Presale Report
HGI CRE CLO 2022-FL3, LLC

DBRS Morningstar
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DBRS Morningstar Viewpoint
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Capital Structure

Description	Rating Action	Balance	Subordination	DBRS Morningstar Rating	Trend
Class A Notes	New Rating - Provisional	$306,219,000	44.000%	AAA (sf)	Stable
Class B Notes	New Rating - Provisional	$38,278,000	37.000%	AA(low)(sf)	Stable
Class C Notes	New Rating - Provisional	$37,594,000	30.125%	A(low)(sf)	Stable
Class D Notes	New Rating - Provisional	$43,746,000	22.125%	BBB(sf)	Stable
Class E Notes	New Rating - Provisional	$12,303,000	19.875%	BBB(low)(sf)	Stable
Class F Notes	New Rating - Provisional	$36,227,000	13.250%	BB(low)(sf)	Stable
Class G Notes	New Rating - Provisional	$21,873,000	9.250%	B(low)(sf)	Stable
Class H Notes	NR	$50,581,293	n/a	NR	n/a

Notes:
1. NR = not rated.
2. The Class F Notes, the Class G Notes and the Class H Notes are not being offered under the Offering Memorandum.

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Transaction Summary

Pool Characteristics			
Trust Amount ($)	486,821,293.00	**Participated Loan Commitment Amount ($)**	546,821,293.00
Number of Loans	23	**Average Loan Size ($)**	21,166,143.17
Number of Properties	36	**Top Ten Loan Concentration (%)**	68.0
Managed / Static	Managed	**Unfunded Companion Participation Amount ($)**	48,240,837.00
Preidentified Ramp Loans	N	**Replenishment Allowed**	Y
Par Value Ratio Test (%)	122.3	**Reinvestment Period[5]**	24 months
Interest Coverage Ratio Test (%)	120		
Wtd. Avg. Current Funded As-Is Appraised Issuance LTV (%)	72.3	**Wtd. Avg. DBRS Morningstar As-Is Issuance LTV (%)**	91.2
Wtd. Avg. Current Funded Stabilized Appraised LTV (%)	65.0	**Wtd. Avg. DBRS Morningstar Stabilized Balloon LTV (%)**	77.5
Wtd. Avg. Interest Rate Margin (%)	3.3911	**DBRS Morningstar Wtd. Avg. Interest Rate[4] (%)**	5.39
Wtd. Avg. Remaining Term[1]	34.0	**Wtd. Avg. Remaining Term - Fully Extended**	58.0
Wtd. Avg. DBRS Morningstar As-Is DSCR[2]	0.76	**Wtd. Avg. Issuer As-Is DSCR (x)[4]**	1.52
Wtd. Avg. DBRS Morningstar Stabilized DSCR[3]	1.03	**Wtd. Avg. Issuer Stabilized DSCR (x)[4]**	1.95
Avg. DBRS Morningstar As-Is NCF Variance[2] (%)	-14.27%	**Avg. DBRS Morningstar Stabilized NCF Variance[3] (%)**	-19.46%

Note: All DBRS Morningstar DSCR and LTV calculations in this table and throughout the report are based on the DBRS Morningstar Stressed Interest Rate and the fully funded and extended mortgage loan commitment. The Wtd. Avg metrics presented in the table and the report exclude DBRS Morningstar Ramp loan assumptions, if applicable.

1. Assumes that the initial term to maturity of each loan is not extended.
2. Based on DBRS Morningstar As-Is NCF.
3. Based on DBRS Morningstar Stabilized NCF.
4. Interest rate assumes one-month LIBOR stress based on the LIBOR strike rate of the interest rate cap, which is lower than the stressed rate from the DBRS Morningstar Interest Rate Stresses for U.S. Structured Finance Transactions methodology. All DBRS Morningstar DSCR figures are based on this stressed rate.
5. Reinvestment Period begins on the date of the deposit of Permitted Principal Proceeds and ending 24 months thereafter.

Issuer	HGI CRE CLO 2022-FL3, LLC
Mortgage Loan Seller	HGI Commercial Funding II Parent, LLC
Servicer	Berkadia Commercial Mortgage LLC
Special Servicer	CW Capital Asset Management
Collateral Administrator	Harbor Group International, LLC
Trustee	Wilmington Trust, National Association
Placement Agent	Goldman Sachs & Co. LLC
	Wells Fargo Securities, LLC
	Amherst Pierpont Securities LLC
Structuring Agent	Goldman Sachs & Co. LLC
Advancing Agent	HGI Sub-REIT

The initial collateral consists of 22 floating-rate mortgages secured by 35 mostly transitional properties with a cut-off balance of $546,821,293, including approximately $60 million of ramp up mortgage assets, and one delayed close, identified as Euclid Grand, having an expected trust principal balance of $56,220,000, which is expected to close prior to the Closing Date or within 90 days of the Closing Date. In addition, there is a two-year reinvestment period during which the Issuer may use principal proceeds to acquire additional eligible loans, subject to the eligibility criteria. During the reinvestment period, the

Issuer may acquire future funding commitments, funded companion participations, and additional eligible loans subject to the eligibility criteria. The transaction stipulates a no downgrade confirmation from DBRS Morningstar for all companion participations (greater than $1,000,000) if there is already a participation of the underlying loan in the trust.

The loans are secured by currently cash flowing assets, many of which are in a period of transition with plans to stabilize and improve the asset value. In total, 21 loans, representing 83.2% of the trust balance, have remaining future funding participations totaling $48.2 million, which the Issuer may acquire in the future. Please see the table below for participations that the Issuer will be allowed to acquire.

For the floating-rate loans, DBRS Morningstar used the one-month Libor index, which is based on the lower of a DBRS Morningstar stressed rate that corresponded to the remaining fully extended term of the loans or the strike price of the interest rate cap with the respective contractual loan spread added to determine a stressed interest rate over the loan term. When the cut-off balances were measured against the DBRS Morningstar As-Is NCF, 20 loans, representing 84.7% of the initial pool, had a DBRS Morningstar As-Is DSCR below 1.00x, a threshold indicative of default risk. Additionally, the DBRS Morningstar Stabilized DSCRs for eight loans, representing 37.5% of the initial pool balance, are below 1.00x. The properties are often transitioning with potential upside in cash flow; however, DBRS Morningstar does not give full credit to the stabilization if there are no holdbacks or if other loan structural features in place are insufficient to support such treatment. Furthermore, even with the structure provided, DBRS Morningstar generally does not assume the assets to stabilize above market levels.

The transaction has a sequential-pay structure.

Rating Considerations

Strengths

- **100% Multifamily Property Type**: All loans in the pool are secured by multifamily properties across 13 states with the largest pool concentrations in Florida (18.4%), Texas (16.4%), and Georgia (11.9%). Multifamily properties have historically seen lower PODs and typically see lower E/Ls within the DBRS Morningstar model. Multifamily properties benefit from staggered lease rollover and generally low expense ratios compared with other property types. While revenue is quick to decline in a downturn because of the short-term nature of the leases, it is also quick to respond when the market improves. Additionally, most loans in the pool are secured by traditional multifamily properties, such as garden-style communities or mid-rise/high-rise buildings, with no independent living/assisted-living/memory care facilities or student housing properties included in this pool. Furthermore, during the transaction's reinvestment period, only multifamily properties (excluding senior housing and student housing properties) are eligible to be brought into the trust.
- **Acquisition Financing**: Acquisition financing represents 88.5% of the Closing Date cut-off balances. Acquisition loans are considered more favorable because the sponsor is usually required to contribute a significant amount of cash equity as part of the transaction. Acquisition financing is also generally based on actual transaction values rather than an appraiser's estimate of market value.

- **Recent Loan Originations**: All loans were originated in 2021, with the earliest loan having a note date of September 2021. The loan files are recent, including third-party reports that consider impacts from the Coronavirus Disease (COVID-19) pandemic.
- **Lower Business Plan Execution Risk**: The DBRS Morningstar Business Plan Score (BPS) for loans DBRS Morningstar analyzed was between 1.6 and 2.7, with an average of 2.04. On a scale of 1 to 5, a higher DBRS Morningstar BPS indicates more risk in the sponsor's business plan. DBRS Morningstar considers the anticipated lift at the property from current performance, planned property improvements, sponsor experience, projected time horizon, and overall complexity. Compared with similar transactions, this pool has a lower average DBRS Morningstar BPS, which is indicative of lower risk.

Challenges & Considerations

- **Onerous Ground Lease Structures**: Three top 10 loans comprising 24.4% of the pool balance are structured with ground leases that DBRS Morningstar considers credit negative because of the leases' high percentages of gross potential rents and aggressive increase schedules. For more information, see individual loan write-ups for Sea Lofts, the Cynwyd, and Congressional Village.
    - *DBRS Morningstar penalized these loans by marking the sponsor strength as Weak in qualitative adjustments and analyzed to the average ground rent over the loan term.*
- **DBRS Morningstar As-Is DSCR and LTV Metrics**: Based on the initial pool balances, the overall DBRS Morningstar WA As-Is DSCR of 0.76x and WA As-Is LTV of 91.2% generally reflect high-leverage financing.
    - *Most of the assets are generally well positioned to stabilize, and any realized cash flow growth would help to offset a rise in interest rates and improve the loans' overall debt yield. DBRS Morningstar associates its LGD based on the assets' As-Is LTV, which does not assume that the stabilization plan and cash flow growth will ever materialize.*
    - *The DBRS Morningstar As-Is DSCR for each loan at issuance does not consider the sponsor's business plan, as the DBRS Morningstar As-Is NCF is generally based on the most recent annualized period. The sponsor's business plan could have an immediate impact on the underlying asset performance that the DBRS Morningstar As-Is NCF is not accounting for.*
- **Managed Transaction**: The transaction is managed and includes a reinvestment period, which could result in negative credit migration and/or an increased concentration profile over the life of the transaction.
    - *The risk of negative migration is partially offset by eligibility criteria (detailed in the transaction documents) that outline DSCR, LTV, Herfindahl score minimum, property type, and loan size limitations for reinvestment assets.*
    - *DBRS Morningstar has rating agency confirmation (RAC) for all new reinvestment loans and companion participations. DBRS Morningstar may analyze these loans for potential impacts on ratings. Deal reporting includes standard monthly Commercial Real Estate Finance Council reporting and quarterly updates. DBRS Morningstar will monitor this transaction on a regular basis.*
- **Transitional Properties**: DBRS Morningstar has analyzed the loans to reflect an as-stabilized cash flow that is, in some instances, above the in-place cash flow. It is possible that the sponsors will not successfully execute their business plans and that the higher stabilized cash flow will not materialize

during the loan term, particularly with the ongoing Coronavirus Disease (COVID-19) pandemic and its impact on the overall economy. A sponsor's failure to execute the business plan could result in a term default or the inability to refinance the fully funded loan balance. The DBRS Morningstar analysis does not express a view on whether the loan sponsor will extend or modify loans that do not meet extension tests or successfully refinance.

