. As a vendor, PACE Equity undergoes regular vendor reviews from the Calvert Impact Group that include, among other things, financial, operational and risk reviews. All investor reporting will primarily be performed by U.S. Bank Trust Company National Association as Indenture Trustee based upon materials prepared by the Company in its capacity as Master Servicer and Master Portfolio Administrator. In addition, the issuer plans to make certain reports generally available on its website.

The Calvert Impact Group's website is available 24/7 and is protected by a valid third-party SSL certificate. Information about the Calvert Impact Group and its products and services, as well as the impact of those products and services, is available on the website. Generally, the Calvert Impact Group receives a third-party penetration test every two years and continues to enhance its cybersecurity environment.

Over the past year, the Calvert Impact Group has retired all on-premises servers and data to the cloud. As production systems are in Microsoft Azure, resources are available even if the physical building is offline. Full daily backups are scheduled to run geo-redundant storage in the Microsoft Azure cloud. Cloud servers are backed up daily and test file restorations are completed as part of the monthly maintenance routine. Test results are documented in the monthly maintenance report. Retention for Microsoft Azure server backups is 30 days. No formal disaster recovery test has been performed;

however, a tabletop exercise of incident handling and response was conducted in June 2022, resulting in recommendations to develop and implement an incident response policy.

PACE Equity

Subservicer and Sub-Portfolio Administrator

PACE Equity is a Wisconsin limited liability company formed in October 2013 by founder and current Chief Executive Officer and President Edward A. Engman. Headquartered in Milwaukee, the company is a project developer providing project management, energy engineering consulting, and financing services to commercial building owners and developers located throughout the U.S. utilizing property assessed clean energy (PACE) programs.

Since PACE Equity has originated and funded more than $784 million of C-PACE transactions across more than 169 projects. Asset types in the portfolio include multifamily apartments, mixed use, office, industrial, senior living, and hospitality, including new construction and building redevelopment for C-PACE assets. PACE Equity hires local Market Leaders who build direct relationships with property owners and developers to provide turnkey development and C-PACE financing in 31 states. The company also has completed its first transactions in Virginia and Tennessee.

As of January 2025, outstanding assessments previously originated by PACE Equity had an average balance of $5.4 million, average loan-to-value ratios (LTVs) of 17.9%, and terms ranging between 18 to 30 years. In Q1 2022 PACE Equity launched a low carbon product with Calvert branded as Cirrus Low Carbon. This initiative creates significant financing rate reductions and other financial incentives to drive property owners to develop more energy-efficient and sustainable buildings.

PACE Equity has an experienced management team with more than 200 years of combined senior-level experience in financing, operations, and marketing from small entrepreneurial businesses to Fortune 500 companies. Recent management changes include a new interim chief financial officer and three vice-president positions in operations and sales. Though still relatively small, the company has increased its staff from 13 employees to 29 staff and 21 Market Leaders who are PACE Equity's field team in leading CPACE markets across the U.S. The Market Leaders originate transactions and are independent contractors for PACE Equity. Two consultants to the company were recently brought on as full-time staff to focus on Market Leader recruitment and brand marketing for PACE Equity's new Cirrus Low Carbon Program as well as on overall PACE Equity marketing strategies. Additions to staff included resources hired from Johnson Controls to manage energy engineering in house.

Additionally, PACE Equity has a vice president and four underwriters with an average of five years industry experience who conduct data collection, analyze data, and write investment summaries. While the management team maintains adequate experience and tenure with the company, there is a key personnel risk issue in that the company is quite small and its Investment Committee, which comprises the president, chief investment officer, and executive vice president of Originations, is responsible for all approval and pricing authority. Additionally, servicing is supported by Willdan Financial Services, a subsidiary of the Willdan Group, as both subservicer and backup servicer.

Controls

PACE Equity maintains a basic risk management and regulatory framework in support of its business. A municipal due diligence report is prepared by PACE Equity outside legal counsel and reviewed by company officers for each state/C-PACE market program where the company originates and closes financing transactions. This process includes a review of the relevant PACE statutes, lien priority and enforceability, documentation and underwriting requirements, foreclosure, billing and remittance processes, and identification of any risk elements. PACE Equity template documents are reviewed by legal counsel in each market to ensure that the requirements of each market are met, including financing and usury laws.

PACE Equity has a formal investment committee screening and approval process. All transactions are qualified to underwriting guidelines using a Qualification Matrix. As a part of the qualification process, background checks are conducted on project sponsors. Final origination approval must be by majority vote of the investment committee. Additionally, outside counsel is retained for each project to opine that the transaction meets PACE program and statutory requirements.

Each transaction is monitored for adherence to processes and underwriting guidelines through a detailed project profile prepared by the transaction manager for an initial pass/fail qualification prior to the project moving on to a more detailed underwriting and investment committee review. PACE Equity conducts a weekly operations meeting with officers and staff, as well as a daily huddle meeting, to manage transaction data, underwriting reviews, term sheet commitments, and the closing process to drive organizational alignment around delivery and execution and provide servicing updates and project progress discussions. The company also conducts weekly reviews and communications with the market leaders in the field.

Management reports that the company is not party to any material litigation nor is the subject of any regulatory or state investigations.

Originations and Underwriting

Originations are focused on both new construction and major building retrofit. PACE Equity provides funding capital, energy engineering, and project governance to building owners and developers. PACE Equity hires local market leaders who build direct relationships with property owners and developers to provide turnkey development and C-PACE financing in more than 34 states, with a large concentration in Ohio and Wisconsin. Funding is provided for multifamily, mixed use, offices industrial, healthcare, senior living, and hospitality properties. The current portfolio is heavily weighted toward multifamily and office properties. PACE Equity will not lend to properties related to adult entertainment, churches, public schools, amusement parks, cannabis-related businesses, mines, or cemeteries.

The company performs ownership/sponsorship reviews to confirm that the organization is good standing. A background check is performed on key individuals and principals of the organization or sponsor. For development and new construction projects, PACE Equity evaluates the experience and track record of the developer and team supporting the project.

