Surveillance Performance Update
Arbor Realty Commercial Real Estate Notes 2021-FL3, Ltd.

DBRS Morningstar
July 11, 2022

Contents

1 Rating Action Summary
2 Capital Structure
3 Transaction Concentrations
6 Current Loan Status
7 Loan Additions
9 Future Funding Releases
11 Top 10 Loan Summary
12 Business Plan Updates
17 Glossary
18 Definitions

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Rating Action Summary

DBRS Limited (DBRS Morningstar) confirmed its ratings on all classes of notes issued by Arbor Realty Commercial Real Estate Notes 2021-FL3, Ltd. (the Issuer) with Stable trends. The rating confirmations reflect the overall stable performance of the transaction, which has remained in line with DBRS Morningstar's expectations since issuance.

Participants	
Issuer	Arbor Realty Commercial Real Estate Notes 2021-FL3, Ltd.
Mortgage Loan Seller	Arbor Realty SR, Inc.
Master Servicer	Arbor Multifamily Lending, LLC
Special Servicer	Arbor Multifamily Lending, LLC
Collateral Manager	Arbor Realty Collateral Management, LLC
Advancing Agent	Arbor Realty SR, Inc.

The transaction closed in September 2021 with the initial collateral consisting of 36 floating-rate mortgages and senior participations secured by 50 mostly transitional properties, with a cut-off balance of $1.2 billion. Most of the loans contributed at issuance were secured by cash flowing assets, with some level of stabilization remaining.

Pool Characteristics			
Trust Amount ($)	1,500,000,000	**Top Ten Loan Concentration (%)**	35.0
Number of Loans	56	**Par Value Trigger (%)**	120.2
Number of Properties	80	**Initial Par Value Ratio (%)**	121.2
Managed/Static	Managed	**Current Par Value Ratio (%)**	121.2
Replenishment Allowed	N	**ICR Value Trigger (%)**	120.0
Reinvestment and/or Replenishment End Date	Mar-24	**Initial ICR Value Ratio (%)**	283.2
Current Cash Reinvestment Account Balance ($)	0	**Current ICR Value Ratio (%)**	241.5
WA As-Is Appraised Issuance LTV (%)	84.1	**WA Stabilized Appraised Issuance LTV (%)**	71.6
WA As-Is Appraised Current LTV (%)	84.3	**WA Stabilized Appraised Current LTV (%)**	71.5

The transaction included a 180-day ramp-up acquisition period, which was completed in January 2022 when the cumulative trust loan balance totalled $1.50 billion. The transaction is also structured with a subsequent reinvestment period, expiring with the March 2024 Payment Date. During this period, reinvested principal proceeds are subject to Eligibility Criteria, which include a rating agency no-downgrade confirmation by DBRS Morningstar for all mortgage assets and funded companion participations exceeding $500,000, among others. Since issuance, 20 loans with a cumulative balance of $313.0 million have been added to the trust.

Arbor Realty Commercial Real Estate Notes 2021-FL3, Ltd. Capital Structure

Class	Issuance Balance ($)	Current Balance ($)	Original Subordination (%)	Current Subordination (%)	DBRS Morningstar Original Rating	DBRS Morningstar Current Rating	Current Trend	DBRS Morningstar Last Action	DBRS Morningstar Last Action Date
Class A Notes	847,500,000	847,500,000	43.50	43.50	AAA (sf)	AAA (sf)	Stable	Confirmed	July 11, 2022
Class A-S Notes	108,750,000	108,750,000	36.25	36.25	AAA (sf)	AAA (sf)	Stable	Confirmed	July 11, 2022
Class B Notes	65,625,000	65,625,000	31.88	31.88	AA (low) (sf)	AA (low) (sf)	Stable	Confirmed	July 11, 2022
Class C Notes	75,000,000	75,000,000	26.88	26.88	A (low) (sf)	A (low) (sf)	Stable	Confirmed	July 11, 2022
Class D Notes	99,375,000	99,375,000	20.25	20.25	BBB (sf)	BBB (sf)	Stable	Confirmed	July 11, 2022
Class E Notes	41,250,000	41,250,000	17.50	17.50	BBB (low) (sf)	BBB (low) (sf)	Stable	Confirmed	July 11, 2022
Class F Notes	88,125,000	88,125,000	11.63	11.63	BB (low) (sf)	BB (low) (sf)	Stable	Confirmed	July 11, 2022
Class G Notes	46,875,000	46,875,000	8.50	8.50	B (low) (sf)	B (low) (sf)	Stable	Confirmed	July 11, 2022
PREF	127,500,000	127,500,000	--	--	--	--	--	--	--

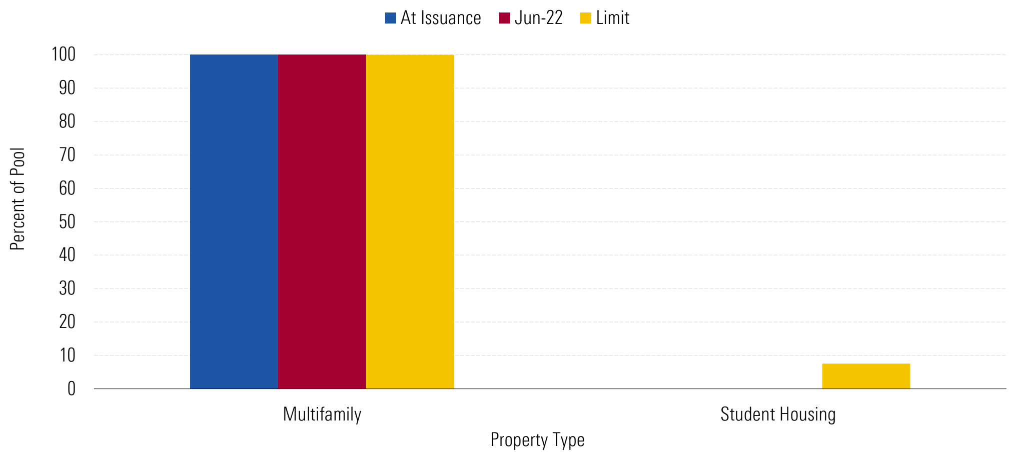
As of the June 2022 remittance report, the transaction consisted of 56 loans totalling the maximum trust balance of $1.5 billion. In general, borrowers are progressing toward completing their stated business plans. As of March 2022, the collateral manager had advanced $38.2 million in reserves to 41 borrowers to aid in property stabilization efforts. An additional $127.8 million of reserves allocated to 55 borrowers remained outstanding.