  - *DBRS Morningstar sampled a large portion of the loans, representing 89.0% of the mortgage asset cut-off date balance.*
  - *The transaction's DBRS Morningstar WA BPS of 2.04 is generally in the range of recent CRE CLO transactions rated by DBRS Morningstar.*
  - *DBRS Morningstar made relatively conservative stabilization assumptions and, in each instance, considered the business plan to be rational and the loan structure to be sufficient to execute such plans. In addition, DBRS Morningstar analyzes LGD based on the as-is credit metrics, assuming the loan is fully funded with no NCF or value upside.*
  - *Affiliates of HGI Sub REIT will hold future funding companion participations and have the obligation to make future advances. HGI Sub REIT agrees to indemnify the Issuer against losses arising out of the failure to make future advances when required under the related participated loan. Furthermore, HGI Sub REIT will be required to meet certain liquidity requirements on a quarterly basis.*

- **Low Market Ranks**: There are no loans in the current pool secured by properties in areas with a DBRS Morningstar Market Rank of 7 or 8, which are more densely populated and urban in nature. Loans secured by properties in such areas have historically benefited from increased liquidity and consistently strong investor demand, even during times of economic distress. Consequently, loans in these dense, urban locations often exhibit lower expected losses, and the lack of collateral in these areas can be a negative credit characteristic. Conversely, 16 loans, representing 62.8% of the current portfolio balance, are secured by properties in markets with a DBRS Morningstar Market Rank of 3 or 4, which are more suburban in nature. Loans secured by properties in such areas have historically exhibited elevated PODs and often have higher expected losses in the DBRS Morningstar approach. The DBRS Morningstar WA Market Rank of 3.8 for this pool is generally indicative of a higher concentration of properties in less densely populated suburban areas.
  - *DBRS Morningstar concluded higher PODs and LGDs in this transaction than in similar pools with more exposure to urban markets.*
- **Newer Issuer**: The Sponsor for the transaction, HGI Multifamily Credit Sub-REIT, LLC (HGI Sub REIT), is a newer CRE CLO issuer and collateral manager, and the subject transaction is its third securitization.
  - *Mitigant: HGI Sub REIT will purchase and retain the most subordinate portion of the capital structure totaling 19.785%, including Notes F, G, and H. This provides protection to the Offered Notes, as the Issuer will incur first losses up to 19.875%.*
  - *Mitigant: DBRS Morningstar previously met with the Sponsor to better understand its investment strategy, organization structure, and origination practices. Based on this meeting, DBRS Morningstar found that HGI Sub REIT met its issuer standards. Furthermore, per the term sheet, Harbor Group International, LLC (HGI) has $18.0 billion of assets under management, including direct equity, debt investments, and real estate securities.*

- **Limited Site Inspections**: Because of the ongoing coronavirus pandemic, DBRS Morningstar was able to perform site inspections on only two loans in the pool, The Cynwyd and Burlington Pointe. As a result, DBRS Morningstar relied more heavily on third-party reports, online data sources, and information from the Issuer to determine the overall DBRS Morningstar property quality score for each loan.
    - *Mitigant: DBRS Morningstar made relatively conservative property quality adjustments with eight loans, comprising 26.2% of the pool having Average – or Below Average property quality.*
- **Floating-Rate Interest Rates**: All loans in the pool have floating interest rates and are IO during the initial loan term, creating interest rate risk and a lack of principal amortization.
    - *Mitigant: DBRS Morningstar stresses interest rates based on the loan terms and applicable floors or caps. The DBRS Morningstar Adjusted DSCR is a model input and drives loan-level PODs and LGDs.*
    - *Mitigant: All loans have extension options, and, to qualify for these options, the loans must meet minimum DSCR and LTV requirements.*
    - *Mitigant: All loans are short term and, even with extension options, have a fully extended loan term of five years maximum, which, based on historical data, the DBRS Morningstar model treats more punitively.*
    - *Mitigant: The borrowers under all of the Closing Date Mortgage Assets purchased at origination (or in the case of the Delayed Close Mortgage Asset, is expected to purchase at origination), and are required to maintain, an interest rate cap agreement to protect against significant movements in the applicable interest rate benchmark during the entire term of the related Closing Date Mortgage Assets. The WA strike price of such respective Closing Date Mortgage Assets is 2.171%.*
- **Loan Sponsor Strength**: Five loans, representing 34.3% of the initial cut-off pool balance, have a sponsor with negative credit history and/or limited financial wherewithal, or equity that primarily comes from crowdfunding sources including Sea Lofts, The Cynwyd, Congressional Village, Solano Vista, and Sherwood Oaks. For more information about these, see the individual write-ups on pages 24, 32, 42,,46, and 50,
    - *Mitigant: DBRS Morningstar deemed five loans to have Weak sponsorship strength, effectively increasing the POD for each loan.*

Legal and Structural Considerations

- **Benchmark Replacement**: The underlying mortgage loans for the transaction will pay the floating rate, which presents potential benchmark transition risk as the deadline approaches for the elimination of Libor and Term Secured Overnight Financing Rate (SOFR) is still in early phases. The transaction documents provide for the transition to an alternative benchmark rate, which is primarily contemplated to be either Term SOFR (of which six loans (including Euclid) already provide or Compounded SOFR. Term SOFR, which is a forward-looking term rate similar to Libor, is the first alternative benchmark replacement rate. There is no assurance Term SOFR will be widely endorsed and adopted. This could lead to volatility in the interest rate on the mortgage assets and floating-rate notes. The transaction could be exposed to a timing mismatch between the notes and the underlying mortgage assets as a result of the mortgage benchmark rates adjusting on different dates than the benchmark on the notes, or a mismatch between the benchmark and/or the benchmark replacement adjustment on the notes and the benchmark and/or the benchmark replacement adjustment (if any) applicable to the mortgage loans. The Collateral Manager has discretion to make decisions regarding any loan level benchmark replacement in accordance with the documents. Any determination, implementation, adoption, decision, proposal, or election that may be made by the Collateral Manager with respect to any benchmark transition event, benchmark replacement date, benchmark replacement, benchmark replacement adjustment, or benchmark replacement conforming changes will be conclusive and binding on the parties to the Indenture and the Noteholders absent manifest error, may be made in the sole discretion of the Collateral Manager and may be relied upon by the Note Administrator, the Trustee, the Servicer, and the Calculation Agent without investigation.

Eligibility Criteria Concentration Parameters

Issuer Property Type	Issuance (%)	Limit (%)
Multifamily	100.0	100.0
Student Housing	0.0	0.0
Senior Housing	0.0	0.0

State Concentration	Issuance (%)	Limit (%)
Texas	16.4	40.0
Florida	18.1	40.0
Maryland	7.5	40.0
Arizona	4.4	40.0
Any Other State	Various	25.0

Future Funding

Loan Name	Cut-Off Date Whole Loan Amount ($)	Future Funding Amount[1] ($)	Whole Loan Amount[2] ($)	Future Funding Uses
Euclid Grand	56,220,000	1,960,000	58,180,000	Leasing Reserves
Sea Lofts	79,000,000	0	79,000,000	n/a
Point at Westside	40,120,650	5,879,350	46,000,000	Capital Improvements
Congressional Village	73,500,000	1,000,000	74,500,000	Capital Improvements
Burlington Pointe	32,524,500	1,475,500	34,000,000	Capital Improvements
The CynWyd	47,000,000	0	47,000,000	n/a
Sherwood Oaks	26,733,000	1,017,000	27,750,000	Capital Improvements
Solano Vista	42,000,000	6,090,000	48,090,000	Capital Improvements
Flats at 1885	17,650,000	4,200,000	21,850,000	Capital Improvements
Heritage Place	17,375,000	1,125,000	18,500,000	Capital Improvements
Mueller City View	16,519,750	3,231,250	19,751,000	Capital Improvements
Willow Creek	16,318,000	3,682,000	20,000,000	Capital Improvements
Summer Creek Apartments	14,700,000	1,122,000	15,822,000	Capital Improvements
Oaks of Westchase	13,344,280	1,338,600	14,682,880	Capital Improvements
Rochester Portfolio	25,852,500	3,460,000	29,312,500	Capital Improvements
Aurora Flats	12,532,510	717,490	13,250,000	Capital Improvements
Mueller Place	11,487,000	2,013,000	13,500,000	Capital Improvements
Hunnicut Park	11,285,000	1,415,000	12,700,000	Capital Improvements
Park at Gastonia	11,144,603	1,855,397	13,000,000	Capital Improvements
Oak Pointe	10,859,750	1,640,250	12,500,000	Capital Improvements
The Oaks at San Jose	19,181,000	2,319,000	21,500,000	Capital Improvements
Springhurst East Apartments	8,150,000	1,200,000	9,350,000	Capital Improvements
LaDawn Apartments	7,500,000	1,500,000	9,000,000	Capital Improvements

1. Cut-Off date unfunded future funding amount.
2. Whole loan amount including unfunded future funding.

Future Funding Commitment

Loan Name	Total Future Funding ($)	Maximum Future Funding Allowed ($)	Total Future Funding Commitments Allowed (%)	Loan Closed (Y/N)
Euclid Grand	1,960,000	1,960,000	100.0	N
Point at Westside	5,879,350	5,879,350	100.0	Y
Congressional Village	1,000,000	1,000,000	100.0	Y
Burlington Pointe	1,475,500	1,475,500	100.0	Y
Sherwood Oaks	1,017,000	1,017,000	100.0	Y
Solano Vista	6,090,000	6,090,000	100.0	Y
Flats at 1885	4,200,000	4,200,000	100.0	Y
Heritage Place	1,125,000	1,125,000	100.0	Y
Mueller City View	3,231,250	3,231,250	100.0	Y
Willow Creek	3,682,000	3,682,000	100.0	Y
Summer Creek Apartments	1,122,000	1,122,000	100.0	Y
Oaks of Westchase	1,338,600	1,338,600	100.0	Y
Rochester Portfolio	3,460,000	3,460,000	100.0	Y
Aurora Flats	717,490	717,490	100.0	Y
Mueller Place	2,013,000	2,013,000	100.0	Y
Hunnicut Park	1,415,000	1,415,000	100.0	Y
Park at Gastonia	1,855,397	1,855,397	100.0	Y
Oak Pointe	1,640,250	1,640,250	100.0	Y
The Oaks at San Jose	2,319,000	2,319,000	100.0	Y
Springhurst East Apartments	1,200,000	1,200,000	100.0	Y
LaDawn Apartments	1,500,000	1,500,000	100.0	Y

DBRS Morningstar Credit Characteristics

DBRS Morningstar As-Is DSCR (x)	
DSCR	% of the Pool (Senior Note Balance[1])
0.00x-0.50x	11.5
0.50x-0.75x	26.6
0.75x-1.00x	46.5
1.00x-1.25x	15.3
1.25x-1.50x	0.0
1.50x-1.75x	0.0
>1.75x	0.0
Wtd. Avg. (x)	0.76

DBRS Morningstar Stabilized DSCR (x)	
DSCR	% of the Pool (Senior Note Balance[1])
0.00x-0.50x	0.0
0.50x-0.75x	0.0
0.75x-1.00x	37.5
1.00x-1.25x	48.8
1.25x-1.50x	13.7
1.50x-1.75x	0.0
>1.75x	0.0
Wtd. Avg. (x)	1.03

DBRS Morningstar Stabilized Balloon LTV	
LTV	% of the Pool (Senior Note Balance[1,2])
0.0%-50.0%	0.0
50.0%-60.0%	2.4
60.0%-70.0%	36.7
70.0%-80.0%	33.5
80.0%-90.0%	3.0
90.0%-100.0%	18.2
100.0%-110.0%	6.2
110.0%-125.0%	0.0
>125.0%	0.0
Wtd. Avg. (%)	77.5

1. Includes pari passu debt, but excludes subordinate debt.
2. The senior note balloon balance assumes the DBRS Morningstar Stressed Interest Rate and the fully-extended loan term.

Largest Loan Summary

Loan Detail

Loan Name	Trust Balance ($)	% of Pool	DBRS Morningstar As-Is DSCR (x)	DBRS Morningstar Stabilized DSCR (x)	DBRS Morningstar As-Is LTV (%)	DBRS Morningstar Stabilized Morningstar LTV (%)
Euclid Grand	56,220,000	11.5	0.25	1.07	80.6	77.1
Sea Lofts	52,000,000	10.7	0.85	0.85	94.8	93.2
Point at Westside	40,120,650	8.2	0.72	1.15	91.5	64.4
Congressional Village	36,750,000	7.5	1.04	0.85	107.9	95.6
Burlington Pointe	32,524,500	6.7	0.93	1.11	76.9	69.7
The CynWyd	30,000,000	6.2	0.75	0.75	110.7	106.5
Sherwood Oaks	26,733,000	5.5	1.05	1.27	78.6	68.3
Solano Vista	21,500,000	4.4	0.86	1.17	85.8	69.7
Flats at 1885	17,650,000	3.6	0.72	0.86	94.4	69.4
Heritage Place	17,375,000	3.6	0.88	1.12	85.7	73.3

Loan Name	DBRS Morningstar Property Type	City	State	Year Built	SF/Units	Fully Funded Mortgage Loan per SF/Units ($)	Fully Funded Mortgage Maturity Balance per SF/Units ($)
Euclid Grand	MF	Cleveland	OH	1914	240	234,250	248
Sea Lofts	MF	Boynton Beach	FL	2020	433	120,092	658
Point at Westside	MF	Atlanta	GA	2004	267	150,265	306
Congressional Village	MF	Rockville	MD	2005	403	91,191	817
Burlington Pointe	MF	Burlington	NJ	1971	228	142,651	238
The CynWyd	MF	Lower Merion	PA	2021	205	146,341	321
Sherwood Oaks	MF	Riverview	FL	1985	199	134,337	207
Solano Vista	MF	Glendale	AZ	1974	352	61,080	787
Flats at 1885	MF	Lake City	GA	1973	232	76,078	287
Heritage Place	MF	Franklin	TN	1982	105	165,476	112

