Surveillance Performance Update
MF1 2021-FL6 Ltd

DBRS Morningstar
September 14, 2023

Contents

1 Rating Action Summary
2 Capital Structure
4 Transaction Concentrations
7 Current Loan Status
8 Loan Additions Since Last Rating Action
9 Loan Future Funding Released
10 Top 10 Loan Summary
11 Business Plan Updates
15 Full Loan Payoffs Since Issuance
16 Glossary
17 Definitions

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Rating Action Summary

DBRS, Inc. (DBRS Morningstar) confirmed its ratings on all classes of notes issued by MF1 2021-FL6, Ltd (the Issuer). All trends are Stable. The rating confirmations reflect the overall stable performance of the transaction, which has remained in line with DBRS Morningstar's expectations since issuance as evidenced by stable performance and leverage metrics. The trust continues to be primarily secured by the multifamily collateral.

Participants	
Issuer	MF1 2021-FL6 Ltd
Mortgage Loan Seller	MF1 REIT II LLC
Master Servicer	KeyBank National Association
Special Servicer	CBRE Loan Services, Inc
Collateral Manager	MF1 REIT II CM, LLC
Advancing Agent	MF1 REIT II LLC

The initial collateral consisted of 37 floating-rate mortgages secured by 50 mostly transitional properties with a cut-off date balance totaling $993.2 million. Most loans were in a period of transition with plans to stabilize performance and improve values for the underlying assets. The trust reached its maximum funded balance of $1.30 billion in October 2021. The transaction was a managed vehicle with a 24-month reinvestment, which expired with the August 2023 Payment Date.

Pool Characteristics			
Trust Amount ($)	1,293,986,541	**Top Ten Loan Concentration (%)**	35.6
Number of Loans	44	**Par Value Trigger (%)**	116.1
Number of Properties	100	**Initial Par Value Ratio (%)**	117.1
Managed / Static	Managed	**Current Par Value Ratio (%)**	117.1
Replenishment Allowed	Y	**ICR Value Trigger (%)**	120.0
Reinvestment and/or Replenishment End Date	Aug-23	**Initial ICR Value Ratio (%)**	264.2
Current Cash Reinvestment Account Balance ($)	-	**Current ICR Value Ratio (%)**	151.2
WA As-Is Appraised Issuance LTV (%)	70.6	**WA Stabilized Appraised Issuance LTV (%)**	65.5
WA As-Is Appraised Current LTV (%)	70.5	**WA Stabilized Appraised Current LTV (%)**	65.1

Capital Structure

MF1 2021-FL6 Ltd									
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	708,500,000	702,472,663	45.50	45.71	AAA (sf)	AAA (sf)	Stable	Confirmed	September 14, 2023
Class AS Notes	201,500,000	201,500,000	30.00	30.14	AAA (sf)	AAA (sf)	Stable	Confirmed	September 14, 2023
Class B Notes	47,125,000	47,125,000	26.38	26.50	AA (low) (sf)	AA (low) (sf)	Stable	Confirmed	September 14, 2023
Class C Notes	56,875,000	56,875,000	22.00	22.10	A (low) (sf)	A (low) (sf)	Stable	Confirmed	September 14, 2023
Class D Notes	71,500,000	71,500,000	16.50	16.58	BBB (sf)	BBB (sf)	Stable	Confirmed	September 14, 2023
Class E Notes	24,375,000	24,375,000	14.63	14.69	BBB (low) (sf)	BBB (low) (sf)	Stable	Confirmed	September 14, 2023
Class F Notes	60,125,000	60,125,000	10.00	10.05	BB (low) (sf)	BB (low) (sf)	Stable	Confirmed	September 14, 2023
Class G Notes	34,125,000	34,125,000	7.38	7.41	B (low) (sf)	B (low) (sf)	Stable	Confirmed	September 14, 2023
Preferred Shares	95,875,000	95,875,000	0.00	0.00					

As of the August 2023 remittance, the pool comprises 44 loans secured by 100 properties with a cumulative trust balance that has amortized down to $1.29 billion, representing minimal collateral reduction of 0.5%. Currently, 21 of the original loans in the transaction at closing, representing 44.8% of the current trust balance, remain in the trust. Since issuance, 16 loans with a prior cumulative trust balance of $426.9 million have been successfully repaid from the pool, including seven loans totaling $195.4 million that have repaid since the previous DBRS Morningstar rating action in November 2022. An additional seven loans, totaling $229.7 million, have been added to the trust since the previous DBRS Morningstar rating action.