The transaction is concentrated by property type as all loans currently in the transaction are secured by multifamily properties. To date, all reinvestment loans have been secured by traditional multifamily assets; however, the Eligibility Criteria does allow for up to 7.5% of the maximum pool balance to be secured by student housing properties. The largest 10 loans represent 33.8% of the pool, and there are no loans in special servicing or on the servicer's watchlist as of the June 2022 remittance.

Loans contributed during the initial ramp-up and subsequent ongoing reinvestment periods were characterized with similar leverage as the current poolwide weighted-average as-is loan-to-value (LTV) and stabilized LTV ratios are 84.3% and 71.5%, respectively, in comparison with the issuance figures of 84.1% and 71.6%, respectively. In addition, properties in markets with DBRS Morningstar Market Ranks of 1 and 2 represent 18.2% of the pool, compared with 17.3% of the pool at issuance. These markets are tertiary in nature and historically have not benefitted as much as suburban and urban markets in terms of investor demand and liquidity. Loans representing 68.6% of the pool are secured by properties in markets DBRS Morningstar considers as suburban in nature, compared with 65.6% of the pool at issuance.

Transaction Concentrations

Exhibit 1 Property Type Concentration

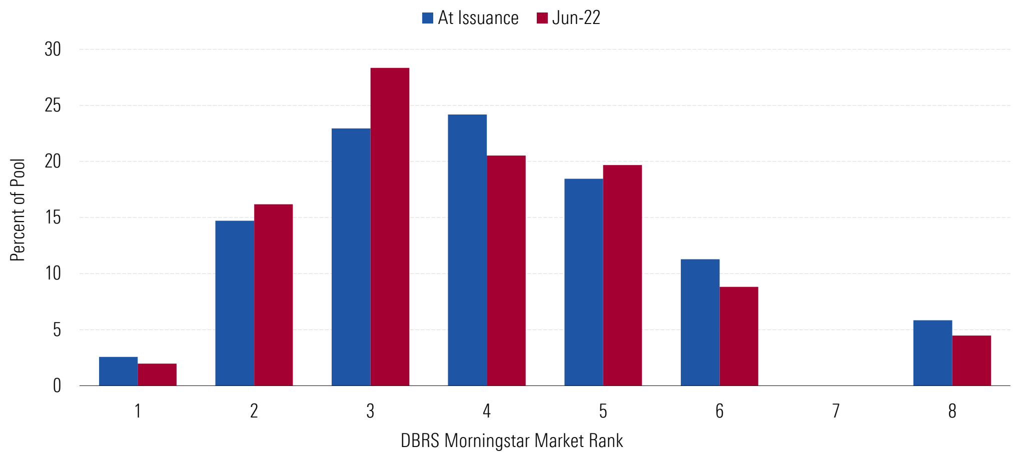


Source: DBRS Morningstar.

Property Type Concentration

	At Issuance		As of June 2022 Remittance		
	# of Loans	**% of Pool**	**# of Loans**	**% of Pool**	**Limit (%)**
Multifamily	36	100.0	56	100.0	100.0
Student Housing	0	0.0	0	0.0	7.5

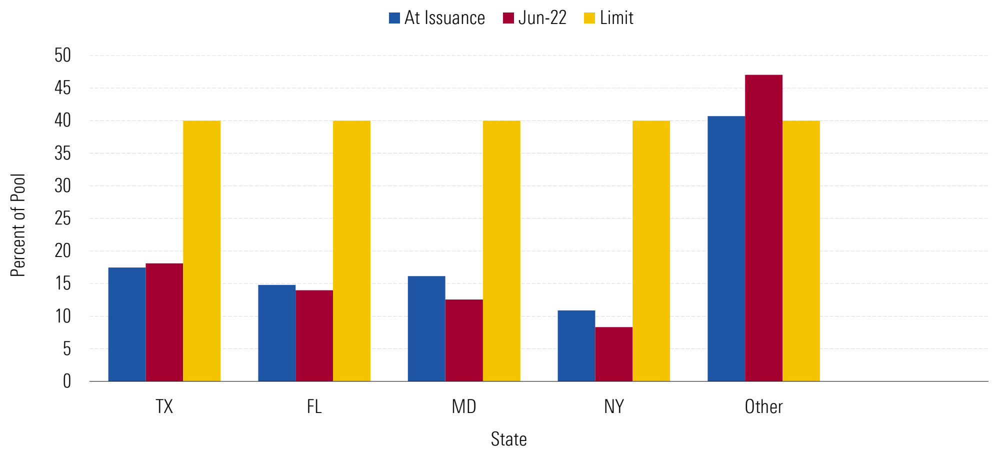
Exhibit 2 DBRS Morningstar Market Rank



Source: DBRS Morningstar.