DBRS Morningstar Sample

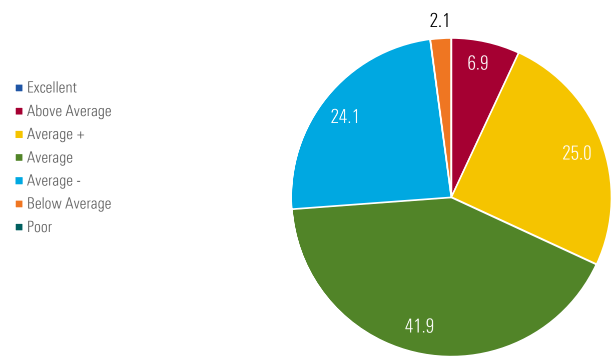
DBRS Morningstar Sample Results

Prospectus ID	Loan Name	% of Pool	DBRS Morningstar Stabilized NCF ($)	DBRS Morningstar Stabilized NCF Variance (%)	DBRS Morningstar Major Variance Drivers	DBRS Morningstar Property Quality
1	Euclid Grand	11.5	3,720,375	-17.8	Other Income, Variable Expenses, Expense Plug	Average +
2	Sea Lofts	10.7	3,540,653	-29.9	GPR	Average +
3	Point at Westside	8.2	2,819,419	-15.6	GPR, Vacancy,	Average
4	Congressional Village	7.5	3,355,615	-33.2	GPR, Variable Expenses, Other Income	Average
5	Burlington Pointe	6.7	2,005,287	-21.9	GPR, Fixed Expenses	Average
6	The CynWyd	6.2	1,907,811	-56.8	Vacancy, GPR	Above Average
7	Sherwood Oaks	5.5	1,871,524	-3.7	GPR	Average
8	Solano Vista	4.4	2,950,123	-12.7	GPR	Average -
9	Flats at 1885	3.6	1,018,657	-31.0	GPR	Average -
10	Heritage Place	3.6	1,095,946	-13.2	GPR	Average
11	Mueller City View	3.4	1,092,419	-19.5	Fixed Expenses, GPR, Other Income	Average -
12	Willow Creek	3.4	1,164,631	-17.4	GPR	Average -
13	Summer Creek Apartments	3.0	887,585	-12.3	GPR	Average
14	Oaks of Westchase	2.7	983,051	6.2	Fixed Expenses	Average
15	Rochester Portfolio	2.7	1,519,201	-26.8	GPR, Concessions, Variable Expenses	Average -
19	Park at Gastonia	2.3	900,224	-12.3	GPR	Average -
21	The Oaks at San Jose	1.9	1,072,572	-23.3	GPR	Below Average
22	Springhurst East Apartments	1.7	629,217	-7.6	Real Estate Taxes	Average -

DBRS Morningstar Site Inspections

DBRS Morningstar sampled 18 of the 23 loans, representing 89.0% of the initial pool by allocated cut-off date loan balance. DBRS Morningstar did not conduct site inspections of the properties because of the health and safety constraints associated with the ongoing coronavirus pandemic. The resulting DBRS Morningstar property quality scores are highlighted in the chart below and were derived based on photos and assessments from the Issuer and third parties.

DBRS Morningstar Sampled Property Quality



Source: DBRS Morningstar.

DBRS Morningstar Cash Flow Analysis

DBRS Morningstar completed a cash flow review and cash flow stability and structural review on 18 of the 23 loans, representing 89.0% of the mortgage asset cut-off date balance. Overall, the Issuer's cash flows were generally recent, from late 2021, and reflect recent conditions. For the loans not subject to an NCF review, DBRS Morningstar applied NCF variances of -14.2% and -19.4% to the Issuer's as-is and stabilized NCFs, respectively, which are based on average sampled NCF variances.

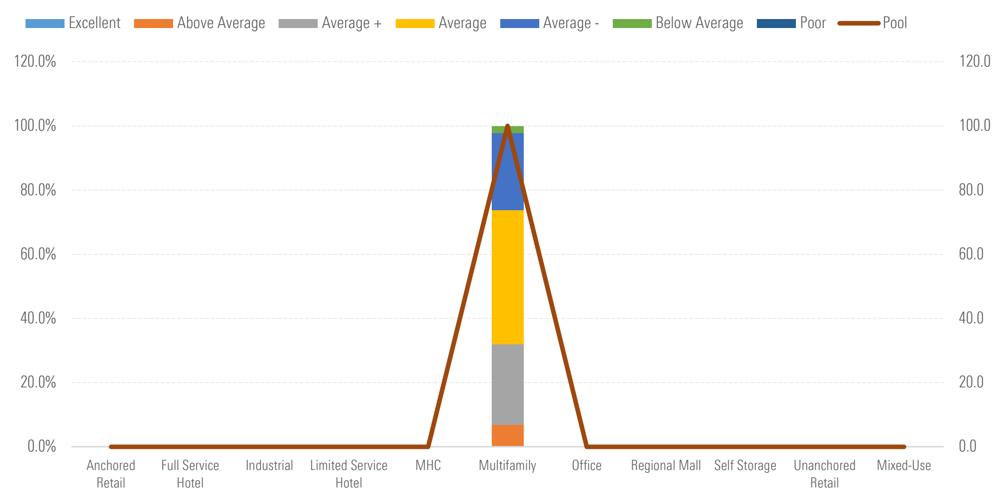
As-Is NCF

The DBRS Morningstar As-Is NCF was based on the current performance of the property, without giving any credit to future upside the sponsor may realize upon execution of its business plan. The DBRS Morningstar sample had an average in-place NCF variance of -14.2% from the Issuer's NCF and ranged from -59.5% to 2.0%.

Stabilized NCF

The DBRS Morningstar Stabilized NCF was derived by generally stabilizing the properties at market rent and/or recently executed leases and market expenses that DBRS Morningstar believed were reasonably achievable based on the individual loan sponsors' business plans and structural features of the respective loan. This often involved assuming higher than in-place rental rates for multifamily properties based on the significant ongoing renovations, with rents already achieved on renovated units providing the best guidance on market rent upon renovation completion. For all assumptions, DBRS Morningstar took a somewhat conservative view compared with the market to account for execution risk around the business plans. The DBRS Morningstar sample had an average DBRS Morningstar Stabilized NCF variance of -19.4% from the Issuer's stabilized NCF and ranged from -56.8% to -6.1%.

DBRS Morningstar Sampled Property Type



Source: DBRS Morningstar.

Model Adjustments

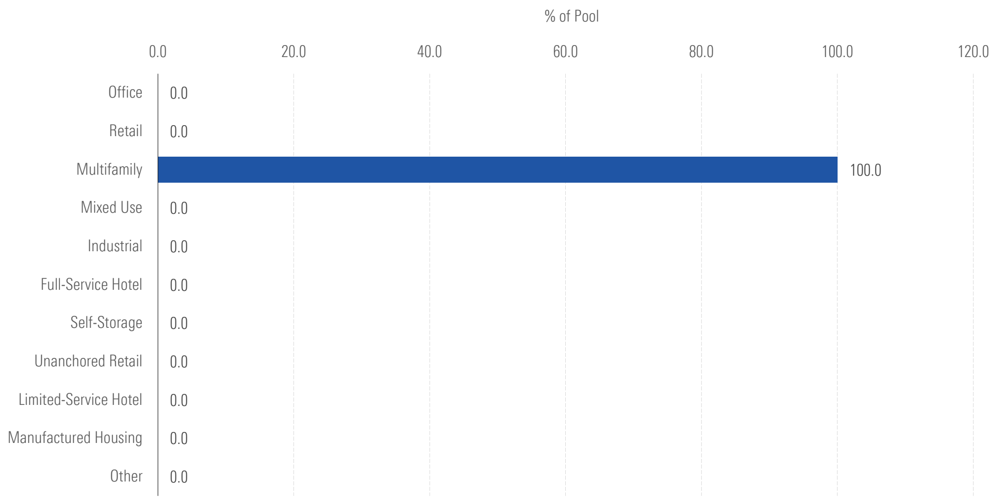
DBRS Morningstar applied upward capitalization rate (cap rate) adjustments to 12 loans, including Sea Lofts, The Cynwyd, Congressional Village, The Oaks at San Jose, Heritage Place, Willow Creek, Summer Creek Apartments, Aurora Flats, Hunnicut Park, Oak Pointe, Springhurst East Apartments, and LaDawn Apartments, representing 46.6% of the trust balance. DBRS Morningstar adjusted the cap rates for these loans to reflect its view of the respective markets and the inherent risk associated with the sponsor's business plan. The downward stabilized value adjustments are highlighted in the table below.

DBRS Morningstar Model Adjustments

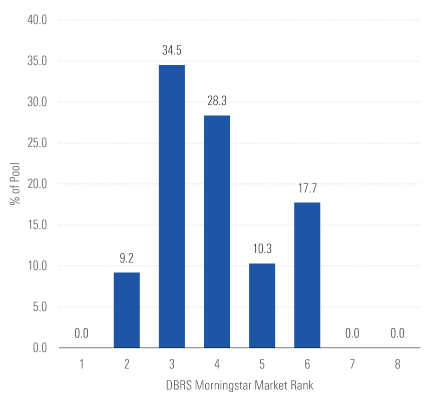
Prospectus ID	Loan	Implied Cap Rate (%)	DBRS Morningstar Adjusted Cap Rate (%)	Appraised As-Is LTV (%)	Appraised Stabilized LTV (%)	DBRS Morningstar As-Is LTV (%)	DBRS Morningstar Stabilized LTV (%)
1	Sea Lofts	3.4	5.8	56.5	54.9	94.8	93.2
4	The CynWyd	4.8	5.6	72.1	67.9	85.0	80.8
5	Congressional Village	5.4	7.1	81.9	69.6	107.9	95.6
10	The Oaks at San Jose	3.1	3.3	77.3	67.1	83.2	73.0
12	Heritage Place	3.9	4.2	80.6	68.3	85.6	73.3
14	Willow Creek	3.0	3.3	93.9	62.5	102.1	70.7
15	Summer Creek Apartments	3.4	4.6	75.3	57.1	102.8	84.6
18	Aurora Flats	3.5	4.2	76.1	61.3	91.7	76.9
20	Hunnicut Park	3.4	3.8	88.8	65.8	99.2	76.2
22	Oak Pointe	3.5	4.0	81.7	63.3	93.3	74.9
23	Springhurst East Apartments	4.0	4.0	86.6	61.5	86.8	61.8
24	LaDawn Apartments	3.4	3.4	88.9	66.5	89.7	67.3

Transaction Concentrations

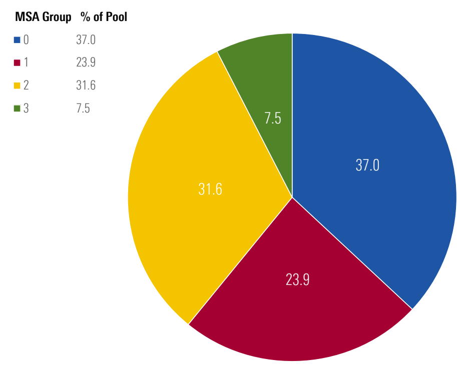
DBRS Morningstar Property Type



DBRS Morningstar Market Rank

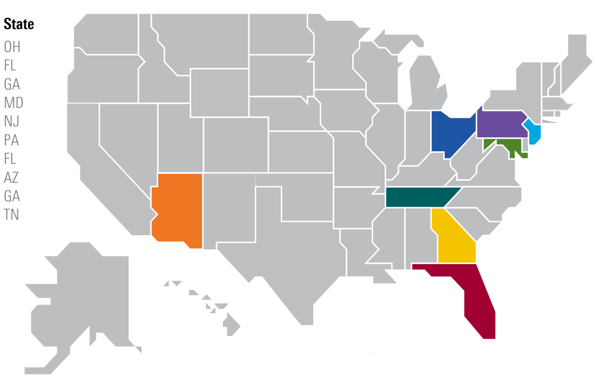


DBRS Morningstar MSA Group



Largest Property Location

Property Name	City	State
Euclid Grand	Cleveland	OH
Sea Lofts	Boynton Beach	FL
Point at Westside	Atlanta	GA
Congressional Village	Rockville	MD
Burlington Pointe	Burlington	NJ
The CynWyd	Lower Merion	PA
Sherwood Oaks	Riverview	FL
Solano Vista	Glendale	AZ
Flats at 1885	Lake City	GA
Heritage Place	Franklin	TN



Source: DBRS Morningstar.