The transaction is concentrated by property type as 42 loans, representing 93.0% of the current trust balance, are secured by multifamily properties with the remaining two loans (7.0% of the current trust balance) secured by healthcare properties. In comparison, when the previous DBRS Morningstar Surveillance Performance Update for the transaction was published in April 2022, multifamily properties represented 91.5% of the collateral, student housing properties represented 6.9% of the collateral, and healthcare properties represented 1.6% of the collateral.

The pool is primarily secured by properties in suburban markets, as defined by DBRS Morningstar, with 27 loans, representing 60.0% of the pool, assigned a DBRS Morningstar Market Rank of 3, 4, or 5. An additional 13 loans, representing 31.4% of the pool, are secured by properties with a DBRS Morningstar Market Rank of 6 and 8, denoting urban markets, while four loans, representing 8.6% of the pool, are secured by properties with a DBRS Morningstar Market Rank of 2, denoting tertiary markets. In comparison, at April 2022, properties in suburban markets represented 57.0% of the collateral, properties in urban markets represented 34.2% the collateral, and properties in tertiary markets represented 8.8% of the collateral.

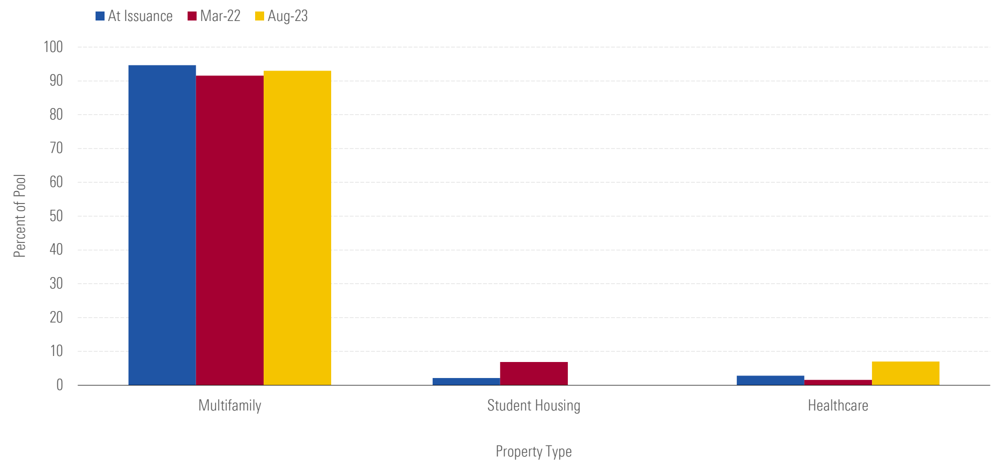
Leverage across the pool has remained consistent as of August 2023 reporting when compared with issuance and April 2022 metrics. The current weighted-average (WA) as-is appraised value loan-to-value ratio (LTV) is 70.5%, with a current WA stabilized LTV of 65.1%. In comparison, these figures were 70.6% and 65.5%, respectively, at issuance and 76.7% and 66.5%, respectively, as of April 2022. DBRS

Morningstar recognizes that select property values may be inflated as the majority of the individual property appraisals were completed in 2021 and 2022 and may not reflect the current rising interest rate or widening capitalization rate environments.

Through August 2023, the lender had advanced cumulative loan future funding of $158.3 million to 29 of the 44 outstanding individual borrowers to aid in property stabilization efforts. The largest advance, $14.9 million, has been made to the borrower of the SF Multifamily Portfolio III loan. The loan is secured by a portfolio of 10 multifamily properties, totaling 308 units, located in San Francisco. The advanced funds have been used to fund the borrower's extensive $33.9 million planned capital expenditure (capex) plan across the portfolio. The Q1 2023 collateral manager report noted the borrower had completed 136 unit upgrades with another 27 units in progress. The sponsor, Veritas Investment Group (Veritas), backs four portfolio loans in the MF1 2021-FL6 transaction with a current cumulative trust balance of $72.6 million (5.6% of the pool). The loans are secured by multifamily properties in Los Angeles and San Francisco. All four loans mature in January 2024 with three one-year extension options, and according to the collateral manager, each loan is expected to be extended. The collateral manager expects that the performance of each collateral portfolio will meet any required performance extension hurdles. Currently, $23.9 million of future funding remains available to the borrower on the SF Multifamily Portfolio III loan, which includes a potential $5.0 million earnout.

An additional $115.4 million of loan future funding allocated to 11 of the outstanding individual borrowers remains available. The vast majority of available funding ($100.0 million) is allocated across the four portfolio loans sponsored by Veritas, ranging from $22.0 million for the SF Multifamily Portfolio I loan to $27.0 million for the LA Multifamily Portfolio III loan. The business plan for each loan is similar with available funds to renovate properties with a small portion of dollars allocated for potential performance-based earnouts.