DBRS Morningstar Market Rank				
	At Issuance		As of June 2022 Remittance	
	# of Loans	**% of Pool**	**# of Loans**	**% of Pool**
1	1	2.6	1	2.0
2	5	14.7	10	16.2
3	10	22.9	18	28.3
4	8	24.2	11	20.5
5	7	18.5	11	19.7
6	3	11.3	3	8.8
7	0	0.0	0	0.0
8	2	5.8	2	4.5

Exhibit 3 State Concentration



Source: DBRS Morningstar.

State Concentration

	At Issuance		As of June 2022 Remittance		
	# of Loans	**% of Pool**	**# of Loans**	**% of Pool**	**Limit (%)**
TX	7	17.5	10	18.1	40
FL	4	14.8	7	14.0	40
MD	4	16.2	4	12.6	40
NY	3	10.9	3	8.3	40
Other	18	40.7	32	47.0	40

Current Loan Status

Loan Status	# of Loans	% of Pool
Delinquent	0	0.0
Specially Serviced	0	0.0
REO	0	0.0
Modified or Forborne	0	0.0
Servicer's Watchlist	0	0.0

Loan Additions Since Last Rating Action

Loan Name	Month Added to Transaction	Loan Purpose	Trust Loan at Contribution ($)	A-Note at Contribution ($)	Future Funding ($)	Future Funding Purpose	Fully Funded A-Note ($)	DBRS Morningstar As-Is DSCR (x)	DBRS Morningstar Stabilized DSCR (x)
Sugar Creek Apartments	Nov-21	Acquisition	32,800,000	32,800,000	999,000	Debt Service Reserves, Capital Improvements	32,800,000	0.36	1.47
Iron Hill Apartments	Nov-21	Acquisition	32,000,000	32,000,000	4,785,986	Capital Improvements	32,000,000	0.55	1.28
The Atrium Apartments	Nov-21	Acquisition	5,765,000	5,765,000	1,075,048	Debt Service Reserves, Capital Improvements	5,765,000	0.40	1.15
Grove at Irving	Nov-21	Acquisition	18,400,000	18,400,000	2,092,273	Capital Improvements	18,400,000	0.96	1.15
The Timbers	Nov-21	Acquisition	33,200,000	33,200,000	2,203,041	Capital Improvements	33,200,000	1.11	1.22
Midwood Hills Apartments	Nov-21	Acquisition	9,250,000	9,250,000	2,557,408	Radon Reserves, Capital Improvements	9,250,000	0.96	1.22
Midwood View Apartments	Nov-21	Acquisition	11,000,000	11,000,000	308,000	Radon Reserves, Capital Improvements	11,000,000	0.99	1.02
2700 at Homewood & 513 at Valley	Nov-21	Acquisition	20,200,000	20,200,000	2,249,408	Debt Service Reserves, Capital Improvements	20,200,000	0.78	1.14
TriCities Portfolio	Nov-21	Acquisition	11,386,000	11,386,000	2,388,585	Capital Improvements	11,386,000	0.84	1.68
Oakwood Apartments and Palm Court Apartments	Nov-21	Acquisition	9,100,000	9,100,000	693,149	Debt Service Reserves, Deferred Maintenance Reserves, Capital Improvements	9,100,000	0.62	1.38
Crowder View Townhomes	Nov-21	Acquisition	18,600,000	18,600,000	1,764,525	Capital Improvements	18,600,000	0.95	1.07
The Adelade	Nov-21	Acquisition	10,800,000	10,800,000	501,328	Capital Improvements	10,800,000	1.08	1.33
Penn Lee Court	Dec-21	Acquisition	10,200,000	10,200,000	1,100,020	Debt Service Reserves, Capital Improvements	10,200,000	0.83	1.10
Savannah Portfolio	Dec-21	Acquisition	14,170,000	14,170,000	1,800,000	Capital Improvements	14,170,000	1.20	1.56
St George Apartments	Dec-21	Acquisition	12,500,000	12,500,000	1,015,875	Capital Improvements	12,500,000	0.89	1.07
The Colony Apartments	Dec-21	Acquisition	15,275,000	15,275,000	1,234,242	Debt Service Reserves, Capital Improvements	15,275,000	0.85	0.88
Chicago Tranche 7	Dec-21	Acquisition	12,075,000	12,075,000	1,758,485	Capital Improvements	12,075,000	1.68	1.83
Hampstead Oaks	Dec-21	Acquisition	9,300,000	9,300,000	1,734,950	Debt Service Reserves, Capital Improvements	9,300,000	0.78	1.00
Circle at 1800	Dec-21	Acquisition	12,412,600	12,700,000	899,016	Capital Improvements	12,700,000	1.00	1.21
Lakewood Oaks	Jan-22	Acquisition	14,550,000	14,550,000	1,300,000	Capital Improvements	14,550,000	1.25	1.36

*The Issuer contributes the fully funded A-note balance into the trust at contribution, but only releases loan future funding to borrowers upon approved draw requests.