In the case of major redevelopment or new construction, a completion guarantee is required from either the sponsor or a third party. A review is also conducted on the general contractor to ascertain experience with successful construction projects of similar asset types. PACE Equity determines the scope of PACE work and eligible funding amount after a review of the construction budget, plans, drawings, and specifications. A PACE Construction Disbursement Agreement is executed that requires PACE project funds to be held in a segregated bank depository account established and controlled by PACE Equity for each project. All project disbursement releases must be approved by PACE Equity after receipt of an acceptable draw package of required support documents that includes an independent third-party construction progress inspection report, and the final disbursement requires a Completion Certificate.

PACE Equity maintains a template-driven underwriting process to identify and analyze key components of a project. General underwriting criteria include a 100% signed lender consent prior to closing. A project impact analysis is prepared for each transaction, highlighting energy savings and savings-to-investment ratio, if applicable.

PACE Equity current underwriting requires a Phase 1 Environmental Site Assessment (ESA) within 24 months of closing on all projects above $1 million. In the event that any RECs are identified, an approved plan to obtain closure shall be in place and the cost for such remediation shall be included in the final construction budget for the project. A CREC is acceptable, if the CREC status does not affect property value. PACE Equity requires a Phase 1 ESA within 24 months of closing on any large balance project greater than $15 million. PACE Equity requires a satisfactory Environmental Data Base Review (EDR) on a transaction less than $1 million.

At closing, insurance coverage for the property is required, including general liability, builder’s risk, property casualty, and, if applicable, flood. For any multitenant properties, the leases and rent rolls are collected and reviewed. For any owner-occupied properties and/or tenants occupying more than 50% of the building, financials are required and evaluated for their ability to meet debt service coverage ratio (DSCR) obligations. Minimum DSCRs are 1.30 times (x) on hotels, 1.0x on nonprofit, and 1.10x on all other asset classes. PACE Equity requires PACE LTVs of 30% or lower, but LTVs of up to 35% may be approved so long as the concentration limit does not exceed 10% of the portfolio.

PACE Equity’s underwriting requires a FIRREA-compliant appraisal completed within 12 months of the PACE closing on any new construction and major redevelopment projects. PACE Equity's underwriting requires a FIRREA-compliant appraisal completed within 18 months of the PACE closing for a standard balance of $1 million to $40 million. Appraisals shall contain an evaluation of the economic and risk factors for the property type and give weighting to both the sales approach and the capitalized income approach. The appraisal shall contain the as-is value of land for new construction and the as-is value of the existing building for redevelopment projects. Special-purpose property appraisals must give

consideration to the valuation of alternative uses in addition to highest and best use. Appraisal reviews are performed by the PACE Equity underwriters. Additionally, prior to project approval, the Investment Committee members also review the appraisal.
Any underwriting exceptions must be written up in the Project Profile investment summaries with mitigating factors identified. Sign-off by two of the three investment committee members is required.

Technology

PACE Equity maintains an adequate technology platform using a proprietary asset management system for its origination and servicing platform. The RAMP Asset Management System (RAMP) includes standard reporting and assessment tracking and billing capabilities. Over the past year, PACE Equity enhanced RAMP to incorporate all the data, documents, and processes from data collection and underwriting through the closing and servicing of the asset. This includes the qualification matrix, project detail, asset-specific detail, property information, credit metrics, capital stack items, servicing detail, impact data, pro forma information, payment schedules, payment detail, case history, construction disbursement, and contact list data tape detail. RAMP also includes a document vault and various portfolio asset and portfolio reports. The RAMP IT platform is supported by one local Milwaukee management resource and three vendor staff in Nepal. Disaster recovery is maintained via cloud storage with real-time redundant secure backups. Data security and network intrusion practices are in place and are monitored by a third-party vendor.

Portfolio Characteristics

PACE Assets

The Transaction comprises of 20 PACE Assets. The tables below show the collateral distribution for the PACE Assets. The PACE Assets have an average balance of approximately $5,036,557, a weighted-average (WA) annual interest rate of 7.40%, and a WA original term of 27.56 years.

Summary Statistics	
Number of Loans	20
Current Financed Amount ($)	100,728,557
Average Total Financed Amount ($)	5,036,428
Range of Total Financed Amount ($)	1,247,221 to 25,000,000
WA Original Term (years)	27.56
Range of Original Term (years)	20 to 30
WA Loan Rate (%)	7.40
Range of Loan Rate (%)	5.95 to 8.78
WA LTV (%)	19.30
WA Combined LTV (%)	64.84

PACE Assets were originated solely by PACE Equity.

For the PACE Assets, the composition by commercial property type is shown below.

Morningstar DBRS Property Type	Aggregate Asset Principal Balance ($)	Aggregate Asset Principal Balance (%)	Number of PACE Assets (#)	Number of PACE Assets (%)
Lodging	40,084,956	39.80	3	15.00
Multifamily	33,016,967	32.78	9	45.00
Industrial	11,505,458	11.42	2	10.00
Other Nontraditional	7,208,409	7.16	4	20.00
Office	6,063,101	6.02	1	5.00
Esoteric	2,849,667	2.83	1	5.00
Grand Total	**100,728,557**	**100.00**	**20**	**100.00**

By geographic concentration, the largest state is Nevada at 24.82% of the aggregate PACE Assessment Balance.

State	Aggregate Asset Principal Balance ($)	Aggregate Asset Principal Balance (%)	Number of PACE Assets (#)	Number of PACE Assets (%)
NV	25,000,000	24.82	1	5.00
FL	19,631,710	19.49	2	10.00
IL	10,974,995	10.90	1	5.00
OH	8,525,734	8.46	5	25.00
MI	7,703,646	7.65	2	10.00
CT	7,168,361	7.12	1	5.00
WI	6,958,704	6.91	2	10.00
TX	5,043,838	5.01	2	10.00
CA	4,772,479	4.74	2	10.00
NE	2,849,667	2.83	1	5.00
MN	2,099,423	2.08	1	5.00
Grand Total	**100,728,557**	**100.00**	**20**	**100.00**

The WA LTV for the Initial PACE Assets is 19.30%.

PACE Assessment LTV (%)	Aggregate Asset Principal Balance ($)	Aggregate Asset Principal Balance (%)	Number of PACE Assets (#)	Number of PACE Assets (%)
5.00 to 9.99	8,650,658	8.59	3	15.00
10.00 to 14.99	17,570,784	17.44	5	25.00
15.00 to 19.99	13,693,979	13.59	4	20.00
20.00 to 24.99	58,073,529	57.65	7	35.00
25.00 to 29.99	2,739,607	2.72	1	5.00
Grand Total	**100,728,557**	**100.00**	**20**	**100.00**

The WA combined LTV (CLTV) for the Initial PACE Assets is 64.84%, with 43.40% of the pool having a CLTV less than 70.00% as measured by principal balance.