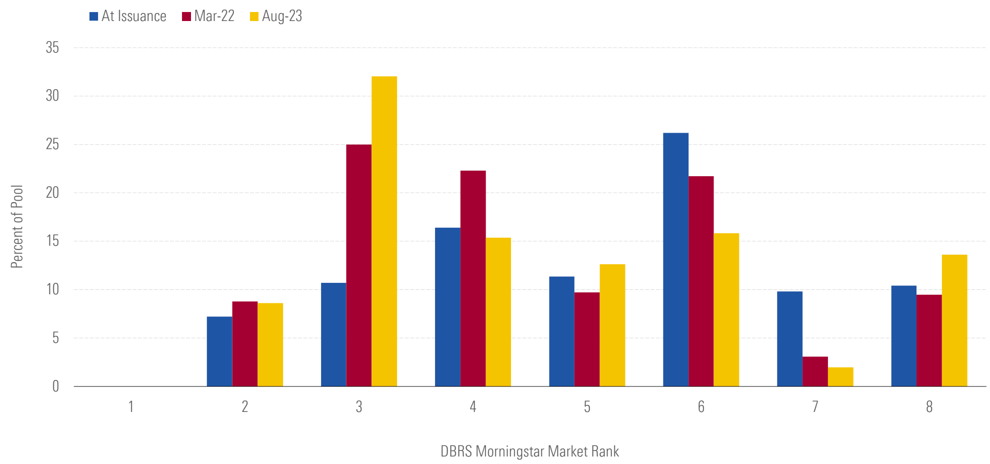
Exhibit 1 Property Type Concentration



Source: DBRS Morningstar.

Property Type Concentration	At Issuance		As of March 2022 Remittance		As of August 2023 Remittance	
	# of Loans	**% of Pool**	**# of Loans**	**% of Pool**	**# of Loans**	**% of Pool**
Multifamily	34	94.7	44	91.5	42	93.0
Student Housing	1	2.1	2	6.9	0	0.0
Healthcare	1	2.8	1	1.6	2	7.0

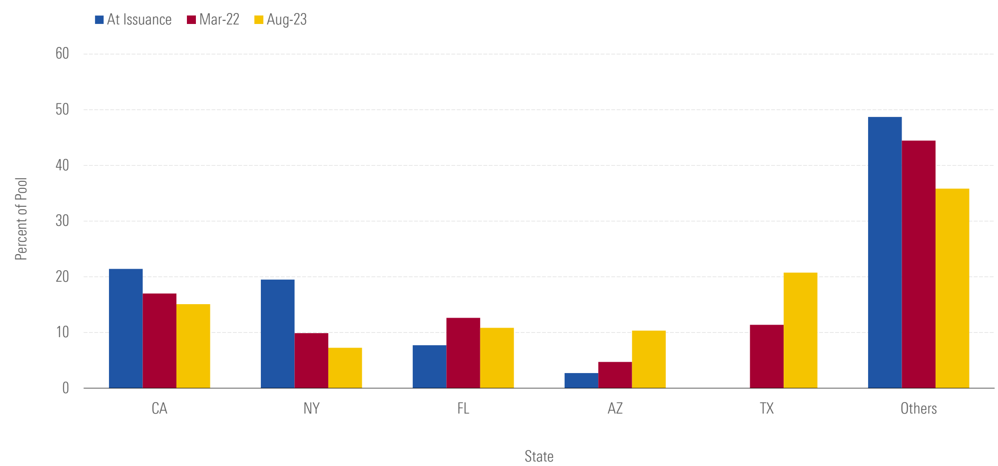
Exhibit 2 DBRS Morningstar Market Rank



Source: DBRS Morningstar.

DBRS Morningstar Market Rank	At Issuance		As of March 2022 Remittance		As of August 2023 Remittance	
	# of Loans	**% of Pool**	**# of Loans**	**% of Pool**	**# of Loans**	**% of Pool**
1	0	0.0	0	0.0	0	0.0
2	4	7.2	5	8.8	4	8.6
3	5	10.7	11	25.0	13	32.0
4	8	16.4	12	22.3	8	15.4
5	4	11.3	4	9.7	6	12.6
6	9	26.2	9	21.7	6	15.8
7	4	9.8	3	3.1	2	2.0
8	3	10.4	3	9.5	5	13.6

Exhibit 3 State Concentration



Source: DBRS Morningstar.