Loan Name	Property Type	City	State	Appraised As-Is Value ($)	Appraised As-Is LTV (%)	Appraised Stabilized Value ($)	Appraised Stabilized LTV (%)	DBRS Morningstar Business Plan Score
Sugar Creek Apartments	Multifamily	High Ridge	MO	41,400,000	79.23	43,700,000	75.06	2.03
Iron Hill Apartments	Multifamily	Newark	DE	33,200,000	96.39	44,200,000	72.40	2.73
The Atrium Apartments	Multifamily	Tempe	AZ	6,300,000	91.51	8,300,000	69.46	2.53
Grove at Irving	Multifamily	Irving	TX	21,500,000	85.58	26,800,000	68.66	2.28
The Timbers	Multifamily	Dallas	TX	40,200,000	82.59	48,000,000	69.17	2.13
Midwood Hills Apartments	Multifamily	Austell	GA	11,800,000	78.39	12,600,000	71.15	2.48
Midwood View Apartments	Multifamily	Austell	GA	13,500,000	81.48	14,400,000	76.39	2.03
2700 at Homewood & 513 at Valley	Multifamily	Birmingham	AL	24,430,000	82.69	28,000,000	71.76	2.08
TriCities Portfolio	Multifamily	Multiple	TN	11,600,000	98.16	16,300,000	69.85	2.83
Oakwood Apartments and Palm Court Apartments	Multifamily	Tampa	FL	11,700,000	77.78	14,400,000	63.19	2.33
Crowder View Townhomes	Multifamily	Gastonia	NC	22,200,000	83.78	27,600,000	67.39	1.73
The Adelade	Multifamily	Knoxville	TN	12,900,000	83.72	14,900,000	75.35	1.93
Penn Lee Court	Multifamily	Philadelphia	PA	10,900,000	93.58	13,800,000	73.91	2.28
Savannah Portfolio	Multifamily	Savannah	GA	16,200,000	87.47	20,200,000	70.15	2.28
St George Apartments	Multifamily	Miami	FL	14,300,000	87.41	15,900,000	78.62	2.28
The Colony Apartments	Multifamily	Burlington	NC	16,600,000	92.02	20,300,000	75.25	1.88
Chicago Tranche 7	Multifamily	Chicago	IL	14,200,000	85.04	16,400,000	73.63	1.88
Hampstead Oaks	Multifamily	Savannah	GA	9,000,000	103.33	11,700,000	79.49	2.23
Circle at 1800	Multifamily	Waco	TX	14,800,000	85.81	17,500,000	72.57	1.78
Lakewood Oaks	Multifamily	Jacksonville	FL	18,790,000	77.43	20,910,000	69.58	2.08

Loan Future Funding Released Through March 2022

Loan	Trust Balance at Contribution ($)	Percent of Pool at Contribution (%)	Future Funding Available at Loan Closing ($)	Future Funding Purpose	Future Funding Released Since Loan Closing ($)	Current Trust Balance ($)	Current Percent of Pool (%)	Future Funding Outstanding ($)
Colony at Towson	56,500,000	3.8	3,825,000	Capital Improvements	1,086,736	56,500,000	3.8	2,738,264
Cheverly Gardens	51,606,500	3.4	3,215,000	Capital Improvements	662,004	54,500,000	3.6	2,552,996
Atrium Emerald Isle	48,427,036	3.2	3,969,960	Capital Improvements	1,384,403	52,000,000	3.5	2,585,557
Ivy Residences	51,000,000	3.4	808,584	Debt Service Reserves, Capital Improvements	293,800	51,000,000	3.4	514,784
Sun Valley Lake	40,870,263	2.7	9,534,085	Capital Improvements	953,409	45,000,000	3.0	8,580,676
Reflections at Highpoint	38,672,000	2.6	2,300,000	Capital Improvements	304,533	40,672,000	2.7	1,995,467
Westchase Portfolio	37,552,120	2.5	6,660,063	Deferred Maintenance Reserves, Capital Improvements	1,469,907	40,000,000	2.7	5,190,156
15 Park Row	37,000,000	2.5	4,000,000	Debt Service Reserves	3,477,989	37,000,000	2.5	522,011
Enclave at Breckenridge	36,900,000	2.5	4,780,300	Capital Improvements	478,030	36,900,000	2.5	4,302,270
Avery at Pompano Beach	35,370,000	2.4	712,220	Debt Service Reserves, Capital Improvements	12,535	35,370,000	2.4	699,685
Uptown 22	34,970,000	2.3	1,291,562	Debt Service Reserves, Capital Improvements	108,757	34,970,000	2.3	1,182,805
30 Morningside Drive	30,000,000	2.0	13,842,250	Debt Service Reserves, Deferred Maintenance Reserves, Interest Reserves	12,734,115	30,000,000	2.0	1,108,135
Stephenville Portfolio	29,500,000	2.0	4,802,262	Deferred Maintenance, Capital Improvements	470,000	29,500,000	2.0	4,332,262
Imperial Plaza	29,270,000	2.0	9,623,572	Insurance Loss Proceeds, Capital Improvements	3,642,274	29,270,000	2.0	5,981,298
Casa Verde	28,100,000	1.9	4,823,750	Capital Improvements	488,972	28,100,000	1.9	4,334,778
Admiral Place Apartments	27,350,000	1.8	3,031,182	Capital Improvements	597,494	27,350,000	1.8	2,433,688
Stonewater Park	23,827,680	1.6	3,824,800	Capital Improvements	382,480	27,270,000	1.8	3,442,320
Toro Place	26,707,440	1.8	547,289	Capital Improvements	54,729	27,200,000	1.8	492,560
Southridge	26,500,000	1.8	5,509,821	Capital Improvements	1,030,878	26,500,000	1.8	4,478,943
100 Riverbend	24,240,000	1.6	8,085,763	Debt Service Reserves, Capital Improvements, Operating reserve	1,140,147	24,240,000	1.6	6,945,616
Vista	21,900,000	1.5	6,633,140	Debt Service Reserves, Capital Improvements, Operating reserve	1,435,596	21,900,000	1.5	5,197,544
Casa Blanca & Valencia	21,400,000	1.4	4,100,000	Capital Improvements	473,581	21,400,000	1.4	3,626,419
Kendall Manor	18,373,563	1.2	2,918,937	Debt Service Reserves, Capital Improvements	655,577	20,875,000	1.4	2,263,360
Legacy on Elm	18,401,110	1.2	2,053,700	Capital Improvements	133,210	20,321,600	1.4	1,920,490
Falcon Crest	16,709,548	1.1	2,100,503	Capital Improvements	1,047,748	18,600,000	1.2	1,052,754
Legacy at Crossings	15,734,068	1.0	3,048,320	Capital Improvements	229,548	18,552,840	1.2	2,818,772
Spring Hollow	12,200,000	0.8	3,980,500	Debt Service Reserves, Capital Improvements	994,799	12,200,000	0.8	2,985,701
Legacy Point	9,847,763	0.7	1,349,310	Capital Improvements	94,693	11,102,380	0.7	1,254,617
Legacy at Sedgefield	7,064,836	0.5	1,200,540	Capital Improvements	92,796	8,172,580	0.5	1,107,744
Sugar Creek Apartments	32,800,000	2.2	999,000	Debt Service Reserves, Capital Improvements	95,667	32,800,000	2.2	903,333
Iron Hill Apartments	32,000,000	2.1	4,785,986	Capital Improvements	478,599	32,000,000	2.1	4,307,387
The Atrium Apartments	5,765,000	0.4	1,075,048	Debt Service Reserves, Capital Improvements	114,777	5,765,000	0.4	960,271
Grove at Irving	18,400,000	1.2	2,092,273	Capital Improvements	209,227	18,400,000	1.2	1,883,046
The Timbers	33,200,000	2.2	2,203,041	Capital Improvements	402,225	33,200,000	2.2	1,800,816
TriCities Portfolio	11,386,000	0.8	2,388,585	Capital Improvements	121,046	11,386,000	0.8	2,267,539