Combined LTV (%)	Aggregate Asset Principal Balance ($)	Aggregate Asset Principal Balance (%)	Number of PACE Assets (#)	Number of PACE Assets (%)
20.00–29.99	5,098,768	5.05	2	10.00
30.00–39.99	2,739,607	2.71	1	5.00
50.00–59.99	35,974,995	35.63	2	10.00
60.00–69.99	32,744,213	32.43	5	25.00
70.00–79.99	6,673,952	6.61	4	20.00
80.00–89.99	6,445,719	6.38	3	15.00
90.00–99.99	11,286,431	11.18	3	15.00
Grand Total	**100,963,685**	**100.00**	**20**	**100.00**

The table below shows the original loan distribution of the collateral pool. The WA original term of the collateral in the transaction is 27.56 years.

Original Term (years)	Aggregate Asset Principal Balance ($)	Aggregate Asset Principal Balance (%)	Number of PACE Assets (#)	Number of PACE Assets (%)
20	2,099,423	2.08	1	5.00
22	7,168,361	7.12	1	5.00
23	6,063,101	6.02	1	5.00
24	3,511,501	3.49	1	5.00
25	7,707,881	7.65	3	15.00
28	31,981,957	31.75	5	25.00
29	1,543,777	1.53	1	5.00
30	40,652,555	40.36	7	35.00
Grand Total	**100,728,557**	**100.00**	**20**	**100.00**

The table below shows the top five largest PACE assessments, representing approximately 62.32% of the aggregate PACE Asset Principal Balance.

Top Five Largest Assets	Aggregate Asset Principal Balance ($)	Aggregate Asset Principal Balance (%)	Number of PACE Assets (#)	Number of PACE Assets (%)
JacksonShaw	25,000,000	24.82	1	5.00
Lake Worth Marriott	12,661,252	12.57	1	5.00
Jeffers - Colman Yards	10,974,995	10.90	1	5.00
Ventana - The Quartier	7,168,361	7.12	1	5.00
LactaLogics - HQ	6,970,458	6.92	1	5.00
Grand Total	**62,775,066**	**62.32**	**5**	**25.00**

A description of each of the top five PACE assessments in the initial portfolio follows.

23-42 JacksonShaw

Loan Snapshot

PACE Program
Nevada C-PACE
Trust Balance ($)
25,000,000
Percentage of Initial Pool
24.82
Assessment LTV (%)
22.22
Combined LTV (%)
59.44
First Repayment Date
5/30/2026
Loan Tenor (years)
28
Tax Bills/Year
Semiannual

Debt Stack ($)

Trust Balance
25,000,000
First Mortgage
67,000,000
Mezzanine Financing
n/a
Total Debt
92,000,000

Collateral Summary			
Property Type:	Multifamily	**Completion Date:**	June 2024
City, State:	Las Vegas, NV	**Capitalized Interest:**	$2,450,167
Construction Type:	Ground-Up Construction		

The hotel will be constructed on a previously vacant 2.63-acre parcel located along South Grand Central Parkway in Las Vegas. The completed development will be a new, five-story, 441-key full-service luxury AC Hotel by Marriott and Element by Westin. The hotel will feature amenities and facilities that include the AC Restaurant, pool bar, Element F&B, outdoor pool, business center, fitness center, guest self-laundry, sundry shop, and 18,025 square feet (sf) of meeting and event space. The property is owned by City Parkway V Inc and operated by Crescent Hotel Management Services, LLC.

Lake Worth Marriott

Loan Snapshot

PACE Program	FDFC PACE
Trust Balance ($)	12,661,252
Percentage of Initial Pool	12.57
Assessment LTV (%)	21.87
Combined LTV (%)	63.84
First Repayment Date	11/1/2025
Loan Tenor (years)	30
Tax Bills/Year	Annual

Debt Stack ($)

Trust Balance	12,661,252
First Mortgage	16,000,000
Mezzanine Financing	n/a
Total Debt	28,661,252

Collateral Summary			
Property Type:	Lodging	**Completion Date:**	November 2023
City, State:	Lake Worth Beach, FL	**Capitalized Interest:**	$1,249,789
Construction Type:	Retrofit		

The subject property located in Lake Worth Beach, Florida, in what was formerly known as the Gulfstream Hotel. Upon renovation, the collateral will include a seven-story 90-room Marriot-branded hotel. Renovation is expected to be completed in July 2025. The renovated hotel will be full service with amenities including a restaurant and lounge, pool, fitness room, business center, gift shop, and vending areas and will be a part of either the Tribute Portfolio or Autograph Collection, both upper-upscale Marriott hotel concepts.

Jeffers - Colman Yards

Loan Snapshot

PACE Program
IECA Illinois Energy Conservation Authority
Trust Balance ($)
10,974,995
Percentage of Initial Pool
10.90
Assessment LTV (%)
25.00
Combined LTV (%)
51.20
First Repayment Date
1/1/2025
Loan Tenor (years)
30
Tax Bills/Year
Semiannual

Debt Stack ($)

Trust Balance
10,974,995
First Mortgage/Construction Loan
11,500,000
Mezzanine Financing
n/a
Total Debt
22,474,995

Collateral Summary			
Property Type:	Multifamily	**Expected Completion Date:**	May 2026
City, State:	Rockford, IL	**Capitalized Interest:**	$1,985,295.
Construction Type:	Major Renovation		

The subject is a historic industrial building (vacant) proposed for conversion to a class A, 181-unit multifamily apartment complex with approximately 15,932 sf of ground floor retail space, known as B5. This project is part of a larger phase I development that includes 215 total units across three buildings (B4, B5 – the subject property, and B9). The apartments consist of studio, one-, two-, and three-bedroom units. PACE proceeds will only be financing measures included in building B5. The PACE assessment will be placed on both the building B5 parcel and the building B4 and B9 parcels because the appraisal values both buildings.