State Concentration

	At Issuance		As of March 2022 Remittance		As of August 2023 Remittance	
	# of Loans	**% of Pool**	**# of Loans**	**% of Pool**	**# of Loans**	**% of Pool**
CA	6	21.4	6	17.0	7	15.1
NY	6	19.5	5	9.8	4	7.2
FL	3	7.7	6	12.6	4	10.8
AZ	2	2.7	3	4.7	4	10.3
TX	0	0.0	4	11.4	8	20.8
Others	20	48.7	23	44.4	17	35.8

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	18	39.2
Servicer's Watchlist	20	46.8

As of the August 2023 remittance, there are no delinquent loans, no loans in special servicing, and there are 20 loans on the servicer’s watchlist, representing 46.8% of the current trust balance. The loans have primarily been flagged for below breakeven debt service coverage ratios and upcoming loan maturity. Performance declines noted in the pool are expected to be temporary as multifamily units are being taken offline by respective borrowers to complete interior renovations. In the next six months, 13 loans, representing 26.4% of the current trust balance are scheduled to mature. According to the collateral manager, 11 of the individual borrowers are expected to exercise loan extension options, while the two remaining borrowers are expected to successfully execute exit strategies.

Eighteen loans, representing 39.2% of the current trust balance, have been modified. The modifications have generally allowed borrowers to exercise loan extension options by amending loan terms in return for fresh equity deposits and the purchase of a new interest rate cap agreement. The most common amendments include the removal of performance-based tests and changes to the required strike price on the purchase of a new interest rate cap agreement. The four Veritas loans were modified to extend the maximum maturity date to January 2027 to allow the sponsor additional time to complete its business plan, which was significantly delayed by the Coronavirus Disease (COVID-19) pandemic and the resulting eviction moratorium in Los Angeles and San Francisco.

Three loans, representing 8.1% of the current trust balance, are sponsored by Tides Equities (Tides). In a June 2023 article published by The Real Deal, the principals of the firm noted it would likely need to conduct a capital call from its investors in order to fund debt service shortfalls across its portfolio given the rise in floating interest rate debt. All three loans are current; however, the Tides on Country Club and Copper Creek (now known as Tides on Oakland Hills) loans have been modified. Modification terms included changes to interest reserve minimums and interest rate terms as well as the removal of automatic monthly loan future funding disbursements by the lender. All future loan funding must be requested by the borrower and approved by the lender. Additionally, an affiliate of the Issuer made a preferred equity investment in the Tides on Oakland Hills loan to cover operating and debt service shortfalls. In its analysis, DBRS Morningstar made a negative adjustment to the sponsor strength across all three Tides sponsored loans, resulting in individual loan expected loss levels approximately 1.5 times greater than the overall poolwide MF1 2021-FL6 expected loss.

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)
SF Multifamily Portfolio I	1-Feb-23	Acquisition	31,103,668	77,937,285	32,696,830	Capital Expenditures	100,000,000	0.61	0.82
LA Multifamily Portfolio I	1-Feb-23	Acquisition	26,595,253	63,020,458	35,547,760	Capital Expenditures, Earnout	90,622,260	0.30	0.83
Avilla Trails	1-Mar-23	Refinance	23,000,000	42,576,000	0	N/A	42,576,000	0.37	0.94
The Dorsey	1-May-23	Refinance	46,280,000	151,280,000	13,720,000	Interest Reserve, Leasing Costs	165,000,000	0.08	0.82
Avilla Grove	1-Aug-23	Refinance	43,894,000	43,894,000	0	N/A	43,894,000	0.37	0.82
Avilla Magnolia	1-Aug-23	Refinance	38,400,000	38,400,000	0	N/A	38,400,000	0.61	0.90
Portola at Southglenn Apartments	1-Aug-23	Acquisition	20,475,886	56,070,000	5,430,000	Capital Expenditures	61,500,000	0.64	0.64

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
SF Multifamily Portfolio I	Multifamily	San Francisco	CA	128,680,000	60.6	157,080,000	63.7	2.28
LA Multifamily Portfolio I	Multifamily	Santa Monica	CA	101,020,000	62.4	121,710,000	74.5	2.28
Avilla Trails	Multifamily	Fort Worth	TX	75,900,000	56.1	78,700,000	54.1	1.35
The Dorsey	Multifamily	Miami	FL	266,000,000	60.2	297,300,000	52.2	2.83
Avilla Grove	Multifamily	Proper	TX	68,700,000	62.4	72,800,000	58.2	1.50
Avilla Magnolia	Multifamily	Phoenix	AZ	57,800,000	66.4	60,100,000	63.9	1.40
Portola at Southglenn Apartments	Multifamily	Centennial	CO	90,000,000	62.3	98,000,000	62.8	1.63