Crowder View Townhomes	18,600,000	1.2	1,764,525	Capital Improvements	265,000	18,600,000	1.2	1,499,525
Penn Lee Court	10,200,000	0.7	1,100,020	Debt Service Reserves, Capital Improvements	99,165	10,200,000	0.7	1,000,855
Savannah Portfolio	14,170,000	0.9	1,800,000	Capital Improvements	180,000	14,170,000	0.9	1,620,000
St George Apartments	12,500,000	0.8	1,015,875	Capital Improvements	37,209	12,500,000	0.8	978,666
The Colony Apartments	15,275,000	1.0	1,234,242	Debt Service Reserves, Capital Improvements	112,223	15,275,000	1.0	1,122,019
Hampstead Oaks	9,300,000	0.6	1,734,950	Debt Service Reserves, Capital Improvements	170,085	9,300,000	0.6	1,564,865

*The Issuer contributes the fully funded A-note balance into the trust at contribution, but only releases loan future funding to borrowers upon approved draw requests.

Top 10 Loan Summary Table

Loan Name	Current Trust Balance ($)	% of Pool	DBRS Morningstar As-Is DSCR (x)	DBRS Morningstar Stabilized DSCR (x)	DBRS Morningstar As-Is LTV (%)	DBRS Morningstar Stabilized LTV (%)	DBRS Morningstar Business Plan Score
Bloomington Portfolio	64,700,000	4.3	1.01	1.09	85.0	72.6	1.88
Bevel LIC	58,000,000	3.9	0.98	1.72	70.1	68.7	2.15
Colony at Towson	56,500,000	3.8	0.96	1.40	89.8	72.1	2.28
Cheverly Gardens	54,500,000	3.6	1.20	1.33	82.8	73.7	2.70
315 Lotus	53,000,000	3.5	0.87	1.43	75.6	75.6	1.55
Atrium Emerald Isle	52,000,000	3.5	1.69	1.72	86.8	74.7	3.20
Ivy Residences	51,000,000	3.4	1.23	1.32	81.5	75.0	1.78
Commons at White Marsh	50,000,000	3.3	1.05	1.38	86.2	64.5	3.25
Sun Valley Lake	45,000,000	3.0	1.35	1.50	88.9	73.6	2.08
Reflections at Highpoint	40,672,000	2.7	0.83	1.07	85.6	73.9	2.60

Loan Name	DBRS Morningstar Property Type	City	State	Year Built	SF/Units	Fully Funded Mortgage Loan PSF ($)	Loan Added During Reinvestment Period
Bloomington Portfolio	Multifamily	Bloomington	IN	1979	923	$70,098	-
Bevel LIC	Multifamily	Long Island City	NY	2020	202	$287,129	-
Colony at Towson	Multifamily	Towson	MD	1967	383	$147,520	-
Cheverly Gardens	Multifamily	Hyattsville	MD	1951	409	$133,252	-
315 Lotus	Multifamily	East Orange	NJ	2019	180	$294,444	-
Atrium Emerald Isle	Multifamily	Fort Walton Beach	FL	1985	301	$172,757	-
Ivy Residences	Multifamily	Orlando	FL	2014	248	$205,645	-
Commons at White Marsh	Multifamily	Middle River	MD	1970	1,212	$41,254	-
Sun Valley Lake	Multifamily	Saint Charles	MO	1986	680	$66,176	-
Reflections at Highpoint	Multifamily	Dallas	TX	1986	373	$109,040	-

Business Plan Updates

Colony at Towson

Current Trust Balance ($)	56,500,000
Future Funding Outstanding ($)	2,738,264
Fully Funded Loan Balance ($)	56,500,000

The loan is secured by a 383-unit garden-style townhome complex built in 1967 in Townson, Maryland. Loan proceeds of $56.5 million facilitated the acquisition of the subject at a purchase price of $62.0 million. The seller had completed partial renovations for 108 units, and the borrower's business plan is to complete an additional $3.8 million of renovations in order to achieve market rental premiums. A total of $2.5 million of the renovation reserve is allocated toward the interior upgrades of 225 units ($11,000 per unit), while the remaining $1.4 million is allocated toward exterior upgrades and amenities. All renovation work was expected to be completed within 30 months of loan closing.