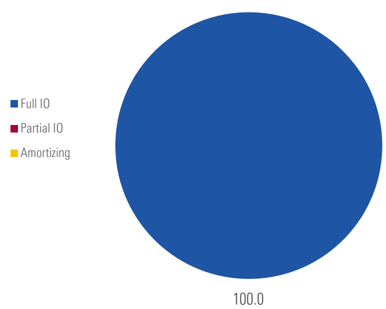
Loan Structural Features

Pari Passu Notes/pari participations: Seven mortgage assets (Sea Lofts, Congressional Village, the Cynwyd, Solano Vista, Mueller City View, Rochester Portfolio, and the Oaks at San Jose), totaling 36.7% of the pool balance, have pari passu debt in place.

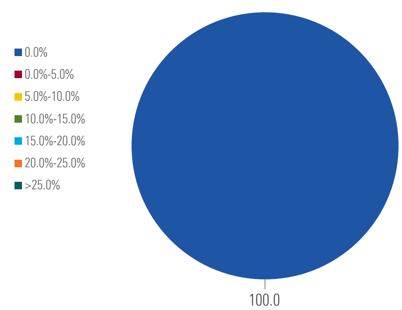
Additional Debt: No loans in the pool are structured with mezzanine financing or subordinate debt.
Loan Terms: All loans in the pool are IO throughout the fully extended loan term.

Interest Rate: The interest rate is the greater of the floating rate referencing the one-month USD Libor, 30-Day Average SOFR, or Term SOFR as the index plus the margin or the interest rate floor for all of the loans.

Interest Only



DBRS Morningstar Expected Amortization



Note: For certain ARD loans, expected amortization may include amortization expected to occur after the ARD but prior to single/major tenant expiry.

Reserve Requirement			**Borrower Structure**		
Type	# of Loans	% of Pool	Type	# of Loans	% of Pool
Tax Ongoing	23	100.0	SPE with Independent Director and Non-Consolidation Opinion	15	79.9
Insurance Ongoing	18	66.5	SPE with Independent Director Only	2	4.5
CapEx Ongoing	20	74.9	SPE with Non-Consolidation Opinion Only	1	3.6
Leasing Costs Ongoing[1]	0	0.0	SPE Only	5	12.0

1. Percent of office, retail, industrial and mixed use assets based on DBRS property types.

Interest Rate Protection: The borrowers under all of the Closing Date Mortgage Assets purchased at origination (or in the case of the Delayed Close Mortgage Asset, is expected to purchase at origination), and are required to maintain, an interest rate cap agreement to protect against significant movements in the applicable interest rate benchmark during the entire term of the related Closing Date Mortgage Assets. The WA strike price of such respective Closing Date Mortgage Assets is 2.171%.

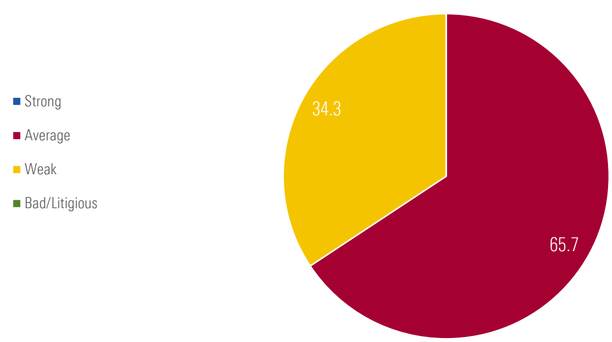
Future Funding: Twenty one loans, representing 83.1% of the mortgage asset cut-off date balance, have a future funding component. The aggregate amount of future funding remaining is $48.2 million, with future funding amounts per loan ranging from approximately $700,000 to $6.1 million. The proceeds necessary to fulfill the future funding obligations will primarily be drawn from non-interest-accruing funds held inside the trust. The future funding is generally for property renovations and leasing costs. Each property has a business plan to execute that is likely to increase NCF. DBRS Morningstar believes that the business plans were generally achievable, given market conditions, recent property performance, and adequate available future funding (or upfront reserves) for planned renovations.

Delayed Close Mortgage Loans: As of the date of this report, one loan – Euclid Grand - is not yet funded, but anticipated to be funded within 90 days of the Closing Date of the transaction. Unused proceeds may be used to acquire ramp up mortgage assets or will be distributed per the waterfall if the loans are not funded.

Leasehold: There are three loans secured by a leasehold interest comprising 24.4% off the pool balance. For more information, please view the individual write-ups for Sea Lofts, Congressional Village, and the Cynwyd.

Sponsor Strength: DBRS Morningstar identified five loans— Sea Lofts, Congressional Village, the Cynwyd, Solano Vista, and Sherwood Oaks—accounting for 34.3% of the cut-off date pool balance, with Weak sponsorship because the sponsor(s) had a prior bankruptcy, inadequate CRE experience, inadequate financial wherewithal, equity that primarily comes from crowdfunding, and/or negative credit events. DBRS Morningstar applied POD penalties to account for this risk.

DBRS Morningstar Sponsor Strength



Source: DBRS Morningstar.

Property Release: No loans allow for the release of one or more properties or a portion of the mortgaged property.

Property Substitution: There are no loans in the pool that allow for the substitution of properties. Terrorism Insurance: Terrorism insurance is required and in place for all loans.

Legal and Loan Level Structural Considerations

TIC – The borrowers for five loans (Burlington Pointe, Rochester Portfolio, Willow Creek, Summer Creek Apartments, and Park at Gastonia), representing 18.0% of the pool, own the associated mortgaged properties as TIC. Typically, DBRS Morningstar inquires as to whether the sponsor obtained customary lender protections, including that all TIC borrowers have waived their right to partition, which helps mitigate the risk that any individual TIC borrower could seek a court order to partition the collateral and distribute the proceeds proportionally to each borrower. In this case, the loan documents generally contain provisions that include SPE requirements, compliance with the TIC agreement, and waiver of right to partition.

Euclid Grand

Loan Snapshot

Seller
HGI
Ownership Interest
Fee Simple / Leasehold
Trust Balance ($ million)
56.2
Loan PSF/Unit ($)
234,250
Percentage of the Pool (%)
11.5
Fully Extended Loan Maturity/ARD
April 2027
Amortization
n/a
DBRS Morningstar As-Is DSCR (x)
0.2
DBRS Morningstar Stabilized DSCR (x)
1.1
DBRS Morningstar As-Is Issuance LTV (%)
80.6
DBRS Morningstar Stabilized Balloon LTV (%)
77.1
DBRS Morningstar Property Type
Multifamily

Debt Stack ($ millions)

Trust Balance
56.2
Pari Passu
0.0
Remaining Future Funding
2.0
Mortgage Loan Including Future Funding
58.2
Loan Purpose
Refinance
Equity Contribution/(Distribution) ($ million)
0.7

Source: Appraisal.

Source: Appraisal.

Collateral Summary			
DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	1914/2020-2021
City	Cleveland, OH	**Physical Occupancy (%)**	47.5
Units	240	**Physical Occupancy Date**	November 2021

This loan is secured by the borrower's fee-simple interest in Euclid Grand, a 240-unit apartment building in Cleveland. Built in 1914, the property was gut-rehabbed in 2020–21 and was 47.5% physically occupied as of November 2021. The $56.2 million loan was used, along with $686,669 of borrower equity, to refinance existing and subordinate construction debt of $49.1 million as well as to cover a $3.9 million payment to the general contractor, pay closing costs and fund reserves. The loan allows for future funding of approximately $2.0 million, which will be used for future leasing costs. The five-year fully extended loan term consists of a three-year initial period and two one-year extension options. The loan is IO through the loan term.

The property comprises a seven-story building with 240 units. The property also includes 21,206 sf of ground floor retail space and an underground parking garage with 200 spaces. The unit mix at the property consists of one-, two-, and three-bedroom units. Additional information on the residential unit mix and unit rental rates can be found in the table below.

Unit Mix and Rents - Euclid Grand			
Unit Type	Units	Avg. Unit Size (sf)	Rent/Month ($)
1 Bedroom/1 Bathroom	134	756	1,723
1 Bedroom/1.5 Bathroom (Loft)	45	915	2,045
2 Bedroom/1 Bathroom	5	1,109	2,461
1 Bedroom/1.5 Bathroom (PH Loft)	8	1,246	2,999
2 Bedroom/2 Bathroom	43	1,106	2,415
2 Bedroom/2 Bathroom (PH Loft)	4	1,650	3,843
3 Bedroom/2 Bathroom	1	1,248	2,641
Total/WA	**240**	**889**	**2,004**

Sources: November 2021 rent roll.

Competitive Set						
Property	Location	Distance from Subject (Miles)	Units	Year Built	Occupancy (%)	Avg. Rental Rate Per Unit ($)
Flats at East Bank Apartments	Cleveland, OH	1.5	235	2015	98.0	2,268
Residences at 1717	Cleveland, OH	0.2	223	1958	91.5	1,937
The Avenue District	Cleveland, OH	0.6	63	2008	94.0	2,543
Edge 32	Cleveland, OH	2.0	60	2017	88.3	1,786
Public Square North	Cleveland, OH	0.6	114	1913	100.0	1,755
Total/WA Comp. Set	**Cleveland, OH**	**Various**	**695**	**Various**	**95.0**	**2,061**
Subject - Euclid Grand	**Cleveland, OH**	**n/a**	**240**	**1914**	**47.5**	**2,005**

Sponsorship

The sponsor for the transaction is Alto Partners, a national real estate owner and operator led by Michael Sauer and Michael Sabracos. The company specializes in real estate development, construction, property management, and advisory. Sabracos oversees the company's management of more than 20 million sf of real estate across multiple property types and markets. Sauer is an international investor based in Dubai. The sponsor's total combined net worth and liquidity is $60.0 million and $6.0 million, respectively. The subject is the sponsor's second holding in downtown Cleveland. The sponsor also owns 55-75 Erieview, an office property comprising 276,000 sf across three buildings.

The property will be managed by Greystar, an unaffiliated third-party management company, founded in 1993. The firm is one of the largest property management firms in the country. It currently manages more than 750,000 units nationally and serves more than 30 cities and 215 markets. The contractual management fee is 2.75% of EGI.

DBRS Morningstar Analysis

Site Inspection Summary

Source: Appraisal.

Source: Appraisal.

DBRS Morningstar did not conduct a site inspection of the property because of health and safety constraints associated with the ongoing coronavirus pandemic. Based on photos and assessments from the Issuer and third-party reports, DBRS Morningstar determined the property quality to be Average +.

DBRS Morningstar NCF Summary

NCF Analysis			
	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	5;997,518	5,845,477	-2.54
Other Income ($)	1,046,576	814,120	-22.21
Vacancy & Concessions ($)	-716,703	-822,819	14.81
EGI ($)	**6,327,390**	**5,836,779**	**-7.75**
Expenses ($)	1,877,252	2,052,163	9.32
NOI ($)	**4,450,139**	**3,784,616**	**-14.96**
Capex ($)	60,000	64,241	7.07
NCF ($)	**4,390,139**	**3,720,375**	**-15.26**

The DBRS Morningstar Stabilized NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar Stabilized NCF was $3,720,375, a variance of -15.3% from the Issuer's NCF of $4,390,139.

The primary drivers of the variance are other income and operating expenses. DBRS Morningstar estimated other income based on a year 2 pro forma that considers an upward trend in other income, mainly parking income, at the property. The Issuer estimated other income based on a year 4 pro forma. DBRS Morningstar analyzed operating expenses based on the year 1 pro forma inflated by 10% and included an expense plug to bring total expenses within the range of the appraiser's expense comparables and near-market comparables. The Issuer based operating expenses on a year 4 pro forma.

DBRS Morningstar Viewpoint

The loan is collateralized by a 240-unit apartment building in downtown Cleveland. The property, located at 1101 Euclid Avenue, is well situated with good access to public transportation, local thoroughfares, major highways, and the greater Cleveland MSA. Primary access to the subject is provided by Euclid Avenue and Superior Avenue. The property is a half mile from Public Square and Tower City Center, the traditional hub of downtown Cleveland, and the office corridor along Superior Avenue. In addition, Cleveland State University, which has more than 10,000 undergraduates, is a half mile east. The Cleveland Clinic, one of the largest hospitals in the country with more than 60,000 employees, and Case Western Reserve University are about four miles east and easily accessible by the Cleveland HealthLine, a bus rapid transit system along Euclid Avenue.

Built in 1914, the property is a historic building on Euclid Avenue. The property was previously an office building that was largely vacant, which the sponsor acquired out of receivership for $9.1 million. Using historic tax credits, the sponsor gut-renovated the property in 2020–21 at a total cost of $92.0 million. The renovation transformed the property into a Class A apartment building with luxury finishes and amenities, which include a rooftop indoor/outdoor terrace, fitness center, gaming lounge, dog park, and 24-hour concierge. Unit amenities include in-unit washers/dryers, stainless-steel appliances, and vinyl flooring.