Loan Future Funding Released Through August 2023

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 ($)
Civitas Portfolio	59,000,000	4.5	10,135,000	Earnout, Interest Reserve	10,135,000	63,150,000	4.9	0
The Dorsey	46,280,000	3.6	13,720,000	Interest Reserve, Leasing Costs	6,588,136	46,280,000	3.6	7,131,864
Tides on Country Club	43,821,996	3.4	6,930,000	Capital Expenditures	3,800,000	43,821,996	3.4	3,130,000
The Residences at Rodney Square	35,969,847	2.8	2,894,578	Capital Expenditures, Leasing Costs	2,894,578	38,474,538	3.0	0
E 9th at Pickwick Plaza	32,105,000	2.5	5,895,000	Capital Expenditures	5,895,000	37,000,000	2.9	0
The Clinton Multifamily Portfolio	33,824,250	2.6	4,775,750	Capital Expenditures	4,775,750	35,424,250	2.7	0
Preserve at Spring Lake	32,327,284	2.5	3,822,716	Capital Expenditures	3,822,716	34,227,284	2.6	0
South Winds Apartments	28,580,000	2.2	9,140,000	Capital Expenditures	9,140,000	33,580,000	2.6	0
The Reserve at Wescott Plantation	31,012,000	2.4	3,838,000	Capital Expenditures	3,838,000	33,350,000	2.6	0
Redfield Ridge	29,359,225	2.3	9,560,775	Capital Expenditures	9,552,286	32,733,822	2.5	8,489
Palm Valley	32,167,614	2.5	3,643,000	Capital Expenditures	3,643,000	32,660,614	2.5	0
Avilla Reserve	32,000,000	2.5	1,000,000	Earnout	1,000,000	32,000,000	2.5	0
SF Multifamily Portfolio I	31,103,668	2.4	32,696,830	Capital Expenditures, Earnout	10,634,115	31,103,668	2.4	22,062,715
Cypress Grove	27,000,000	2.1	5,155,002	Capital Expenditures	5,155,002	29,750,000	2.3	0
Kenilworth Apartments	26,203,579	2.0	7,296,421	Capital Expenditures	6,875,000	29,328,579	2.3	421,421
Aster Place	27,141,000	2.1	4,100,000	Capital Expenditures	4,100,000	28,998,469	2.2	0
Copper Creek	26,148,000	2.0	6,052,000	Capital Expenditures	3,014,125	28,161,878	2.2	3,037,875
Columbia Multifamily Portfolio	25,646,000	2.0	4,745,000	Capital Expenditures	3,400,000	28,046,000	2.2	1,345,000
LA Multifamily Portfolio I	26,595,253	2.0	35,547,760	Capital Expenditures, Earnout	8,573,694	26,595,253	2.1	26,974,066
Legacy at Cypress	20,530,000	1.6	5,670,000	Capital Expenditures	5,350,105	24,630,105	1.9	319,895
Enclave at Cypress Park	21,000,000	1.6	5,039,707	Capital Expenditures	5,039,707	23,700,000	1.8	0
Portola at Southglenn Apartments	20,475,886	1.6	5,430,000	Capital Expenditures	5,430,000	20,475,886	1.6	0
Glendale Portfolio	18,484,308	1.4	8,500,000	Capital Expenditures	8,500,000	18,484,308	1.4	0
Bridges at Chapel Hill	17,083,000	1.3	1,024,000	Capital Expenditures	1,024,000	17,957,000	1.4	0
2460 Peachtree Apartments	15,628,597	1.2	5,250,000	Capital Expenditures	3,400,000	17,938,597	1.4	0
The Boulevard	17,000,000	1.3	3,000,000	Earnout	0	16,945,326	1.3	0
Chateau Apartments	14,200,000	1.1	2,200,000	Capital Expenditures	2,200,000	15,100,000	1.2	0
55 Pharr	10,500,000	0.8	1,500,000	Capital Expenditures	850,000	11,350,000	0.9	0
LA Multifamily Portfolio III	9,152,000	0.7	31,819,950	Capital Expenditures, Earnout	4,798,780	10,524,455	0.8	27,021,170
SF Multifamily Portfolio III	4,173,881	0.3	38,859,048	Capital Expenditures, Earnout	14,920,052	4,385,971	0.3	23,938,996

Top 10 Loan Summary

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
Civitas Portfolio	63,150,000	4.9	0.32	1.04	76.5	64.9	2.53
Gallerie Apartments	60,000,000	4.6	0.76	1.42	82.16	75.65	1.98
Venn on Market	54,500,000	4.2	0.80	1.04	147.67	80.07	1.83
The Dorsey	46,280,000	3.6	0.08	0.82	62.03	55.50	2.83
Avilla Grove	43,894,000	3.4	0.37	0.82	63.89	60.29	1.50
Tides on Country Club	43,821,996	3.4	0.66	0.82	83.80	64.19	2.03
The Residences at Rodney Square	38,474,538	3.0	1.08	1.26	91.02	83.34	1.78
Avilla Magnolia	38,400,000	3.0	0.61	0.90	66.44	63.89	1.40
E 9th at Pickwick Plaza	37000000	2.9	0.47	1.18	93.67	71.71	2.28
The Clinton Multifamily Portfolio	35424250	2.7	0.62	1.62	80.67	71.38	2.05