According to the Q1 2022 update from the collateral manager, the property was 94% occupied with an average rental rate of $1,420 per unit, compared with the average rental rate at loan closing of $1,288 per unit. There is a student concentration in the submarket because of the proximity to Towson University and Goucher College. According to Reis, multifamily properties in the Towson/Timonium/Hunt Valley submarket reported a Q1 2022 vacancy rate of 2.0% and asking rental rate of $1,521 per unit, compared with the Q1 2021 vacancy rate of 4.5% and asking rental rate of $1,348 per unit.

As of Q1 2022, $1.1 million of the renovation reserve has been advanced to the borrower. Renovations on 35 units have been completed, and the borrower has started work on electrical and signage upgrades. Based on the T-6 ended March 31, 2022, financials from the collateral manager, the property reported an NCF of $5.2 million, higher than the Issuer stabilized NCF of $4.1 million and the DBRS Morningstar Stabilized NCF of $3.4 million.

312 Lotus

Current Trust Balance ($)	53,000,000
Future Funding Outstanding ($)	3,795,000
Fully Funded Loan Balance ($)	53,000,000

The loan is secured by a 180-unit multifamily property with approximately 33,000 sf of ground floor commercial space in East Orange, New Jersey. The property amenities include a resident lounge, fitness centres, a playroom, a library, a rooftop recreation deck, a party room, and outdoor barbeque grills. The borrower's business plan at issuance was to first secure an anchor tenant for the vacant commercial space and lease out the remaining space to smaller retailers. According to the Q1 2022 update from the collateral manager, several prospective tenants have expressed an interest in leasing the space, including an urgent care facility, although a lease has yet to be finalized. The leasing reserve of $795,000 has not been drawn upon to date. In addition, an application was submitted to the zoning board for the City of East Orange to allow the borrower to build out a portion of the commercial space for self-storage.

The multifamily portion of the property was considered stabilized at issuance, and as of February 2022, the property was 96% occupied with an average rental rate of $2,026 per unit, compared with the issuance occupancy rate of 90% and average rental rate of $2,015 per unit. Based on the annualized T-6 ended February 28, 2022, financials from the collateral manager, the property reported NCF of $3.6 million, an improvement from the T-12 ended May 31, 2021, NCF of $2.7 million and the DBRS Morningstar As-Is NCF of $2.0 million.

Westchase Portfolio

Current Trust Balance ($)	40,000,000
Future Funding Outstanding ($)	5,190,156
Fully Funded Loan Balance ($)	40,000,000

The loan is secured by a portfolio of four multifamily properties consisting of 1,330 units in Houston. The properties include Estates at Westchase (Estates), Vista at Westchase (Vista), Preserve at Westchase (Preserve), and The Grand at Westchase (The Grand). The collateral unit mix comprises 760 one-bedroom units, 510 two-bedroom units, and 60 three-bedroom units. At loan closing, whole-loan proceeds of $100.3 million along with $25.7 million of borrower equity were used to purchase the subject for $117.0 million and fund $6.6 million in a renovation reserve. The subject loan is pari passu with a piece secured in the ARCREN 2021-FL4 transaction, which is also rated by DBRS Morningstar. The business plan is to complete renovations across all properties with $1.5 million allocated to Estates, $1.2 million to Vista, $2.3 million to Preserve, and $1.6 million to The Grand. The project will include interior and exterior renovations, in addition to adding energy efficiency measures. The project is expected to be completed over a 24-month period, at which point the borrower is hoping to achieve market rental rates.

According to the Q1 2022 update from the collateral manager, 268 units of the planned 805 units have been renovated, and $1.5 million of the renovation reserve has been advanced. The property reported an occupancy rate of 86% as of February 2022, a decrease from closing of 92%; however, this was expected because nonpaying residents were evicted, and the borrower continues with its renovation project. The average rental rate as of February 2022 was reported at $856 per unit, compared with loan closing of $811 per unit, DBRS Morningstar's as-is average rental rate of $826 per unit, and DBRS Morningstar's stabilized average rental rate of $898 per unit. According to Reis, the Briar Forest/Ashford submarket reported a Q1 2022 average vacancy rate of 6.4% with an asking rental rate of $1,290 per unit, compared with the Q1 2021 average vacancy rate of 7.7% and asking rental rate of $1,121 per unit. Based on the T-8 ended February 28, 2022, financials from the collateral manager, the property reported an NCF of $4.5 million, compared with the DBRS Morningstar As-Is NCF of $5.1 million. Loan performance is expected to lag as the borrower continues to execute its business plan.

15 Park Row

Current Trust Balance ($)	37,000,000
Future Funding Outstanding ($)	522,011
Fully Funded Loan Balance ($)	37,000,000

The loan is secured by a 335-unit 29-storey multifamily property with approximately 45,000-sf of retail and office space in the Financial District of Lower Manhattan. The property was converted to predominantly multifamily use from office beginning in 2002, and the collateral currently consists of 310 free-market residential units, 25 section 421-g units, four retail units, and four office units. Atlas Capital Group, which has a portfolio concentrated in New York and Los Angeles, sponsors the loan.

Whole loan proceeds of $109.0 million, along with $46.2 million of sponsor equity, were used to acquire the property for $142.0 million. The trust debt for the subject loan totals $37.0 million with additional individual pari passu notes of $36.0 million held in the ARCREN 2021-FL2 and ARCREN 2021-FL4 transactions, which are also rated by DBRS Morningstar. The borrower's business plan at issuance was to perform a $6.0 million capital improvement plan, of which $2 million was allocated for interior renovations across 128 units, while the remaining $4 million is being used to address various capital expenditures, including elevator and roofing repairs. A $4.0 million reserve was funded at closing and controlled by the lender to fund debt service shortfalls.