The collateral is a part of larger part of the property that is owned by the City of Rockford, Illinois (the City). The City is offering to sponsor a comprehensive incentive package while also agreeing to sell the entire property for $500,000. Sponsor also plans to utilize Tax Incremental Financing, Historic Tax Credits, and a Brownfields Loan for this project. The subject property is currently enrolled in the Illinois Environmental Protection Agency Site Remediation Program (SRP). The City and Sponsor are working with Fehr Graham Engineering & Environmental in a joint effort to remediate the property during development.

Ventana - The Quartier

Loan Snapshot

PACE Program
Connecticut PACE
Trust Balance ($)
7,168,361
Percentage of Initial Pool
7.12
Assessment LTV (%)
12.09
Combined LTV (%)
63.44
First Repayment Date
7/1/2027
Loan Tenor (years)
25
Tax Bills/Year
Semiannual

Debt Stack ($)

Trust Balance
7,168,361
First Mortgage
30,454,000
Mezzanine Financing
n/a
Total Debt
37,622,361

Collateral Summary			
Property Type:	Multifamily	**Expected Completion Date:**	December 2024
City, State:	New Canaan, CT	**Capitalized Interest:**	$234,671
Construction Type:	Ground-up Construction		

The subject property isa 25-unit luxury multifamily property under construction in New Canaan, Connecticut. The subject will consist of two apartment buildings along with four townhouses constructed and operated as a co-op. The unit mix includes two one-bedroom units, 10 two-bedroom units, and 13 three-bedroom units. Twenty-two units will be sold at market rate, while the remaining three units will be affordable. The property is well located near several high-end restaurants, boutique shopping, and the New Canaan train station, providing easy access for commuters to New York City. Amenities at the subject will include private outdoor gardens/terraces for the market-rate units, two attended lobbies, a spacious gym, private elevators, and a billiards room, among others. The development is expected to achieve LEED certification.

LactaLogics - HQ

Loan Snapshot

PACE Program
FRED FDFC PACE
Trust Balance ($)
6,970,458
Percentage of Initial Pool
6.92
Assessment LTV (%)
14.17
Combined LTV (%)
99.72
First Repayment Date
11/1/2025
Loan Tenor (years)
30
Tax Bills/Year
annual

Debt Stack ($)

Trust Balance
6,970,458
First Mortgage
40,000,000
Mezzanine Financing
n/a
Total Debt
46,970,458

Collateral Summary			
Property Type:	Industrial	**Completion Date:**	July 2025
City, State:	Port St. Lucie, FL	**Capitalized Interest:**	$722,508
Construction Type:	Major Renovation		

The subject property is a 58,475 sf, two-story, industrial/office property, built in 2002. The office/work area totals 16,528 sf with 41,947 sf of warehouse space. The building is being converted to a state-of-the-art life-sciences laboratory facility of 69,920 sf and includes an expansion to the second floor (adding a manufacturing area of 11,445 sf). The 16,528 sf of office space will remain. The renovations will include upgraded office finishes, a concrete mezzanine in the warehouse, new air conditioners, work/process areas/rooms in the warehouse, upgraded electrical, and upgraded fire sprinklers, along with other building and site improvements. The owner is converting the existing industrial warehouse into a commercially produced donor-based non-perishable breastmilk supplier.

Standard Priority of Payments

On each Payment Date as of which the Notes have not been accelerated in relation to an Event of Default, on which no Optional Redemption or Mandatory Redemption shall have occurred, and that is prior to the Legal Final Maturity, the Indenture Trustee will distribute Available Funds in the following order:

1. To the applicable payees, pro rata and pari passu, (A) to the Indenture Trustee (including as Paying Agent) and the Bank, the Indenture Trustee Fee and any accrued and unpaid Indenture Trustee Fee plus any Extraordinary Expenses payable to the Indenture Trustee (including as Paying Agent) and the Bank, (B) to the Custodian, the Custodian Fee and any accrued and unpaid Custodian Fee plus any Extraordinary Expenses payable to the Custodian, and (C) all Administrative Expenses, in each case subject to any applicable cap, if any, set forth in the relevant definitions thereof;
2. To the Master Servicer and Master Portfolio Administrator, respectively, (A) the Senior Master Servicing Fee and any accrued and unpaid Senior Master Servicing Fee plus any Extraordinary Expenses payable to the Master Servicer and (B) the Master Portfolio Administrator Fee and any accrued and unpaid Master Portfolio Administrator Fee, in each case subject to any applicable cap, if any;
3. If no Loss Trigger Event has occurred and is continuing, as determined by the Master Servicer:(A) first, to the Noteholders of each Class, the aggregate Note Interest for such Distribution Date, pro rata and pari passu based on the respective amount of Note Interest due for each Class; (B) second, to the Liquidity Reserve Account, the amount, if any, necessary to cause the balance in the Liquidity Reserve Account to equal at least 0.35% of the aggregate principal balance of the Notes; (C) third, to the Noteholders of each Class, the Principal Distribution Amount for such Distribution Date, pro rata and pari passu based on the Outstanding Principal Balance of the Notes, until the Outstanding Principal Balance of all of the Notes is reduced to zero;
4. If a Loss Trigger Event has occurred and is continuing, as determined by the Master Servicer: (A) first, the aggregate note interest for such Distribution Date applied in the following order of priority: first, to the Class A Noteholders, the Note Interest allocable to such Class A Notes; second, to the Class B Noteholders, the Note Interest allocable to such Class B Notes; and third, to the Class C Noteholders, the Note Interest allocable to such Class C Notes; (B) second, for deposit to the Liquidity Reserve Account, any amount necessary to cause the balance in the Liquidity Reserve Account to equal at least 0.35% of the aggregate principal balance of the Notes; (C) third, an amount equal to the Outstanding Realized Loss Amount applied in the following order of priority: first, to the Class A Noteholders until the Outstanding Principal Balance of the Class A Notes is reduced to zero; second, to the Class B Noteholders until the Outstanding Principal Balance of the Class B Notes is reduced to zero; and third, to the Class C Noteholders until the Outstanding Principal Balance of the Class C Notes is reduced to zero; and
(D) after giving effect to the payment of the amount set forth in the preceding clause, to the Noteholders of each Class, the Principal Distribution Amount, pro rata and pari passu based on the Outstanding Principal Balance of the Notes, until the Outstanding Principal Balance of the Notes is reduced to zero;

5. To the Indenture Trustee (including as Paying Agent), the Bank and the Custodian, pro rata and pari passu, any amounts owed but not paid in accordance with clause (i) above;
6. To the Master Servicer, the Subordinate Master Servicing Fee, and to the Master Servicer and the Master Portfolio Administrator, any amounts owed but not paid in accordance with clause (e)(ii) above and any other expense owed to any such party; and
7. To the Sponsor in repayment of the Grant, any remaining Available Collections.