Loan Name	DBRS Morningstar Property Type	City	State	Year Built	SF/Units	Fully Funded Mortgage Loan PSF ($)	Loan Added During Reinvestment Period
Civitas Portfolio	Healthcare	Sachse	TX	2018	767	217,973	Y
Gallerie Apartments	Multifamily	Kansas City	MO	2019	361	166,205	
Venn on Market	Multifamily	San Francisco	CA	2014	113	482,301	
The Dorsey	Multifamily	Miami	FL	2022	306	539,216	Y
Avilla Grove	Multifamily	Proper	TX	2023	200	219,470	Y
Tides on Country Club	Multifamily	Mesa	AZ	1987	582	203,608	Y
The Residences at Rodney Square	Multifamily	Wilmington	DE	1921	280	137,500	
Avilla Magnolia	Multifamily	Phoenix	AZ	2023	166	231,325	Y
E 9th at Pickwick Plaza	Multifamily	Kansas City	MO	1925	266	139,098	
The Clinton Multifamily Portfolio	Multifamily	Oakland	CA	1960	200	193,000	

Business Plan Updates

Civitas Portfolio

Current Trust Balance ($)	63,150,000
Future Funding Outstanding ($)	0
Fully Funded Loan Balance ($)	167,185,000

The collateral for the loan is a cross-collateralized portfolio of five senior housing properties with 767 units and 801 beds located across the Austin, Texas, and Dallas MSAs. The collateral includes 350 Independent Living units, 318 Assisted Living units, and 133 Memory Care beds. The properties were built between 2018 and 2020. Total loan proceeds of $167.2 million include $157.0 million of initial funding and $10.2 million of future funding allocated as $4.2 million for debt service shortfalls and $6.2 million as a performance-based earnout. The loan sponsor, Civitas, is the second-largest owner and operator of senior housing in Texas. The pandemic materially affected the borrower's business plan to lease up the properties to stabilize occupancy and increase rental rates; however, improvement began to occur in 2021 upon vaccinations being administered to residents and as restrictions were lifted, which began in March 2021.

According to an August 2023 update from the collateral manager, all loan future funding has been advanced to the borrower as the previously outstanding earnout was provided to the borrower. A $63.2 million piece of the loan is held in the subject transaction, while a $90.0 million piece is in the MF1 2021-FL7 transaction, an $8.1 million piece is held in the MF1 2020-FL4 transaction (each rated by DBRS Morningstar), and the remaining dollars are held by the Issuer. The loan is currently on the servicer's watchlist for the upcoming September 2023 maturity; however, according to an update from the collateral manager, it is expected the one-year extension option will be exercised. While the collateral manager noted the portfolio is not likely to achieve the required minimum debt yield test of 8.5% based on trailing six months' operating performance to qualify for the extension, DBRS Morningstar expects the borrower and lender to agree to a mutually beneficial loan modification to extend the loan, which will likely require the borrower to purchase a new interest rate cap agreement and a deposit into the interest reserve.

According to the Q2 2023 collateral manager report, the portfolio was 87.0% occupied with an average rental rate of $4,306 per unit, which represents an improvement over the February 2022 occupancy rate of 69.0%. The achieved rental rate is 4.0% more than the Issuer's original stabilized expectation, and the borrower noted that renewal leases are achieving average premiums of 8.0%. Concessions at each individual property remain in place, in line with norms within each asset's respective submarket. Representative concessions range from $1,000 off first month's rent to two months' rent free. The borrower stated three properties reached stabilization in June 2023 with the other two expected to stabilize by Q4 2023.

The YE2022 portfolio NCF was $5.3 million, which represented a significant improvement from the YE2021 figure of -$1.0 million. The issuer also provided an annualized two-month ended May 31, 2023, annualized NCF figure of $12.4 million. While the reporting period is brief, it does show the portfolio's improvement in performance; however, the actual trailing 12-month NCF figure likely remains below the DBRS Morningstar Stabilized NCF of $10.9 million, and the Issuer-stabilized NCF was $15.5 million. DBRS Morningstar recognizes the recent performance improvement and likely loan extension as a positive; however, it also notes portfolio cash flow continues to not cover debt service as the Q2 2023 DSCR was 0.47x. The loan benefits from an experienced and committed sponsor, which mitigates this risk, albeit, ongoing debt service shortfalls continue to be expensive. DBRS Morningstar expects the lender will require the sponsor to purchase a new interest rate cap agreement or deposit fresh cash equity into an operating shortfall reserve if the loan is extended. Despite the ongoing shortfalls, DBRS Morningstar views the credit profile of the loan similarly as at issuance.