The property has been in lease-up since completion, and the sponsor’s business plan is to continue the lease-up of the property, which opened in March 2021, to stabilization. As of the rent roll dated November 30, 2021, the property was 47.5% occupied, a leasing pace of about 12 units per month. If this pace is maintained, the property could reach the sponsor’s projected stabilization of 92.0% by the end of 2022.

The property also includes 21,206 sf of ground floor retail space that is currently vacant. The loan is structured with a $1.96 million future funding component that is earmarked toward leasing costs for future retail tenants. The sponsor’s business plan is to continue to lease-up the residential units and to use the future funding to lease-up the retail component to stabilization. Lease-up of the retail component has proven to be a challenge for the property as there are still no tenants in place. The $1.96 million of future funding allocated toward leasing costs will help the property immensely by offering favorable TI packages for incoming tenants. Over the loan term, DBRS Morningstar concluded to a 20% vacancy rate for the retail space that recognizes the additional leasing funds but accounts for the lack of leasing to date.

Given the redevelopment, the property benefits from historic tax credits in the form of a tax abatement. The residential portion of the subject has a 15-year, 100% real estate tax abatement, which began in 2021 and is payable in 2022. The subject also has a 30-year tax increment financing, which abates a portion of the taxes for the retail component for years 1 to 30 and also for residential taxes in years 16 to 30. Because the retail component will be leased on a NNN expense basis, the retail tax savings is a selling point to potential retail tenants, who would benefit from the lower expense load. DBRS Morningstar gave explicit benefit to these tax abatements in its NCF as they are currently in-place and extend well beyond the five year fully extended loan term. However, as the loan is not yet closed, final documents were not available to review and certain risk factors and disclosures in the offering documents may be subject to change. The complexity of this tax abatement structure may complicate title, cash flow and potential remedies of the lender in the event of a default on the mortgage loan. In addition, a loss of the tax abatements due to borrower non-compliance with the terms under which they were granted could result in a substantial decrease to DBRS Morningstar's NCF and negatively impact value.

The city of Cleveland has encouraged the revival and re-use of historic buildings that have been underperforming and largely vacant. The property's immediate area includes numerous buildings that are new luxury Class A apartment offerings including The Beacon, The Athlon, and The Centennial. These properties directly compete with the subject and will continue to compete with the property for prospective tenants. The property is in the Central Cleveland submarket, which is primarily built out and has seen 1,272 units delivered in the last 12 months with only 766 units in the new development pipeline. According to Reis, the vacancy rate in the submarket is weak at an elevated 9.4% as of Q4 2021, which drops to a tighter 6.4% when looking forward to the Reis five-year forecast. A generally positive factor is that the submarket vacancy figure is likely going to decrease once these new apartment offerings continue lease-up. The appraiser's rent comparables show occupancy levels ranging from 88.3% to 100.0%, with an average of 95.0%. Although the submarket shows positive fundamentals going forward, DBRS Morningstar assumed a stabilized vacancy rate of 9.4% based on the Reis vacancy in the submarket.

The loan's expected loss (EL) is lower than the pool WA EL due to its lower than pool average DBRS Morningstar LTV, Average+ property quality, and DBRS Market Rank of 6, indicative of a more densely populated urban location with lower historical default probability.

Sea Lofts

Loan Snapshot

Seller	HGI
Ownership Interest	Leasehold
Trust Balance ($ million)	52.0
Loan PSF/Unit ($)	182,448
Percentage of the Pool (%)	10.7
Fully Extended Loan Maturity/ARD	November 2026
Amortization	n/a
DBRS Morningstar As-Is DSCR (x)	0.8
DBRS Morningstar Stabilized DSCR (x)	0.8
DBRS Morningstar As-Is Issuance LTV (%)	94.8
DBRS Morningstar Stabilized Balloon LTV (%)	93.2
DBRS Morningstar Property Type	Multifamily

Debt Stack ($ millions)

Trust Balance	52.0
Pari Passu	27.0
Remaining Future Funding	0.0
Mortgage Loan Including Future Funding	79.0
Loan Purpose	Acquisition
Equity Contribution/(Distribution) ($ million)	46.2

Source: Appraisal.

Source: Appraisal.

Collateral Summary			
DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	2021
City, State	Boynton Beach, FL	**Physical Occupancy (%)**	98.3
Units/SF	433	**Physical Occupancy Date**	January 2022

This loan is secured by the borrower's leasehold interest in Sea Lofts, a 433-unit garden-style apartment complex in Boynton Beach, Florida. The sponsor used the proceeds for the acquisition of the property while simultaneously bifurcating the fee (to be put into an irrevocable trust) and leasehold interests. The ground lease commenced in 2021 and expires in October 2120 and will see a 22.8% increase between 2022 and the loan's fully extended maturity in November 2026, with 2.95% annual increases and 12.5% increases in every fifth year until 2041 when increases are 2.95% annually. Directly across the street from the subject is a Super Target (a Target store that includes groceries) and within one mile is more than 3.8 million sf of retail space that includes tenants such as Bed Bath & Beyond, Publix, PetSmart, Walmart, various restaurants, Best Buy, and more. Public beach access is 3.4 miles away at Oceanfront Park. Loan proceeds of $79 million plus sponsor equity of $46.2 million are being used to finance the capitalization of $122.4 million (approximately 80% of the fee interest's purchase price) and closing costs of $2.45 million.

The property is newly built, having opened in 2021, and features both apartment and townhouse layouts and an amenity package that includes a fitness center with spinning room, steam room, dog park and dog wash area, sand volleyball court, game room, playground, outdoor yoga area, resort-style pool, entertainment kitchen, and walking trail. The layouts consist of 279 one-bedroom units with a WA area of 836 sf, 99 two-bedroom units with a WA area of 1,111 sf, and 55 three-bedroom units with a WA area of 1,684. The property was 98.3% physically occupied per the rent roll dated January 31, 2022.
The appraiser identified six properties that are part of the subject's competitive set as noted in the table below.

Competitive Set

Property	Location	Distance from Subject (miles)	Units	Year Built/Renovated	Occupancy (%)	Avg. Rental Rate Per Unit ($)	Avg. Unit Size (sf)
Town Lantana	Lantana, FL	4.2	360	2020	98.0	2,257	995
The District at Boynton Village	Boynton Beach, FL	0.3	350	2017	99.0	2,273	1,012
500 Ocean Apartments	Boynton Beach, FL	1.7	341	2018	97.0	2,468	964
One Boynton	Boynton Beach, FL	2.0	494	2009	99.0	2,065	1,204
Cortland Delray Station	Delray Beach, FL	4.8	284	2017	99.0	2,603	1,104
850 Boca	Boca Raton, FL	9.4	370	2016	99.0	3,072	N/A
Total/WA Comp. Set	**Various, State**	**Various**	**2,199**	**Various**	**98.5**	**2,431**	**1,065**
Sealofts at Boynton Village	**Boynton Beach, FL**	**n/a**	**433**	**2021**	**98.3**	**2,029**	**1,007**

Source: Appraisal, except the Subject figures are based on the rent roll dated month January 2022.

Sponsorship

The sponsor for this loan is The Shidler Group. Founded in 1972 by Jay Shidler, the Hawaii-headquartered firm has made debt and/or equity investments in more than 2,000 commercial real estate properties in the U.S. and Canada and has founded five New York Stock Exchange-listed public corporations, which have issued in excess of $20 billion of debt and equity securities collectively. In 2019, the firm built a platform to invest in multifamily communities with a focus on affordability in cost-burdened markets, often placing the land portion in irrevocable trusts for the benefit of societal or educational institutions, as it did with this acquisition.

The sponsor has reported ownership in three hotel portfolios that were undergoing default proceedings largely resulting from the coronavirus pandemic. The outstanding debt on the three hotel portfolios totals more than $293.8 million, and all excess cash flow derived from such assets, if any, has been surrendered to the respective lenders. However, the sponsor's loans for all other asset classes, including multifamily properties like the subject, included on the DBRS Viewpoint platform are performing. The sponsor has more than 50 years of experience and has expertise dealing with ground lease bifurcations with debt and equity capitalizations for more than 140 leasehold estates.

The property is managed by Morgan Group Property Management (Morgan Group). Morgan Group has more than 60 years of experience in managing multifamily properties and has more than 10,000 units under management across California, Colorado, Texas, and Florida.

The subject's expected loss is slightly higher than the pool average because of its elevated DBRS Morningstar LTV adjusted for the leasehold interest, weak sponsor strength, and DBRS Market Rank of 4, indicative of a suburban location with elevated default probability.

DBRS Morningstar Analysis

Site Inspection Summary

Source: Appraisal.

Source: Appraisal.

DBRS Morningstar did not conduct a site inspection of the property as a result of health and safety constraints associated with the ongoing coronavirus pandemic. Based on a review of third-party reports, documents provided by the Issuer, and online information, DBRS Morningstar found the property quality to be Average+ because of its new construction.

DBRS Morningstar NCF Summary

NCF Analysis	T-3 September 2021	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	12,026,416	12,741,741	10,695,791	-16.06
Other Income ($)	822,720	935,657	822,720	-12.07
Vacancy & Concessions ($)	-4,143,252	-901,478	-561,530	-37.71
EGI ($)	**8,705,884**	**12,775,920**	**10,956,981**	**-14.24**
Expenses ($)	1,882,671	7,640,087	7,308,079	-4.35
NOI ($)	**6,823,213**	**5,135,833**	**3,648,902**	**-28.95**
Capex ($)	86,600	86,600	108,250	25.00
NCF ($)	**6,736,613**	**5,049,233**	**3,540,652**	**-29.88**

The DBRS Morningstar NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. DBRS Morningstar only analyzed the in-place cash flows as the property appears to be stabilized and there is no future funding to execute any specific business plan. The resulting DBRS Morningstar As-Is analysis was $3,540,652, representing a -29.9% variance from the Issuer's as stabilized NCF of $5,049,233. The main driver of the variance was the GPR. DBRS Morningstar analyzed GPR to the in-place January 2022 rent roll while the Issuer used trended rents in its as-stabilized scenario.

DBRS Morningstar Viewpoint

The subject benefits from its location in the Boynton Beach/Delray Beach submarket where the occupancy rate is 98.2%, according to the appraisal. The current occupancy is tightening from the previous quarter's figure of 97.3% and 95.5% in 2020. Effective rent is projected at $2,103 per month in Q4 2021, which Axiometrics anticipates will increase 14.3% to $2,405 per month in YE2022. The velocity of the property's lease-up is indicative of a healthy market with high demand as the subject averaged 44 move-ins per month and stabilized in approximately nine months, according to the Issuer's asset summary report.

Based on DBRS Morningstar's analysis, leverage is quite high at 93.1%. Also, the credit metrics are extremely weak, based on DBRS Morningstar's NCF analysis, with an in-place DSCR of .98x (based on IO terms) and a going-in debt yield of 3.4%. DBRS Morningstar considers this ground lease to be credit negative with average ground rent payments over the term at 20.4% of DBRS Morningstar's gross potential rents. Also, it poses a risk to property cash flow in times of weak revenue as within the five-year fully extended loan term, the ground rent will increase by 22.8%. To account for this, DBRS Morningstar estimated the ground rent expense as an average over the fully extended loan term, marked the sponsor strength as Weak, and increased the cap rate by 238 basis points to make the valuation more in line with comparables and reflective of an onerous ground lease.

The subject's expected loss is higher than the pool average because of its elevated DBRS Morningstar LTV, weak sponsor strength, and DBRS Market Rank of 4, indicative of a suburban location with elevated default probability.

Point at Westside

Loan Snapshot

Seller	HGI
Ownership Interest	Fee Simple / Leasehold
Trust Balance ($ million)	40.1
Loan PSF/Unit ($)	150,265
Percentage of the Pool (%)	8.2
Fully Extended Loan Maturity/ARD	February 2027
Amortization	n/a
DBRS Morningstar As-Is DSCR (x)	0.7
DBRS Morningstar Stabilized DSCR (x)	1.1
DBRS Morningstar As-Is Issuance LTV (%)	91.5
DBRS Morningstar Stabilized Balloon LTV (%)	64.4
DBRS Morningstar Property Type	Multifamily

Debt Stack ($ millions)

Trust Balance	40.1
Pari Passu	0.0
Remaining Future Funding	5.9
Mortgage Loan Including Future Funding	46.0
Loan Purpose	Acquisition
Equity Contribution/(Distribution) ($ million)	12.0

Source: Appraisal.