Realized Losses

Any claim for principal in respect of a PACE Asset in the PACE Asset Portfolio that is (1) an installment payment with respect to a PACE Asset that is delinquent for two years or more after its due date; (2) not recovered as a result of a foreclosure proceeding, tax lien sale, or other enforcement action; (3) written off by the Master Servicer in accordance with its collection policy; or (4) no longer secured by the related assessment lien for any reason other than as a result of having been satisfied by the property owner or a foreclosure proceeding, tax lien sale, or other enforcement action.

Redemption Priority of Payments

The redemption priority of payments applies at such time as the Notes have been accelerated as a result of an event of default, on which an optional redemption or mandatory redemption is occurring, or that is the legal final maturity, in each case, as specified in the payment date report. On each semiannual payment date when the redemption priority of payments applies, available funds and all amounts in the prefunding account, liquidity reserve account, interest supplement account, and capitalized interest account will be distributed in the following order, solely in accordance with the related payment date report:

1. To the applicable payees, pro rata and pari passu, (A) to the Indenture Trustee (including as Paying Agent) and the Bank, the Indenture Trustee Fee and any accrued and unpaid Indenture Trustee Fee plus any Extraordinary Expenses payable to the Indenture Trustee (including as Paying Agent) and the Bank, (B) to the Custodian, the Custodian Fee and any accrued and unpaid Custodian Fee plus any Extraordinary Expenses payable to the Custodian, and (C) all Administrative Expenses, in each case without regard to any applicable cap, if any;
2. To the Master Servicer and Master Portfolio Administrator, respectively, (A) the Senior Master Servicing Fee and any accrued and unpaid Senior Master Servicing Fee plus any Extraordinary Expenses payable to the Master Servicer and (B) the Master Portfolio Administrator Fee and any accrued and unpaid Master Portfolio Administrator Fee, in each case subject to any applicable cap, if any;
3. To the Class A Noteholders, pro rata and pari passu based on the respective Note Interest due on the Class A Notes, the Note Interest payable to the Class A Noteholders for such Distribution Date;
4. To the Class A Noteholders, pro rata and pari passu based on the Outstanding Principal Balance of the Class A Notes, until the Outstanding Principal Balance of the Class A Notes is reduced to zero;
5. To the Class B Noteholders, pro rata and pari passu based on the respective Note Interest due on the Class B Notes, the Note Interest payable to the Class B Noteholders for such Distribution Date;
6. To the Class B Noteholders, pro rata and pari passu based on the Outstanding Principal Balance of the Class B Notes, until the Outstanding Principal Balance of the Class B Notes is reduced to zero;

7. To the Class C Noteholders, pro rata and pari passu based on the respective Note Interest due on the Class C Notes, the Note Interest payable to the Class C Noteholders for such Distribution Date;
8. The Class C Noteholders, pro rata and pari passu based on the Outstanding Principal Balance of the Class C Notes, until the Outstanding Principal Balance of the Class C Notes is reduced to zero;
9. To the Master Servicer, the Subordinate Master Servicing Fee, and to the Master Servicer and the Master Portfolio Administrator, any amounts owed but not paid in accordance with clause (ii) above and any other expense owed to any such party; and
10. To the Sponsor in repayment of the Grant, any remaining Available Collections.

Events of Default

The occurrence of any of the following events will constitute an Event of Default under the Indenture:

1. Failure of the Issuer, as of the legal final maturity date, to (A) pay or have paid all interest on the Notes remaining outstanding and unpaid in full and (B) reduce or have reduced the aggregate principal balance of the Notes to zero;
2. Failure of the Issuer to pay or have paid (A) all Note Interest and (B) any principal amounts due and payable to Noteholders of any Class of Notes on any Distribution Date;
3. Default by the Issuer in the observance or performance of certain covenants or agreement of the Issuer made in the Indenture and the other Transaction Documents (subject to any applicable cure period);
4. Certain events of bankruptcy relating to the Issuer or the Issuer’s property (subject to any applicable cure period);
5. Failure of the Indenture or the other Transaction Documents and the related financing statements to create, attach and perfect a valid first-priority security interest in any material portion of the Trust Property (subject to any applicable cure period);
6. The Issuer becoming a taxable mortgage pool that is taxable as a corporation for U.S. federal or state income tax purposes;
7. Final non-appealable judgment in the amount of $500,000 or more against the Issuer not discharged, satisfied, or stayed within 60 days and not promptly funded by insurance coverage;
8. Certain breaches of representations or warranties of the Issuer (subject to any applicable cure period);
9. A statute, rule, or regulation of a competent legislative or governmental rule-making body is adopted in final form, or there is a final, non-appealable judgment of a court of competent jurisdiction that is rendered, which has a material adverse effect on the ability of the Issuer to make payments on the Notes;
10. An ERISA or tax lien securing the payment of money in excess of $5,000,000 shall be rendered against the Issuer;
11. The Master Servicer is terminated or resigns, and a replacement satisfactory to the Majority Controlling Class Noteholders is not appointed within 90 days; and
12. The Issuer being required to be registered as an investment company under the Investment Company Act.

Reserve Accounts

Liquidity Reserve Account

On or prior to the date hereof, the Paying Agent on behalf of the Indenture Trustee shall establish and maintain a segregated account that is a securities account (the Liquidity Reserve Account) at the Bank (or such other financial institution as necessary to ensure that the Liquidity Reserve Account is at all times an Eligible Account) in the name of the Issuer, bearing a designation clearly indicating that such account and all funds deposited therein or property credited thereto are held for the exclusive benefit of the Noteholders. On the Closing Date, the Issuer shall deposit or cause to be deposited into the Liquidity Reserve Account an amount equal to at least the Liquidity Reserve Account Required Balance from the proceeds of the Notes. On each Distribution Date, the Paying Agent shall deposit or cause to be deposited into the Liquidity Reserve Account the amount required pursuant at all times. At the beginning of the Closing Date, the Issuer shall maintain an amount equal to at least the Liquidity Reserve Account Required Balance (0.35% of the expected aggregate principal balance of the Notes as of the Series 2025-1 Cutoff Date.) in the Liquidity Reserve Account.