Gallerie Apartments

Current Trust Balance ($)	60,000,000
Future Funding Outstanding ($)	0
Fully Funded Loan Balance ($)	60,000,000

The loan is secured by a 2019-vintage, Class A, 361-unit multifamily property with 7,235 sf of ground floor retail space in Kansas City, Missouri. The project was developed by the sponsor, a joint-venture between Milhaus, LLC and Stepstone Group, Inc., for a cost basis of $74.9 million. The initial lease-up phase was interrupted by the coronavirus pandemic as the occupancy rate increased to only 61.2% in April 2021 from 38.0% in March 2020. The business plan is to complete the initial lease-up phase and reduce concession loss. Loan proceeds of $60.0 million refinanced $40.9 million of existing debt, returned $15.6 million of cash equity, funded a $2.0 million interest reserve, and injected $500,000 into a leasing costs reserve for the commercial space. There is no future funding associated with the loan.

According to the Q2 2023 collateral manager report, the borrower utilized the first extension option, pushing the maturity date from May 2023 to May 2024. According to the report, occupancy declined to 87.2% as of May 2023 from 95.3% in February 2023. According to the collateral manager, occupancy declines each summer and rebounds in the fall as a result of a strong leasing period when medical students from nearby hospitals sign leases and take occupancy. The property is achieving an average rental rate of $1,601 per unit, representing a premium of $147 or 10.1% over the average in-place rental rate of $1,454 per unit at loan closing. DBRS Morningstar is unaware if the property charges premiums for lease terms shorter than one year. The collateral manager’s update noted the borrower executed 88 new leases in the preceding 120 days at an average rental rate of $1,574 per unit.

According to Q2 2023 Reis data, multifamily properties in the Downtown/East Kansas City submarket reported an average asking rental rate of $1,594 per unit, while exhibiting a vacancy rate of 7.6%. Properties built from 2019 onwards reported figures of $1,700 per unit and 8.4%, respectively. In its analysis, DBRS Morningstar did not assume any potential organic market rent growth, concluding to an average rental rate of $1,454 per unit. While the property is currently performing in line with the overall submarket, there is the potential to increase its rental revenue based on the vintage rental rate and vacancy metrics noted above. DBRS Morningstar did not receive an update regarding the retail space at the property, but it appears the retail component remains 100.0% vacant as the leasing reserve as of

June 2023 was $517,766, indicating there have likely been no distributions from the reserve since loan closing.

According to a financial report for the trailing three months ended May 31, 2023, the property achieved annualized NCF of $4.0 million, equating to a 6.7% debt yield and 0.93x DSCR. The figure is slightly below the YE2022 NCF of $4.1 million, which is attributable to the decline in occupancy. In its analysis, DBRS Morningstar projected DBRS Morningstar Stabilized NCF of $4.1 million, while the Issuer projected stabilized NCF of $4.4 million. While NCF has remained relatively stable, the DSCR declined from the YE2022 figure as a result of increased debt service on the floating rate loan. In conjunction with the maturity extension, the borrower was required to purchase a new interest rate cap agreement with a 4.0% strike price. As the loan has a 3.0% spread, the current pay rate on the loan is 7.0%, which is approximately double the interest rate on the loan at closing.

At issuance, the property was appraised with an as-is value of $81.7 million, equating to an LTV of 73.4%. Based on the current NCF, the implied cap rate is 4.9%, which DBRS Morningstar determined to be aggressive in the current elevated interest rate environment. The appraiser also concluded a stabilized value at $87.1 million, equating to an LTV ratio of 68.9%. The implied cap rate using the Issuer's stabilized NCF is 5.0%, which DBRS Morningstar also determined to be aggressive as well. According to the H1 2023 CBRE Cap Rate Survey, stabilized Class A multifamily properties in the infill Kansas City market were valued with cap rates ranging between 5.25% and 5.50%. Accordingly, DBRS Morningstar stressed the cap rate in its analysis for this loan, increasing its in-place and stabilized LTV metrics. The adjustments resulted in an increased loan expected loss; however, the expected loss remains below the weighted-average expected loss for the MF1 2021-FL6 transaction.

Venn on Market

Current Trust Balance ($)	54,500,000
Future Funding Outstanding ($)	0
Fully Funded Loan Balance ($)	54,500,000

The loan is secured by the borrower's fee-simple interest in Venn Market, a 2014-vintage, Class A multifamily property with ground-floor retail in the San Francisco CBD. At issuance, loan proceeds of $54.0 million were used to refinance existing debt and fund a $1.0 million interest reserve. The sponsor's business plan was to increase the property's occupancy rate to pre-pandemic levels and reduce concession loss. The property had a strong operating history prior to the coronavirus pandemic with the occupancy rate above 95.0% before falling to 75.0% in September 2020. In addition, effective rental income dropped by 31% from its peak in 2018. At issuance, the collateral was 95.6% occupied, and the borrower projected operations would return to pre-pandemic levels in two to three years. The loan was not structured with any future funding and is sponsored by AIG Global Real Estate.