Source: Appraisal.

Collateral Summary			
DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	2004
City, State	Atlanta, GA	**Physical Occupancy (%)**	97.8
Units/SF	267	**Physical Occupancy Date**	February 2022

The loan is secured by the borrower's fee-simple interest in The Point at Westside, a 267-unit mid-rise multifamily apartment complex in Atlanta. Loan proceeds of $46.6 million, along with $12.0 million of borrower equity, will be used to acquire the property for $50.0 million, and cover $2.4 million of closing costs. Future loan funding of $5.9 million will go toward interior and exterior improvements. The loan is IO throughout the three-year initial term and its two 12-month extension options subject to minimum DSCR and debt yield tests.

The collateral was built in 2004 on a 5.4-acre site. Community amenities include two courtyards, a swimming pool, a business center, a fitness facility, and a clubhouse. Units feature a full appliance package, an in-unit washer and dryer, laminate countertops, and wood cabinets. Select units feature walk-in closets, vaulted ceilings, dual bathroom sinks, and a patio or balcony. In addition, the loan is subject to a 99-year prepaid ground lease with 82 years remaining on the lease and $10.00 is due annually. Please refer to the table below for additional information on the unit mix:

Unix Mix and Rents - Point at Westside

Unit Type	Units Avg. Unit Size (sf)	Rent/Month ($)
One Bedroom	767	1,291
Two Bedroom	1,069	1,461
Three Bedroom	1,218	1,793

Source: Based on the roll dated December 8, 2021.

The appraiser identified six comparable multifamily properties that are summarized in the table below. With an occupancy of 97.8% as of February 2022, the subject is in line with the competitive set of properties, whose occupancy ranges from 92.2% to 96.8%, with a WA of 94.5%. Additionally, Reis identified 16 properties within a one-mile radius of the collateral with an average occupancy of 89.2% and an average monthly rent of $1,758, which is 5.3% greater than the appraiser's competitive set.

Competitive Set

Property	Location	Distance from Subject (Miles)	Units	Year Built/ Renovated	Occupancy (%)	Avg. Rental Rate Per Unit ($)	Avg. Unit Size (sf)
M Street Apartments	Atlanta, GA	1.0	308	2005	96.8	1,916	987
935 M	Atlanta, GA	1.1	282	2010	92.2	1,753	848
1016 Lofts Apartments	Atlanta, GA	1.4	265	2003	96.6	1,722	944
Residences at CityCenter	Atlanta, GA	0.8	182	1993	95.0	1,504	912
Apex West Midtown Apartments	Atlanta, GA	3.0	340	2010	94.1	1,782	1,002
Avana Westside Apartments	Atlanta, GA	2.5	397	2010	93.0	1,650	914
Total/WA Comp. Set	**Atlanta, GA**	**Various**	**1,774**	**Various**	**94.5**	**1,734**	**937**
Point at Westside	**Atlanta, GA**	**n/a**	**267**	**2004**	**97.8**	**1,591**	**1,034**

Source: Appraisal, except the Subject figures are based on the rent roll dated January 21, 2022.

Sponsorship

The sponsor for this transaction is Audubon, an Atlanta-based firm that specializes in the acquisition and management of multifamily properties throughout the Southeastern region of the United States. Since 2003, Audubon has accumulated a portfolio of 23 properties containing more than 5,000 units. Audubon's investment focus is on value-add property opportunities.

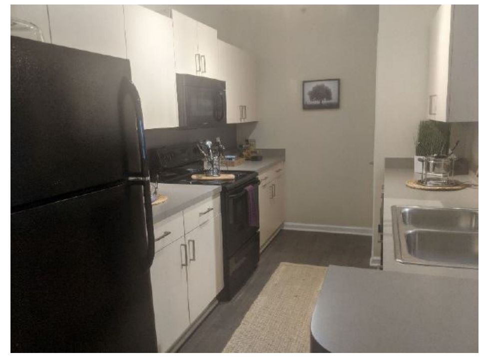
Andrew Schwarz, the founder and CEO of Audubon, will serve as the carve-out guarantor for this transaction. Schwarz oversees the companies acquisitions and asset management. Previous to founding Audubon, Schwarz has had extensive experience managing both multifamily and office properties.

Audubon will manage the property as well. The firm has acquired, managed, and renovated more than 250,000 units.

DBRS Morningstar Analysis

Site Inspection Summary

Source: Appraisal.



Source: Appraisal.

DBRS Morningstar did not conduct a site inspection of the property because of health and safety constraints associated with the ongoing coronavirus pandemic. Based on a review of third-party reports, documents provided by the Issuer, and online information, DBRS Morningstar found the property quality to be Average.

DBRS Morningstar NCF Summary

NCF Analysis				
	T-12 October 2021	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	4,982,289	5,991,442	5,635,836	-5.94
Other Income ($)	513,376	589,952	513,376	-12.98
Vacancy & Concessions ($)	-1,780,663	-539,230	-760,938	41.12
EGI ($)	**3,715,003**	**6,042,164**	**5,388,274**	**-10.82**
Expenses ($)	2,736,990	2,635,404	2,502,105	-5.06
NOI ($)	**978,013**	**3,406,760**	**2,886,169**	**-15.28**
Capex ($)		66,750	66,750	0.00
NCF ($)	**978,013**	**3,340,010**	**2,819,419**	**-15.59**

The DBRS Morningstar NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar Stabilized NCF was $2,819,419, representing a -15.6% variance from the Issuer's Stabilized NCF of $3,340,010. The main drivers of the variance are GPR, other income, and expenses. DBRS Morningstar's concluded monthly rent of $1,759 is based on the in-place rent as of the December 8, 2021, rent roll, applying a monthly premium of $270 per unit. The Issuer's concluded monthly rent of $1,853 is based on the in-place rent as of December 8, 2021, rent roll, applying a monthly premium of $250 per unit, as well as 6.6% rent growth.

DBRS Morningstar concluded to expenses generally based on a combination of the T-12 period ended October 2021, inflated by 10.0% and the appraiser's stabilized conclusions. This is compared with the Issuer's basing their assumptions on a combination of the borrower's budget, historicals, and market assumptions, inflated by 9.0%.

While DBRS Morningstar based other income on the T-12 period ended October 2021, or $1,923 per unit, the Issuer concluded to $2,307 per unit, which represents a 2.0% variance from the appraiser's conclusion.

DBRS Morningstar Viewpoint

The subject is a 267-unit garden-style multifamily property immediately west of the Atlanta CBD. The property is along Northside Drive, about one-half mile north of Mercedes-Benz Arena and one mile south of Georgia Tech University. There has been significant new development in the Atlanta CBD over the past 10 years. A large developer has acquired land in an area known as the Gulch, south of the property, for development of a master-planned community called Centennial Yards. Centennial Yards will feature up to 12.0 million sf of office, retail, apartment, and hotel property across the 40.0 acres. In addition to the new developments planned in the area, the property benefits from its proximity to nearby universities as well as already developed downtown centers such as the Georgia World Congress Center, which is approximately 0.4 miles from the property.

The sponsor's business plan is to invest $2.5 million ($18,228 per unit) to fully renovate 136 of the 267 units and capture rental premiums on those units, while performing a lighter renovation on the remaining 131 units. The business plan also includes $2.6 million for exterior upgrades and property repairs. The business plan seeks to capture a rent differential that is about 18% below the Reis market levels. The renovated units will feature new flooring, stainless-steel appliances, quartz countertops, new cabinetry, and updated lighting fixtures. All classic units will be renovated to the sponsor's new standard. The major exterior renovations consist of repairs to the roof, stairs, breezeways, signage, clubhouse, leasing office, and fitness center. In addition, the property will receive new paint and stucco treatments to the buildings' exteriors.

The business plan is generally achievable given the location and extent of the capex plan. The property is near the Atlanta CBD, which has experienced new demand in the past few years and will see added interest. In addition, with Georgia Tech and Georgia State in the CBD, there is a stable source of demand from students and staff. The submarket is generally supportive of the plan with the Reis Midtown submarket posting rent growth of 12.2% in 2021. Vacancy at the end of 2021 was 7.7%. While this is somewhat elevated, the level is about 170 basis points lower than the vacancy levels experienced during the coronavirus pandemic and also reflects significant deliveries of new properties over the year. The comp set showed an average vacancy of 94.5%, which demonstrates demand in the area.

Fully funded loan proceeds of $46.6 million reflect an elevated DBRS Morningstar As-Is LTV of 92.6% and DBRS Morningstar Stabilized LTV of 65.2%. Additionally, the property is in a DBRS Morningstar Market Rank 3 and MSA Group 1, both of which historically have demonstrated elevated PODs and LGDs. Given the loan's credit metrics and location, the loan has a slightly higher EL than pool WA EL.

Congressional Village

Loan Snapshot

Seller
HGI
Ownership Interest
Leasehold
Trust Balance ($ million)
36.8
Loan PSF/Unit ($)
182,382
Percentage of the Pool (%)
7.5
Fully Extended Loan Maturity/ARD
September 2026
Amortization
n/a
DBRS Morningstar As-Is DSCR (x)
1.0
DBRS Morningstar Stabilized DSCR (x)
0.8
DBRS Morningstar As-Is Issuance LTV (%)
107.9
DBRS Morningstar Stabilized Balloon LTV (%)
95.6
DBRS Morningstar Property Type
Multifamily

Debt Stack ($ millions)

Trust Balance
36.8
Pari Passu
36.8
Remaining Future Funding
1.0
Mortgage Loan Including Future Funding
74.5
Loan Purpose
Acquisition
Equity Contribution/(Distribution) ($ million)
34.4

Source: Appraisal.

Source: Appraisal.

Collateral Summary			
DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	2005
City, State	Rockville, MD	**Physical Occupancy (%)**	92.3
Units/SF	403	**Physical Occupancy Date**	January 2022

This loan is secured by the borrower's leasehold and leased fee interests in Congressional Village, a 403-unit mid-rise apartment complex with 7,793 sf of ground retail space in Rockville, Maryland, approximately 11 miles northwest of Washington, D.C. Loan proceeds of approximately $73.5 million, future funding of $1.0 million, and borrower cash equity of approximately $34.4 million are being used to acquire the asset for $128.55 million and cover closing costs. Of the total purchase price, approximately $102.84 million was allocated to the leasehold improvements with the remaining $25.71 million allocated for the leased fee/land portion. A 99-year ground lease was put in place simultaneously at the acquisition's settlement. The land leased fee portion is borrower equity and is expected to be donated as part of a philanthropic initiative whereby the borrower places the land into an irrevocable trust for the benefit of educational and social institutions, with a nationally recognized university expected to receive the ground lease for Congressional Village. The proposed financing for this HGI 2022-FL3 trust will be for the leasehold estate and amounts to a contributed balance of $36.75 million, a piece bifurcated from the $74.5 million senior loan. The remaining $36.75 million was securitized in HGI 2021-FL2. The three-year, floating-rate loan is structured with two 12-month extension options and is IO for its full term.

The collateral consists of four residential and three nonresidential buildings built in 2005 on a 7.28-acre site. The unit mix consists of one-, two-, and three-bedroom apartments with an average of 973 sf in size and in-place rent of $1,938 as of the January 2022 rent roll, as outlined in the unit mix table below. The property features 53 moderately priced units reserved for tenants that have incomes at or below 60% of the area median income until 2035, typical of newer construction in Montgomery County. Common area amenities include an on-site leasing office, clubhouse, fitness center, pool and spa, theater, and storage.

Unit interiors include carpet, vinyl, and hardwood floors; standard commercial-grade fixtures and kitchen appliances; orange peel walls and ceilings; stackable washer/dryer combos; and balconies and granite countertops in select units. The appraiser identified five properties that are part of the subject collateral's competitive set as noted in the table below. Target tenants for the property are families and professionals seeking larger space in an urban/suburban setting, as evidenced by the larger unit sizes listed below:

Unit Mix and Rents - Congressional Village

Unit Type	Units	Avg. Unit Size (sf)	Rent/Month ($)
1x1 - Affordable	35	604	1,158
1x1	159	747	1,721
2x2 - Affordable	18	1,043	1,322
2x2	171	1,187	2,233
3x2	20	1,473	3,056
Total/WA	**403**	**971**	**1,938**

Competitive Set

Property	Location	Distance from Subject (Miles)	Units	Year Built	Avg. Rent/ Unit ($)	Avg. Unit Size (sf)	Occupancy (%)
The Stories at Congressional	Rockville, MD	0.4	194	2003	2,012	970	94.5
The Fenestra at Rockville Town	Rockville, MD	2.5	492	2008	2,062	1,077	95.7
Gables Upper Rock I & II	Rockville, MD	5.9	551	2015	1,727	927	95.8
Alaire at Twinbrook Station	Rockville, MD	1.1	330	2008	1,711	851	94.3
Rollins Ridge	Rockville, MD	0.4	99	2007	1,615	822	97.0
Total/WA	**Rockville, MD**	**Various**	**1,666**	**Various**	**1,849**	**955**	**95.4**
Congressional Village	**Rockville, MD**	**n/a**	**403**	**2005**	**1,938**	**971**	**92.3**

*Per appraisal with the exception of data for Congressional Village, which is based on the January 2022 rent roll.