Credit Enhancement

Overcollateralization

Initially, there is OC of 7.35% and the minimum OC will be 3.00%. The OC is the amount by which the total CPACE Assets in the master trust exceed the principal amount of all series outstanding Notes. The pro rata share of the master trust OC is $3,303,030.

Liquidity Reserve Amount

The Liquidity Reserve Required Amount, on any date of determination, will not be less than $352,550. The liquidity reserve is at least 0.35% of the expected aggregate principal balance of the Notes as of the Series 2025-1 Cutoff Date.

Excess Spread

At closing, the Notes also benefit from excess spread, which is approximately 1.56% per annum, based on the WA collateral interest rate of 7.40% less the WA coupon of 5.965%.

Cash Flow Analysis

Delinquency and Loss Analysis for C-PACE

Morningstar DBRS developed expected delinquency probabilities (EDPs) for most PACE assessments included in the PACE Assets using the EDP matrix in the Morningstar DBRS' *Rating U.S. Property Assessed Clean Energy (PACE) Securitizations*. The EDP matrix is based on two factors for each C-PACE Assessment: property type and Morningstar DBRS Market Rank. Morningstar DBRS uses ZIP code information provided by the Issuer to determine the Morningstar DBRS Market Rank.

For one property, Nebraska Multisport, Morningstar DBRS assigned an EDP of 59.80%.

The WA delinquency rate for the PACE Assets is 19.30%.

Morningstar DBRS Category	Aggregate Balance ($)	% of Total	WA EDP (%)
Lodging	40,084,956	39.80	19.67
Multi-family	33,016,967	32.78	14.22
Industrial	11,505,458	11.42	17.00
Office	7,208,409	7.16	23.50
Other non-traditional	6,063,101	6.02	24.00
Esoteric	2,849,667	2.83	59.80

Once a property becomes delinquent and goes through a foreclosure process, liquidation proceeds are applied to bring the C-PACE arrearage current once the delinquency period ends. Because liquidation timelines are affected by state laws, Morningstar DBRS estimated the typical length of a liquidation period by state based on data from commercial mortgage defaults. The state timelines can be found in the Morningstar DBRS methodology *Rating U.S. Property Assessed Clean Energy (PACE) Securitizations*. Based on the rating scenario after adding 60 days, the delinquency timelines are stressed based on the following table:

Delinquency Timelines	
AAA	Delinquency Period + 12 months
AA	Delinquency Period + 10 months
A	Delinquency Period + 8 months
BBB	Delinquency Period + 6 months
BB	Delinquency Period + 4 months
B	Delinquency Period

For the purpose of this transaction, an additional 45 months of stress was added to the delinquency period at the AAA (sf) level, an additional of 36 months of stress was added to the delinquency period at the AA (sf) level and an additional 30 months of stress was added to the delinquency period at the BBB (sf) to account for portfolio concentrations and exposure to construction completion risk.

Morningstar DBRS modeled the C-PACE assessments using the above EDP assumptions along with the following timing curves and conditional payment rate (CPR) assumptions:

C-PACE Default Timing Curve and CPR Assumptions

Front-Loaded			Back-Loaded			Smooth			CPR Assumptions	
%	*Year*	*Starting Period*	*%*	*Year*	*Starting Period*	*%*	*Year*	*Starting Period*	*Class A/B/C*	*%*
30	1	2	10	1	2	15	1	2		5
20	2		10	2		15	2			10
20	3		10	3		15	3			15
10	4		10	4		15	4			
10	5		30	5		15	5			
5	6		20	6		15	6			
5	7		10	7		10	7			

Loss Severity

Morningstar DBRS assumed a loss severity of 30% based on the portfolio concentrations and exposure to construction completion risk.

Please see Appendix A for additional Morningstar DBRS cash flow modeling assumptions and results.

Legal Opinions

Morningstar DBRS is delivered a reasoned opinion by the Issuer's Counsel that each sale of the PACE Bonds by a Seller to the Depositor pursuant to the Bond Purchase Agreements on the closing date constitutes a true sale, and therefore (1) the PACE Bonds would not be the property of Seller's bankruptcy estate and (2) the Code would not operate to stay payments on or proceeds from the PACE Bonds.

On the closing date of the Transaction, Morningstar DBRS and its outside counsel reviewed, among other opinions, (1) true sale; (2) substantive consolidation; (3) security interest; and (4) enforceability, corporate, and tax opinions. In connection with the rating agency confirmation related to this presale report, Morningstar DBRS and its outside counsel reviewed state program and/or validity opinions for certain of the PACE assets.

Counsel to the Issuer also rendered an opinion stating that the indenture and the pledges and grants thereunder create a valid and perfected security interest in the PACE Bonds securing payment of the obligations of the Issuer and that the Notes constitute the valid and binding obligation of the Issuer.

Special tax counsel to the Issuer also delivered legal opinions to the effect that assuming compliance with all provisions of the indenture, and certain related documents, for U.S. federal income tax purposes, (1) the Class A Notes, Class B Notes, and Class C Notes will be treated as indebtedness and (2) the Issuer will not be classified as an association, publicly traded partnership, or taxable mortgage pool, in each case, that is taxable as a corporation.

In addition, the Transaction structure, representations and warranties, and documentation was reviewed for consistency with Morningstar DBRS' *Legal Criteria for U.S. Structured Finance*.

Appendix A: Cash Flow Details

Capital Structure-Series 2025-1

Class	Size ($)	Percent of Collateral (%)	Initial Credit Enhancement (%)	Coupon (%)	Rating
A	44,296,000	91.33	9.02	6.300	AAA (sf)
B	452,000	0.93	8.09	6.550	AA (sf)
C	452,000	0.93	7.16	6.850	BBB (sf)
Total	**45,200,000**				

Capital Structure Master Trust

Class	Size ($)	Percent of Collateral (%)	Initial Credit Enhancement (%)	Assumed Coupon (%)
A	89,359,059	88.71	12.01	5.95
B	1,925,002	1.91	10.10	6.01
C	2,416,003	2.40	7.70	6.64
Total	**93,700,064**	**93.02**		

Credit Enhancement

Credit Enhancement	Initial ($)
Liquidity Reserve Account	352,549.95
Overcollateralization*	7,403,410

* The OC is the amount by which the total CPACE Assets in the master trust exceed the principal amount of all series outstanding Notes.