The loan is on the servicer's watchlist for the August 2023 maturity date; however, according to the Q2 2023 update from the collateral manager, the borrower will exercise the first of up to three one-year extension options. To qualify for the first extension, no property performance hurdles are required to be met, though the lender will require the borrower to purchase a new rate interest cap agreement. The loan has a floating interest rate spread of 3.03%, and the previous rate cap agreement had a 2.00% strike price. It is unknown if the lender will require the borrower to purchase an agreement with the same strike price; however, the lender is expected to require the borrower to also make a fresh deposit into the interest reserve.

According to Q2 2023 servicer reporting, the property was 84.1%, down from 92.0% in December 2021. The collateral manager reported an average rental rate of $3,372 per unit. Eight recent leases had been signed within the previous 60 days at an average rental rate of $3,868 per unit, potentially showing rental rates are increasing; however, DBRS Morningstar did not verify which units achieved these higher rental rates. The collateral manager also noted concessions have been lowered to four weeks free rent, down from six weeks at the beginning of 2023 and eight weeks in 2022. The recently achieved rental rates are approaching the pre-pandemic peak of approximately $4,000 per unit, while the overall average represents a $253 per unit increase over the January 2022 average rental rate of $3,119 per unit. In its original analysis, DBRS Morningstar concluded to a stabilized average rental rate of $3,747 per unit, while the Issuer concluded to $3,792 per unit. According to Reis, the property is within the Haight Ashbury/Western Addition multifamily submarket. According to Q2 2023 Reis data, the submarket reported an average effective rental rate of $3,376 per unit and a vacancy rate of 5.9%. Properties built between 2010 and 2019 reported an average asking rental rate of $4,155 per unit and vacancy rate of 7.7%. Based on these metrics, it appears the borrower should be able to increase rental rates and occupancy; however, the prolonged stabilization period is slightly concerning given the quality of the asset.

The YE2022 NCF figure of $1.8 million represented an increase from the YE2021 figure of $1.5 million; however, the DSCR declined to 0.70x from 0.88x as a result of the increased debt service on the floating-rate loan. The collateral manager also provided an annualized NCF figure of $1.5 million for the trailing three-month period ended May 31, 2023, which reflects the more recent decline in occupancy. These figures remain below the DBRS Morningstar stabilized figure of $2.7 million and the Issuer's stabilized figure of $3.4 million.

At loan closing, the appraisal indicated an in-place property valuation of $80.0 million, which implies a 2.2% cap rate based on the YE2022 NCF figure noted above. As such, DBRS Morningstar deems the valuation aggressive given current property operations and the financing environment. In its analysis, DBRS Morningstar concluded an as-is LTV ratio in excess of 100.0%. The appraiser's projected stabilized property value of $84.9 million implies a 4.1% cap rate using the Issuer stabilized NCF figure. DBRS Morningstar also determined this valuation to be aggressive and increased the stabilized cap rate by 100 basis points, resulting in a stabilized LTV ratio of 80.1%. The leverage adjustments increased the loan's expected loss, which remains below the overall expected loss of the MF1 2021-FL6 transaction.

Full Loan Payoffs Since Issuance

Loan Name	Repayment Date	Loan Repurchased by Issuer	Loan Balance When Repaid ($)	Property Type
The Windale	Aug-23		6,000,000	Multifamily
River Pointe Apartments	Jul-23		23,274,875	Multifamily
Vespaio	Jul-23		78,500,000	Multifamily
Fairland Crossing	Feb-23		42,225,000	Multifamily
Sierra Charles	Jan-23		10,259,400	Multifamily
Cedar Glen & Maple Manor	Jan-23		14,746,000	Multifamily
Crestwood Apartments	Nov-22		20,400,000	Multifamily
148-37 88th Avenue	Oct-22		30,000,000	Multifamily
Sterling Riverside	Oct-22		17,500,000	Multifamily
The Cavanaugh	Aug-22		14,000,000	Multifamily
Axis at One Pine	Jul-22		23,023,000	Multifamily
Aventura Oaks	Jun-22		24,090,000	Multifamily
June on Southlake	Jun-22		13,250,000	Multifamily
Hardware Village	May-22		40,333,000	Multifamily
380 Flushing	Mar-22		48,350,000	Multifamily
The Sutton	Dec-21		20,900,000	Multifamily

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

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.

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