In May 2021, the borrower entered into a master lease with Primestone, a local corporate housing operator, for 52 furnished units at $2,980 per unit. In November 2021, the lease was amended to expand the unit count to 57 with rents increasing to $3,565 per unit. The lease was amended a second time in March 2022, reducing the unit count to 48 and extending the terms on certain units through December 31, 2022. The master lease requires tenants to stay at the subject for a minimum of 90 days with the hope that tenants will sign direct leases.

According to the Q1 2022 update from the collateral manager, property occupancy was 91.0% as of the March 2022 rent roll, up from 61% at issuance. As of the March 2022 rent roll, the property had a weighted-average rental rate of $3,217 per unit, up marginally from $3,200 per unit as of March 2021. The collateral manager noted that 61 unit renovations had been completed with an additional seven units expected to be renovated by end of summer 2022. Remedial elevator upgrades to the doors and cabs was completed at YE2021 with planned significant modernization upgrades expected to be completed over a 12 to 24 month timeline. The borrower successfully executed a lease for one commercial tenant that is anticipated to take occupancy in June 2022, paying gross rent of approximately $20,000 per month. According to Q1 2022 Reis data, properties in the West Village/Downtown submarket had an asking rental rate of $5,479 per unit, an average effective rental rate of $5,036 per unit, and an average vacancy rate of 4.5%.

According to the annualized March 31, 2022, financials provided by the collateral manager (T-3 revenue and T-11 expenses), the property reported NCF of $4.5 million, above the DBRS Morningstar As-Is NCF of $0.3 million and the Issuer's as-is figure of $0.7 million. While NCF remains below DBRS Morningstar's stabilized figure of $5.8 million, the borrower has completed over half of the planned unit renovations, and cash flow is expected to improve in 2022 as a majority of concessions are anticipated to burn off by Q3 2022. Property performance has improved since loan closing, particularly as a result of an increased occupancy; however, as the master lease with Primestone ends at YE2022, DBRS Morningstar is focused on the potential shift at year end. Currently vacant units leased by Primestone will be reported as vacant, and tenants currently living in these units will need to decide whether to vacate or sign direct leases. Primestone may possibly sign a new lease agreement; however, no known potential negotiations are available at this time. Additionally, the debt service shortfall reserves are likely exhausted, as the available balance as of March 2022 had diminished to $0.5 million. This risk is partially mitigated as the borrower is required to rebalance the reserve to three months' worth of payments if the reserve is exhausted. As the borrower continues to complete capital improvements and implement its business plan ahead of the January 2024 maturity date, the property benefits from competitive rental rates within the submarket because DBRS Morningstar projected an average stabilized rental rate of $3,450 per unit, and leverage at loan closing was moderate at 75.2% based on a $147.0 million valuation.

Imperial Plaza

Current Trust Balance ($)	29,270,000
Future Funding Outstanding ($)	5,981,298
Fully Funded Loan Balance ($)	29,270,000

The loan is secured by a four-building 742-unit independent-living property in Richmond, Virginia. Loan proceeds of $69.2 million along with $17.3 million of borrower equity were used to acquire the property for a purchase price of $75.0 million and fund a $9.3 million renovation reserve. The subject loan of $29.3 million is pari passu with the $40.0 million piece securitized in the ARCREN 2021-FL2 transaction, which is also rated by DBRS Morningstar.

The borrower's business plan at issuance was to convert one of the buildings from 178 memory care/assisted-living beds into 48 standard multifamily units along with light upgrades to the remaining units and general upgrades across the property. In May 2021, and ahead of the September 2021 CMBS transaction closing, the borrower had successfully transferred all existing assisted living residents to nearby facilities. The memory care/assisted-living beds, which are on floors two through six of the Azalea Building, were to be converted into 48 two-bedroom independent-living units; however, the borrower is requesting approval from the collateral manager to allow the demolition of a mix of 49 units on floors four through six in addition to the demolition of floors two and three in order to accommodate the construction of a small assisted-living unit comprising 50 beds and operated by a licensed third party. The collateral manager has not provided its approval to date, and it is likely that stabilization will be prolonged beyond the anticipated 24 months.

According to the Q1 2022 update from the collateral manager, $3.4 million of the renovation reserve had been advanced to the borrower with completed work items that included landscaping, hallway repairs, and upgrades to 186 units. At closing, the borrower's allocated renovation budget for existing unit interiors was only $2,021 per unit; however, the borrower did budget an additional $3.8 million for common area, building interior, and property exterior improvements across the property. The conversion of the former healthcare building was budgeted at $2.4 million with the project in the engineering and architectural planning stages as of YE2021, but timing and cost may differ considering the proposed business plan change.

The property was 78% occupied as of March 2022 with an average rental rate of $1,303 per unit, compared with the December 2021 occupancy rate of 76% and average rental rate of $1,315 per unit and issuance occupancy rate of 77% and average rental rate of $1,328 per unit.

While the borrower has begun the renovation project as contemplated at issuance, $6.0 million of capital improvement funds remains outstanding, and collateral performance largely remains in line with issuance. According to Q1 2022 Reis data for the Richmond/Henrico/Hanover submarket, independent-living units reported an average asking rental rate of $3,132 per unit with an average vacancy rate of 8.8%, while assisted-living units reported an average asking rental rate of $4,753 per unit with an average vacancy rate of 16.6%.