Transaction Fees and Expenses		
Indenture Trustee Fee ($)	15,000	Annual
Administrator Fee ($)	22,000	Annual
Custodian Fee ($)	4,200	Annual
Administrative Expenses ($)	50,000	Annual
Senior Extraordinary ($)	300,000	Year 1 only

The following results represent the Master Trust level results.

Rating	Prepay (%)	Default Timing (Resi, Commercial)	Recovery (Resi, Commercial) (%)	Default (%)	Defaulted Principal (%)	Principal Loss (%)	Collateral Cash Flow ($)	Collateral WAL (years)	"AAA" Principal Writedown	"AAA" Interest Shortfall	Residual Cash Flow ($)
AAA	(0.05, 0.15)	Front	70	19.16%	2.45%	0.73%	145,548,547	6.9	–	–	17,796,167
AAA	(0.05, 0.15)	Back	70	18.89%	2.76%	0.83%	145,179,282	6.9	–	–	17,707,173
AAA	(0.05, 0.15)	Smooth	70	18.99%	2.65%	0.79%	145,312,073	6.9	–	–	17,882,987
AAA	(0.1, 0.2)	Front	70	19.03%	2.43%	0.73%	136,815,269	5.7	–	–	15,639,751
AAA	(0.1, 0.2)	Back	70	18.67%	2.73%	0.82%	136,461,132	5.6	–	–	15,615,826
AAA	(0.1, 0.2)	Smooth	70	18.81%	2.62%	0.79%	136,589,143	5.6	–	–	15,780,221
AAA	(0.15, 0.25)	Front	70	18.90%	2.41%	0.72%	131,049,168	4.8	–	–	14,224,004
AAA	(0.15, 0.25)	Back	70	18.35%	2.67%	0.80%	130,686,502	4.7	–	–	14,318,304
AAA	(0.15, 0.25)	Smooth	70	18.66%	2.60%	0.78%	130,834,734	4.8	–	–	14,383,523
AAA	(0, 0)	Front	70	19.16%	2.45%	0.73%	229,921,095	19.0	–	–	32,586,736
AAA	(0, 0)	Back	70	19.16%	2.80%	0.84%	229,832,362	19.0	–	–	32,515,740
AAA	(0, 0)	Smooth	70	19.16%	2.67%	0.80%	229,863,720	19.0	–	–	32,559,343

Rating	Prepay (%)	Default Timing (Resi, Commercial)	Recovery (Resi, Commercial) (%)	Default (%)	Defaulted Principal (%)	Principal Loss (%)	Collateral Cash Flow ($)	Collateral WAL (years)	"AA" Principal Writedown	"AA" Interest Shortfall	Residual Cash Flow ($)
AA	(0.05, 0.15)	Front	70	19.16%	2.08%	0.63%	145,215,986	6.8	–	–	18,201,188
AA	(0.05, 0.15)	Back	70	18.89%	2.35%	0.70%	144,902,480	6.8	–	–	18,196,213
AA	(0.05, 0.15)	Smooth	70	18.99%	2.25%	0.68%	145,015,222	6.8	–	–	18,267,525
AA	(0.1, 0.2)	Front	70	19.03%	2.07%	0.62%	136,418,634	5.5	–	–	16,004,955
AA	(0.1, 0.2)	Back	70	18.67%	2.32%	0.70%	136,119,704	5.5	–	–	16,100,287
AA	(0.1, 0.2)	Smooth	70	18.81%	2.23%	0.67%	136,227,826	5.5	–	–	16,159,031
AA	(0.15, 0.25)	Front	70	18.90%	2.05%	0.62%	130,615,485	4.7	–	–	14,552,337
AA	(0.15, 0.25)	Back	70	18.35%	2.28%	0.68%	130,309,279	4.6	–	–	14,712,820
AA	(0.15, 0.25)	Smooth	70	18.66%	2.21%	0.66%	130,435,260	4.7	–	–	14,785,806
AA	(0, 0)	Front	70	19.16%	2.08%	0.63%	230,321,974	19.0	–	–	33,032,541
AA	(0, 0)	Back	70	19.16%	2.38%	0.71%	230,244,419	19.0	–	–	32,964,702
AA	(0, 0)	Smooth	70	19.16%	2.27%	0.68%	230,271,831	19.0	–	–	32,998,508

Rating	Prepay (%)	Default Timing (Resi, Commercial)	Recovery (Resi, Commercial) (%)	Default (%)	Defaulted Principal (%)	Principal Loss (%)	Collateral Cash Flow ($)	Collateral WAL (years)	"BBB" Principal Writedown	"BBB" Interest Shortfall	Residual Cash Flow ($)
BBB	(0.05, 0.15)	Front	70	19.16%	1.70%	0.51%	144,813,112	6.7	–	–	18,569,889
BBB	(0.05, 0.15)	Back	70	18.89%	1.91%	0.57%	144,556,123	6.6	–	–	18,638,183
BBB	(0.05, 0.15)	Smooth	70	18.99%	1.84%	0.55%	144,648,654	6.7	–	–	18,625,416
BBB	(0.1, 0.2)	Front	70	19.03%	1.69%	0.51%	135,943,333	5.4	–	–	16,302,028
BBB	(0.1, 0.2)	Back	70	18.67%	1.89%	0.57%	135,698,069	5.4	–	–	16,462,334
BBB	(0.1, 0.2)	Smooth	70	18.81%	1.82%	0.55%	135,786,979	5.4	–	–	16,458,365
BBB	(0.15, 0.25)	Front	70	18.90%	1.68%	0.50%	130,098,079	4.5	–	–	14,800,962
BBB	(0.15, 0.25)	Back	70	18.35%	1.85%	0.56%	129,845,631	4.5	–	–	15,022,942
BBB	(0.15, 0.25)	Smooth	70	18.66%	1.81%	0.54%	129,950,270	4.5	–	–	15,036,885
BBB	(0, 0)	Front	70	19.16%	1.70%	0.51%	230,766,872	19.0	–	–	33,494,248
BBB	(0, 0)	Back	70	19.16%	1.95%	0.58%	230,701,531	19.0	–	–	33,431,724
BBB	(0, 0)	Smooth	70	19.16%	1.86%	0.56%	230,724,626	19.0	–	–	33,457,071