Sponsorship

The sponsor for this loan is The Shidler Group. Founded in 1972 by Jay Shidler, the Hawaii-headquartered firm has made debt and/or equity investments in more than 2,000 commercial real estate properties in the U.S. and Canada and has founded five New York Stock Exchange-listed public corporations, which have issued in excess of $20 billion of debt and equity securities collectively. In 2019, the firm built a platform to invest in multifamily communities with a focus on affordability in cost-burdened markets, often placing the land portion in irrevocable trusts for the benefit of societal or educational institutions, which this acquisition falls under.

The sponsor has reported ownership in three hotel portfolios that were undergoing default proceedings largely resulting from the coronavirus pandemic. The outstanding debt on the three hotel portfolios subject to default proceedings totals more than $293.8 million, and all excess cash flow derived from such assets, if any, has been surrendered to the respective lender. However, the asset is multifamily, and all other asset classes with the listed sponsor on loans in the DBRS Viewpoint platform are listed as performing. The sponsor has more than 50 years of experience and has expertise dealing with ground lease bifurcations with debt and equity capitalizations for more than 140 leasehold estates. DBRS Morningstar applied a Weak sponsor strength to this loan as a mitigant against the weaker leasehold ownership structure.

The property is managed by a third-party property management firm, Kettler Management, with a contractual fee of 2.25% of EGI. Kettler Management is a tenured full-service multifamily property management firm founded in 1977 and headquartered in Virginia, with more than 18,000 managed units concentrated in the Mid-Atlantic and Southeastern regions of the U.S.

DBRS Morningstar Analysis

Site Inspection Summary

Source: Appraisal.

Source: Appraisal.

DBRS Morningstar did not conduct a site inspection of the property as a result of health and safety constraints associated with the ongoing coronavirus pandemic. Based on a review of third-party reports, documents provided by the Issuer, and online information, DBRS Morningstar found the property quality to be Average.

DBRS Morningstar NCF Summary

NCF Analysis	T-12 July 2021	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	9,066,360	10,959,592	9,565,337	-12.72
Other Income ($)	808,372	1,015,454	808,372	-20.39
Vacancy & Concessions ($)	-520,515	-827,599	-880,395	6.38
EGI ($)	**9,354,217**	**11,147,447**	**9,493,315**	**-14.84**
Expenses ($)	4,065,204	6,006,070	5,976,302	-0.50
NOI ($)	**5,289,013**	**5,141,377**	**3,517,013**	**-31.59**
Capex ($)	120,900	120,900	161,397	33.50
NCF ($)	**5,168,113**	**5,020,477**	**3,355,615**	**-33.16**

The DBRS Morningstar NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar Stabilized NCF was $3,355,615 representing a variance of -33.2% from the Issuer's stabilized NCF of $5,020,477. The main driver of the variance was GPR. For GPR, DBRS Morningstar used the November 2021, in-place monthly rent by unit type and applied the appraiser's concluded monthly premiums of $65 and $150 for the 293 units expected to receive new flooring and the 37 units expected to receive full interior renovations, respectively. The Issuer concluded to a GPR based on $2,219 per unit, based on affordable-rate units' rents growing by 3.3% and 2.0%, and also applied renovation premiums for the market-rate units.

DBRS Morningstar Viewpoint

The collateral consists of four mid-rise multifamily buildings totaling 403 units on Halpine Road in Rockville, approximately 11 miles from Washington, D.C. The property benefits from strong accessibility to transit options; there are bus stops down the street from the property at Rockville Place, and the property is adjacent to the Twinbrook Metro Station with metro rail service connections to Washington, D.C., and four stops north of Bethesda, Maryland (both of which are among the largest employment hubs for Montgomery County), along with one stop south of Rockville. Additionally, residents are zoned to attend schools with a GreatSchools rating range of 7 to 10 in the well-regarded Montgomery County Public School system. Furthermore, there are three popular retail centers in Montgomery County that are in the property's immediate surrounding area. Congressional Plaza shopping mall, which houses The Fresh Market, a new Barnes & Noble, and a long list of fast casual eateries and popular apparel stores, is adjacent to the property. Pike & Rose, a newly transformed walkable urban-suburban development with office, retail, multifamily, and condominium components along Rockville Pike in North Bethesda, is approximately one mile away. Additionally, the upscale North Bethesda Market, which is anchored by a Whole Foods Market and an LA Fitness, is just two miles south of the property. In terms of nearby employment, the county is home to 19 federal agencies including the National Institutes of Health, the U.S. Food and Drug Administration, and the U.S. Department of Energy and has gained worldwide recognition as one of the nation's leading locales for the information technology industry.

Reis reports that 310 units of new market-rate apartment inventory will be introduced to the Rockville submarket by the end of the year and projects that developers will deliver an additional 585 units in 2022 and 2023, amounting to 16.7% of the new construction introduced to suburban Maryland. The appraiser also notes that the subject competes with many newer Class A mid-rise assets in the immediate area. The property underwent approximately $6.5 million in capex renovations in the past five years with upgrades to amenities, and the interiors of 301 of the property's 350 market-rate units have been renovated with new appliances, countertops, and baths. The borrower has also allocated a $1 million budget to further renovate with proceeds from future funding for this loan, which will be used to install new vinyl plank flooring in 293 units ($629,950) and conduct full-scale interior renovations of 37 of the remaining classic units ($370,000). The appraiser notes that the past renovations are in good condition, and the proposed interior upgrades of $3,030 per renovated unit should help keep the property competitive in the onset of new supply.

The ground lease will be for a term of 99 years; however, the lessor has the option to purchase the ground in Year 35 for a below-market price of $25.71 million. Ground rent has an average rent growth of 2.57% over the full term, starting at $1.05 million in Year 1 and growing according to schedule as outlined briefly in the table below:

Ground Rent Schedule		
Year	Amount ($)	Esc. %
1	1,050,000	n/a
2	1,050,000	0
3	1,775,000	69.05
4-10	Various	2.95
11	2,556,352	17.50
12-35	Various	2.95
36-98	Various	1.15
99	10,677,507	n/a

While there is a buyback option in Year 35, the ground rent increases may put pressure on the property's NOI before that option can be exercised. DBRS Morningstar considers this ground lease structure to be credit negative generally, as it poses a risk to property cash flow in times of weak revenue and opens up potential for the sponsor to sell the leasehold interests within the initial loan term and exit, leaving the new owner to deal with the ground lease. To account for this, DBRS Morningstar estimated the ground rent expense as an average over the fully extended loan term, marked the sponsor strength as Weak, and increased the cap rate by 200 basis points.

The subject is has a DBRS Morningstar Market Rank of 5 and is in DBRS Morningstar MSA Group 3, which represent urban/suburban markets and have historically shown lower rates of defaults and losses. However, the senior loan balance of $73.5 million and a DBRS Morningstar Stabilized LTV of 95.6% adjusted for the leasehold interest result in higher refinance risk. The loan also has a low DBRS Morningstar Stabilized DSCR of 0.85x, which reflects a higher default risk. Despite these elevated risks, the loan has an EL that is slightly below the pool WA EL.

Burlington Pointe

Loan Snapshot

Seller	HGI
Ownership Interest	Fee Simple
Trust Balance ($ million)	32.5
Loan PSF/Unit ($)	142,651
Percentage of the Pool (%)	6.7
Fully Extended Loan Maturity/ARD	November 2026
Amortization	n/a
DBRS Morningstar As-Is DSCR (x)	0.9
DBRS Morningstar Stabilized DSCR (x)	1.1
DBRS Morningstar As-Is Issuance LTV (%)	76.9
DBRS Morningstar Stabilized Balloon LTV (%)	69.7
DBRS Morningstar Property Type	Multifamily

Debt Stack ($ millions)

Trust Balance	32.5
Pari Passu	0.0
Remaining Future Funding	1.5
Mortgage Loan Including Future Funding	34.0
Loan Purpose	Acquisition
Equity Contribution/(Distribution) ($ million)	9.1

Collateral Summary			
DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	1971
City, State	Burlington, New Jersey	**Physical Occupancy (%)**	98.2
Units/SF	228	**Physical Occupancy Date**	January 2022

The loan is secured by the borrower's fee-simple interest in Burlington Pointe, a 228-unit garden-style multifamily apartment complex in Burlington, New Jersey. Initial loan proceeds of $32.5 million, along with $9.1 million of borrower equity, will be used to acquire the property for $40.5 million and cover closing costs. The loan allows for future funding in the amount of $1.5 million, which the sponsor plans to apply toward interior and exterior improvements. The loan is IO throughout the three-year initial term and its two 12-month extension options subject to minimum DSCR and debt yield tests.

The collateral was built in 1971 and contains 228 units within 19 residential buildings across 16.5 acres. Community amenities include a dog park, a swimming pool, two laundry rooms, and a clubhouse. The interior finishes of the property vary because the seller had renovated approximately 30% of the units. The renovated units were reportedly achieving premiums of close to $300/unit and the renovations were similar in scope to the sponsor's future renovation plans. Units offer flooring with either carpet or vinyl tiling. Unrenovated units feature gas ranges and Formica countertops, while renovated units will have new flooring, stainless-steel appliances, quartz countertops, new cabinetry, and updated lighting fixtures. Please refer to the table below for additional information on the unit mix:

Unix Mix and Rents - Burlington Pointe

Unit Type	Units	Avg. Unit Size (sf)	Rent/Month($)
Studio	18	320	1017
One Bedroom	158	600	1095
Two Bedroom	52	800	1338

Source: Based on the rent roll dated January 1, 2022.

The appraiser identified six comparable multifamily properties that are summarized in the table below. With an occupancy of 98.2% as of January 2022, the subject is in line with the competitive set of properties, which range from 96.0% to 99.7%, with a WA occupancy of 97.9%. Additionally, Reis identified 16 comparable properties within a two-mile radius of the collateral with an average occupancy of 88.9% and an average monthly rent per unit of $1,376, which is 6.4% above the appraiser's competitive set.

Competitive Set

Property	Location	Distance from Subject (Miles)	Units	Year Built/ Renovated	Occupancy (%)	Avg. Rental Rate Per Unit ($)	Avg. Unit Size (sf)
Chateau Apartments	Burlington, NJ	4.4	376	1969	98.0	1,374	989
Northgate Village	Burlington, NJ	3.3	308	1966	99.7	1,156	817
Willow Pointe Apartments	Burlington, NJ	3.8	276	1969/1998	99.6	1,297	65
Sunset Heights	Burlington, NJ	4.6	120	1969	97.0	1,371	695
Academy Woods Apartments	Florence, NJ	4.5	120	1989	96.7	1,271	833
Woods Edge	Maple Shade, NJ	14.7	408	1969	96.0	1,261	753
Total/WA Comp. Set	**Various, State**	**Various**	**1,608**	**Various**	**97.9**	**1,282**	**704**
Burlington Pointe - Subject	**Burlington, NJ**	**n/a**	**228**	**1971**	**98.2**	**1,144**	**624**

Source: Appraisal, except the Subject figures are based on the rent roll dated October 31, 2021.