According to the annualized T-9 ended March 31, 2022, financials from the collateral manager, the property reported NCF of $3.7 million, unchanged from the YE2020 figure of $3.7 million and equating to a 1.19x DSCR. DBRS Morningstar projected a Stabilized NCF of $5.1 million with a stabilized rental rate of approximately $1,550 per unit and a vacancy rate of 12.0%. In contrast, the Issuer projected a stabilized NCF of $6.5 million with a stabilized average rental rate of $1,575 per unit and vacancy rate of 6.0%. According to the Q1 2022 update from the collateral manager, it appears the borrower is systematically progressing with its business plan, although it may be a challenge to complete the conversion and initial lease-up of the former healthcare building prior to loan maturity in February 2023. This risk is mitigated by a one-year extension option available to the borrower, and the current LTV ratio is moderate at 74.5%, based on the funded loan balance and appraiser's property valuation of $82.6 million at issuance. Leverage will decrease to 67.7% on the fully funded loan balance if the borrower is able to successfully achieve the appraiser's stabilized property value estimate of $102.3 million.

Glossary

ADR	average daily rate	**MTM**	month to month
ALA	allocated loan amount	**MSA**	metropolitan statistical area
ARA	appraisal-reduction amount	**n.a.**	not available
ASER	appraisal subordinate entitlement reduction	**n/a**	not applicable
BOV	broker's opinion of value	**NCF**	net cash flow
CAM	common area maintenance	**NNN**	triple net
capex	capital expenditures	**NOI**	net operating income
CBD	central business district	**NRA**	net rentable area
CBRE	CB Richard Ellis	**NRI**	net rental income
CMBS	commercial mortgage-backed securities	**NR – PIF**	not rated – paid in full
CRE	commercial real estate	**OSAR**	operating statement analysis report
CREFC	CRE Finance Council	**PCA**	property condition assessment
DPO	discounted payoff	**PCR**	property condition report
DSCR	debt service coverage ratio	**P&I**	principal and interest
DSR	debt service reserve	**POD**	probability of default
EGI	effective gross income	**PIP**	property improvement plan
EOD	event of default	**PILOT**	payment in lieu of taxes
F&B	food & beverage	**PSA**	pooling and servicing agreement
FF&E	furniture, fixtures, and equipment	**psf**	per square foot
FS Hotel	full-service hotel	**R&M**	repairs and maintenance
G&A	general and administrative	**REIT**	real estate investment trust
GLA	gross leasable area	**REO**	real estate owned
GPR	gross potential rent	**RevPAR**	revenue per available room
HVAC	heating, ventilation, and air conditioning	**sf**	square foot/square feet
IO	interest only	**SPE**	special-purpose entity
LC	leasing commission	**TI**	tenant improvement
LGD	loss severity given default	**TIC**	tenants in common
LOC	letter of credit	**T-12**	trailing 12 months
LOI	letter of intent	**UW**	underwriting
LS Hotel	limited-service hotel	**WA**	weighted average
LTC	loan-to-cost ratio	**WAC**	weighted-average coupon
LTCT	long-term credit tenant	**x**	times
LTV	loan-to-value ratio	**YE**	year end
MHC	manufactured housing community	**YTD**	year to date

Definitions

Capital Expenditure (capex)
Costs incurred in the improvement of a property that will have a life of more than one year.

DBRS Morningstar Refi DSCR
A measure that divides the DBRS Morningstar Stabilized NCF by the product of the loan's maturity balance and a stressed refinance debt constant.

DBRS Morningstar Term DSCR
A measure that divides the DBRS Morningstar Stabilized NCF by the actual debt service payment.

Debt Service Coverage Ratio (DSCR)
A measure of a mortgaged property's ability to cover monthly debt service payments, defined as the ratio of net operating income or net cash flow to the debt service payments.

Effective Gross Income (EGI)
Rental revenue minus vacancies plus miscellaneous income.

Issuer UW
Issuer underwritten from Annex A or servicer reports.

Loan-to-Value Ratio (LTV)
The ratio between the principal amount of the mortgage balance, at origination or thereafter, and the most recent appraised value of the underlying real estate collateral, generally from origination.

Net Cash Flow (NCF)
The revenue earned by a property's ongoing operations less the expenses associated with such operations and the capital costs of tenant improvements, leasing commissions, and capex (or reserves). Moreover, NCF is net operating income less tenant improvements, leasing commissions, and capex.

NNN (Triple Net)
A lease that requires the tenant to pay operating expenses such as property taxes, insurance, and maintenance, in addition to the rent.

Net Operating Income (NOI)
The revenue earned by a property's ongoing operations less the expenses associated with such operations but before mortgage payments, tenant improvements, replacement reserves, and leasing commissions.

Net Rentable Area (NRA)
The area (sf) for which rent can be charged. NRA includes the tenant's premises plus an allocation of the common area directly benefiting the tenant, such as common corridors and restrooms.

Revenue Per Available Room (RevPAR)
A measure that divides revenue by the number of available rooms, not the number of occupied rooms. It is a measure of how well the hotel has been able to fill rooms in the off-season, when demand is low even if rates are also low, and how well it fills the rooms and maximizes the rate in the high season, when there is high demand for hotel rooms.

Tenant Improvements (TIs)
The expense to physically improve the property or space, such as new improvements or remodeling, paid by the borrower.

Weighted Average (WA)
Calculation is weighted by the size of each mortgage in the pool.

Weighted-Average Coupon (WAC)
The average coupon or interest payment on a set of mortgages, weighted by the size of each mortgage in the pool.

About DBRS Morningstar

DBRS Morningstar is a full-service global credit ratings business with approximately 700 employees around the world. We're a market leader in Canada, and in multiple asset classes across the U.S. and Europe.

We rate more than 3,000 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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