Appendix B: Environmental, Social, and Governance (ESG) Considerations

ESG Factor		ESG Credit Consideration Applicable to the Credit Analysis: Y/N		Extent of the Effect on the ESG Factor on the Credit Analysis: Relevant (R) or Significant (S)*
Environmental		Overall:	N	N
	Emissions, Effluents, and Waste	Do the costs or risks result in a higher default risk or lower recoveries for the securitized assets?	N	N
	Carbon and GHG Costs	Do the costs or risks related to GHG emissions, and related regulations and/or ordinances result in higher default risk or lower recoveries of the securitized assets?	N	N
		Are there potential benefits of GHG efficient assets on affordability, financeability, regulatory compliance, or future values (recoveries)?	N	N
		Carbon and GHG Costs	N	N
	Climate and Weather Risks	Are the securitized assets in regions exposed to climate change and adverse weather events affecting expected default rates, future valuations, and/or recoveries, considering key IPCC climate scenarios?	N	N
	Passed-through Environmental credit considerations	Does this rating depend to a large extent on the creditworthiness of another rated issuer which is impacted by environmental factors (see respective ESG checklist for such issuer)?	N	N
Social		Overall:	N	N
	Social Impact of Products and Services	Do the securitized assets have an extraordinarily positive or negative social impact on the borrowers and/or society, and do these characteristics of these assets result in different default rates and/or recovery expectations?	N	N
		Does the business model or the underlying borrower(s) have an extraordinarily positive or negative effect on their stakeholders and/or society, and does this result in different default rates and/or recovery expectations?	N	N
		Considering changes in consumer behaviour or secular social trends: Does this affect the default and/or loss expectations for the securitized assets?	N	N
		Social Impact of Products and Services	N	N
	Human Capital and Human Rights	Are the originator, servicer, or underlying borrower(s) exposed to staffing risks and could this have a financial or operational effect on the structured finance issuer?	N	N
		Is there unmitigated compliance risk due to mis-selling, lending practices, or work-out procedures that could result in higher default risk and/or lower recovery expectations for the securitized assets?	N	N
		Human Capital and Human Rights	N	N
	Product Governance	Does the originator's, servicer's, or underlying borrower(s)' failure to deliver quality products and services cause damage that may result in higher default risk and/or lower recovery expectations for the securitized assets?	N	N
	Data Privacy and Security	Does the originator's, servicer's, or underlying borrower(s)' misuse or negligence in maintaining private client or stakeholder data result in financial penalties or losses to the issuer?	N	N
	Passed-through Social credit considerations	Does this rating depend to a large extent on the creditworthiness of another rated issuer which is impacted by social factors (see respective ESG checklist for such issuer)?	N	N
Governance		Overall:	N	N
	Corporate / Transaction Governance	Does the transaction structure affect the assessment of the credit risk posed to investors due to a lack of appropriate independence of the issuer from the originator and/or other transaction parties?	N	N
		Considering the alignment of interest between the transaction parties and noteholders: Does this affect the assessment of credit risk posed to investors because the alignment of interest is inferior or superior to comparable transactions in the sector?	N	N
		Does the lack of appropriately defined mechanisms in the structure on how to deal with future events affect the assessment of credit risk posed to investors?	N	N
		Considering how the transaction structure provides for timely and appropriate performance and asset reporting: Does this affect the assessment of credit risk posed to investors because it is inferior or superior to comparable transactions in the sector?	N	N
		Corporate / Transaction Governance	N	N
	Passed-through Governance credit considerations	Does this rating depend to a large extent on the creditworthiness of another rated issuer which is impacted by governance factors (see respective ESG checklist for such issuer)?	N	N
		Consolidated ESG Criteria Output:	N	N

* A Relevant Effect means that the impact of the applicable ESG risk factor has not changed the rating or rating trend on the issuer.
A Significant Effect means that the impact of the applicable ESG risk factor has changed the rating or trend on the issuer.

Environmental

There were no environmental factors that had a relevant or significant effect on the credit analysis. For more details about which environmental factors could have an effect on the credit analysis, please refer to the checklist above.

Social

There were no social factors that had a relevant or significant effect on the credit analysis. For more details about which social factors could have an effect on the credit analysis, please refer to the checklist above.

Governance

There were no governance factors that had a relevant or significant effect on the credit analysis. For more details about which governance factors could have an effect on the credit analysis, please refer to the checklist above.

The above ESG discussion relates to credit risk factors that could affect the issuer's credit profile and, therefore, the rating(s) of the notes. They are separate from ESG sustainability factors, which are generally outside the scope of this analysis. A description of how Morningstar DBRS considers ESG factors within the Morningstar DBRS analytical framework can be found in the *Morningstar DBRS Criteria: Approach to Environmental, Social, and Governance Factors in Credit Ratings* at https://dbrs.morningstar.com/research/437781.

Appendix C—Scope and Meaning of Financial Obligations

Morningstar DBRS credit ratings on the Class A Notes address the credit risk associated with the identified financial obligations in accordance with the relevant transaction documents. For Information on the financial obligations, please refer to the corresponding Press Release published for this credit rating action.

Morningstar DBRS' credit rating does not address non-payment risk associated with contractual payment obligations contemplated in the applicable transaction documents that are not financial obligations. None of which have been identified.

Morningstar DBRS' long-term credit ratings provide opinions on risk of default. Morningstar DBRS considers risk of default to be the risk that an issuer will fail to satisfy the financial obligations in accordance with the terms under which a long-term obligation has been issued. The Morningstar DBRS short-term debt rating scale provides an opinion on the risk that an issuer will not meet its short-term financial obligations in a timely manner.

Notes:
All figures are in U.S. dollars unless otherwise noted.

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We rate more than 4,000 issuers and nearly 60,000 securities worldwide, providing independent credit ratings for financial institutions, corporate and sovereign entities, and structured finance products and instruments. Market innovators choose to work with us because of our agility, transparency, and tech-forward approach.

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