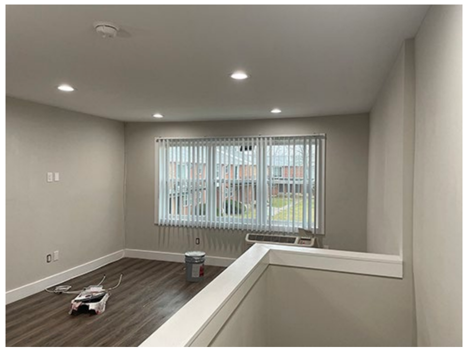
Sponsorship

The sponsor for the transaction is made up of three TIC members. The loan guarantors include Uri Koenig, Lawrence Koenig, and David Klein. Lawrence Koenig has been involved in real estate development, ownership, and management for more than 30 years. Lawrence has developed retirement homes in Canada since 1995 and currently owns and manages a large apartment portfolio in Toronto, Canada as well as in New York and Maryland. In addition, he and his brother Uli have been partners on several healthcare facility deals in the U.S. In 2018, Lawrence partnered with David Klein to form Cue Residential. In addition to his work with Cue Residential, Klein also owns multifamily properties throughout Connecticut and Delaware. Klein has previously managed more than 3,00 units throughout New Jersey, Pennsylvania, Connecticut, Delaware, and Massachusetts. In addition, Cue Residential will be the property manager for the subject property. Currently, it manages more than 783 units.

A borrower affiliate will manage the property for a fee of 2.5% of EGI.

DBRS Morningstar Analysis

Site Inspection Summary



DBRS Morningstar met with the property manager and toured the property on March 3, 2022. Based on the site inspection, DBRS Morningstar found the property quality to be Average.

The property is conveniently situated just off U.S. Route 130 and is three miles away from both the NJ Turnpike and Interstate 295. The property consists of Class B/C garden-style multifamily property totaling 228 units in Burlington, NJ. The property, which was built in 1971, offers 18 studio units, 158 one-bedroom units, and 52 two-bedroom units.

As part of its acquisition the sponsor will be investing $1.7 million in property-wide renovations. The majority of which is being allocated towards interior renovations across 110 units with the balance of which being allocated towards community amenities including a fitness center and pool. Given the property is situated off a highly traveled Route 130, the improvements are tucked away towards the back of the property allowing for the addition of a fitness center and pool. While the units renovations are underway (approximately 15 units have been renovated since the acquisition) permits for the pool and fitness center have not been received. According to the property manager one of the conditions to obtain permit would be to return a number of areas with concreate to natural grass to allow sufficient water runoff.

According to the property manager, the property was 99% occupied at the time of the inspection. The property manager noted that the property is in high demand as vacant units are typically backfilled within days. As part of the visit DBRS Morningstar toured all three unit types, which were all undergoing renovations. Management expects the units at the property to achieve rental increases ranging between $100/unit to $175/unit post renovation. Current studio rents are $1,099 and are expected to increase to $1,199, one-bedroom rents are currently $1,225 and are expected to increase to $1,350, while the largest increase is expected across the two-bedroom units as the current rent is $1,450 and are expected to increase $1,625.

DBRS Morningstar NCF Summary

NCF Analysis	T-12 October 2021	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	3,296,104	4,074,516	3,577,637	-12.19
Other Income ($)	277,723	312,579	277,723	-11.15
Vacancy & Concessions ($)	-466,520	-342,259	-205,714	-39.90
EGI ($)	**3,107,306**	**4,044,836**	**3,649,646**	**-9.77**
Expenses ($)	1,254,969	1,418,898	1,585,534	11.74
NOI ($)	**1,852,337**	**2,625,938**	**2,064,111**	**-21.40**
Capex ($)		59,280	58,824	-0.77
NCF ($)	**1,852,337**	**2,566,658**	**2,005,287**	**-21.87**

The DBRS Morningstar NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar Stabilized NCF was $2,005,287, representing a -21.8% variance from the Issuer's Stabilized NCF of $2,566,658. The main drivers of the variance are GPR and expenses. DBRS Morningstar's concluded monthly rent of $1,307 per unit is based on the in-place rent as of November 30, 2021, rent roll, applying a monthly premium of $155 per unit to 110 units, which results in a 15.0% return on investment for interior renovation costs. The Issuer applied a monthly premium of $249 per unit, which was based on the appraiser's current concluded average rents inflated by 3.5% per annum.

DBRS Morningstar concluded to expenses generally based on the T-12 period ended October 2021, inflated by 10%, in addition to a $439/unit expense plug to bring the subject's expense ratio (43.4%) in line with competitive properties. The Issuer concluded to the T-12 period ended October 2021, inflated by 9%.

DBRS Morningstar Viewpoint

The loan is secured by a 228-unit garden-style multifamily property in Burlington, New Jersey, approximately 22 miles from the Philadelphia CBD. The property is located along U.S. Route 130 and approximately three miles from both the New Jersey Turnpike and I-295 allowing residents convenient roadway access. The immediate area surrounding the property is mainly made up of residential and commercial retail properties, with the majority of the retail centers located along U.S. Route 130. In the past 18 months, Burlington has seen extensive investment in the industrial sector, with Amazon, Target, and H&M opening fulfilment centers within a three-mile radius of the property, which bodes well for continued multifamily demand.

The sponsor acquired the property for $40.5 million and plans to invest $1.7 million ($7,674/unit) in propertywide amenities. The planned investment includes $1.1 million ($10,225/unit) allocated toward upgrading the interiors of 110 units and the remaining $625,000 will be used for exterior renovations. Renovated units will feature new flooring, stainless-steel appliances, quartz countertops, new cabinetry, and upgraded lighting and fixtures. Propertywide improvements will include enhancing the existing amenity space by updating the clubhouse, resurfacing the pool, and landscaping improvements. In addition to the renovations that will be done by the sponsor, the seller of the property spent approximately $4.6 million in capital improvements since 2017, which included renovating 30% of the units. DBRS Morningstar considers the scheduled improvements reasonable for this type of property and market area. Per the appraisal, the renovations will take approximately three years and will be completed around the fall of 2024.

The business plan is generally achievable given the location and extent of the capex plan. Per Reis, the Burlington County submarket expects little to no competitive stock to be introduced over the next five years. As a result, the project vacancy rate is expected to remain stable over the same period and finish 100 basis points lower than the current vacancy rate of 5.8%. The project vacancy along with the approximately 3.0% rent growth that is projected over the five years, characterizes the Burlington County submarket as relatively stable.

Fully funded loan proceeds of $34.0 million reflect an elevated DBRS Morningstar As-Is LTV of 76.9%. Additionally, the property's location is in a DBRS Morningstar Market Rank 3, which historically has demonstrated elevated PODs and LGDs. However the property falls within a DBRS Morningstar MSA Group 2, which has historically had lower PODs and LGDs. Given the loan's credit metrics and location, the loan has an EL near the pool WA EL.

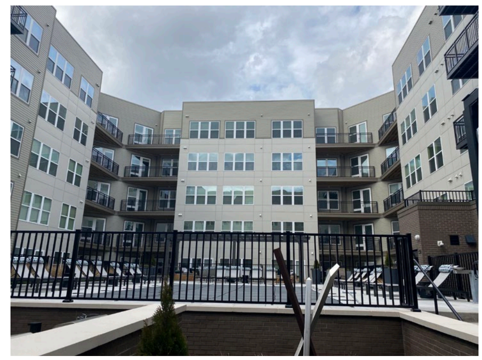
The CynWyd

Loan Snapshot

Seller	HGI
Ownership Interest	Leasehold
Trust Balance ($ million)	30.0
Loan PSF/Unit ($)	229,268
Percentage of the Pool (%)	6.2
Fully Extended Loan Maturity/ARD	February 2027
Amortization	n/a
DBRS Morningstar As-Is DSCR (x)	0.8
DBRS Morningstar Stabilized DSCR (x)	0.8
DBRS Morningstar As-Is Issuance LTV (%)	110.7
DBRS Morningstar Stabilized Balloon LTV (%)	106.5
DBRS Morningstar Property Type	Multifamily

Debt Stack ($ millions)

Trust Balance	30.0
Pari Passu	17.0
Remaining Future Funding	0.0
Mortgage Loan Including Future Funding	47.0
Loan Purpose	Acquisition
Equity Contribution/(Distribution) ($ million)	24.4



Collateral Summary			
DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	2021
City, State	Bala Cynwyd, PA	**Physical Occupancy (%)**	40.0
Units/SF	205	**Physical Occupancy Date**	February 2022

This loan is secured by the borrower's leasehold interest in The Cynwyd, a 205-unit mid-rise apartment property in Bala Cynwyd, Pennsylvania. The sponsor used the proceeds for the acquisition of the property while simultaneously bifurcating the fee-simple interest into leased fee (to be put into an irrevocable trust) and leasehold interests. The ground lease commenced in 2021 with a 99-year term and will see a 20% increase between 2022 and the loan's fully extended maturity in February 2027 with 2.95% annual increases after year three, except for a 9.95% increase in year six, and 12.95% increases in years 11, 16, 21, and 26. The subject property is approximately 15 minutes from Philadelphia's CBD, and less than one mile from Bala Cynwyd's main office market, which has more than 4.0 million sf of office space leased to companies like Susquehanna International Group (SIG), Philadelphia Insurance Company, and St. John's University. Conshohocken, Pennsylvania, which is home to the major employers Accenture, Credit Suisse, Fidelity, GlaxoSmithKline, Morgan Stanley, and UBS, is six miles from the subject. Loan proceeds of $47 million plus sponsor equity of $24.4 million are being used to finance the proposed capitalization of $66.7million (approximately 80% of the fee interest's purchase price), closing costs of $1.7 million, and an interest reserve of $427,000.

The property is newly built, having opened in 2021, and features an amenity package that includes a rooftop lounge with firepits, a heated saltwater pool, a fitness center, a yoga and cardio studio, a pet spa, bike storage, electric vehicle charging stations, conference rooms, and workstations. All units have washers and dryers, quartz countertops, custom closets, and modern light fixtures. Unit layouts consist of 11 studios of approximately 504 sf, 107 one-bedroom units of approximately 697 sf, and 87 two-bedroom units of approximately 1,076 sf. The building is in the early stages of lease-up and was 40% physically occupied at the time of the site inspection in February 2022.

The appraiser identified five properties that are part of the subject's competitive set, as noted in the table below. Aside from one property built in 1951, the other properties identified are newer vintage, built between 2014 and 2020.

Competitive Set

Property	Location	Distance from Subject (Miles)	Units	Year Built/ Renovated	Occupancy (%)	Avg. Rental Rate Per Unit ($)	Avg. Unit Size (sf)
One Ardmore	Ardmore, PA	3.9	110	2019	n/a	3,013	950
The Royal Athena	Bala Cynwyd, PA	0.5	275	2016	98.0	2,038	841
Adams at Presidential City	Philadelphia, PA	0.5	520	1951	n/a	2,201	811
Delwyn	Bala Cynwyd, PA	0.6	87	2020	n/a	2,316	917
The Square	Philadelphia, PA	3.6	45	2014	87.0	2,275	1,035
Total/WA Comp. Set	**Various, State**	**Various**	**1,037**	**Various**	**29.8**	**2,257**	**852**
The Cynwyd	**Bala Cynwyd, PA**	**n/a**	**205**	**2021**	**40.0**	**2,315**	**847**

Source: Appraisal, except the Subject's occupancy figures are from the site inspection 2/23/2022.

Sponsorship

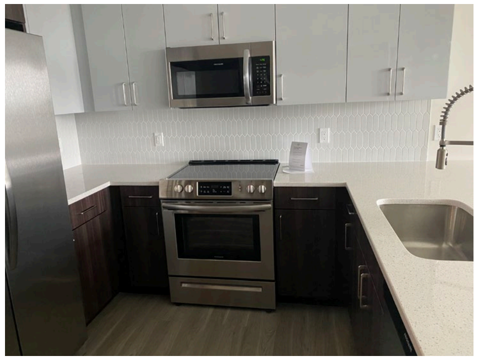
The sponsor for this loan is The Shidler Group. Founded in 1972 by Jay Shidler, the Hawaii-headquartered firm has made debt and/or equity investments in more than 2,000 commercial real estate properties in the U.S. and Canada and has founded five New York Stock Exchange-listed public corporations, which have issued in excess of $20 billion of debt and equity securities collectively. In 2019, the firm built a platform to invest in multifamily communities with a focus on affordability in cost-burdened markets, often placing the land portion in irrevocable trusts for the benefit of societal or educational institutions, as it did with this acquisition.

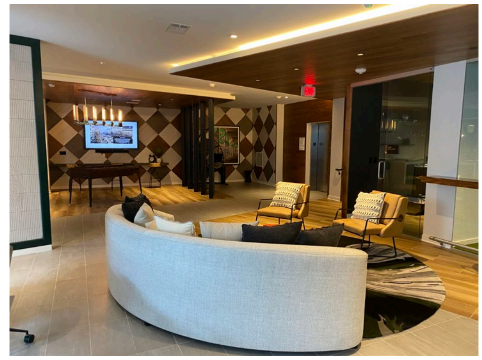
The sponsor has reported ownership in three hotel portfolios that were undergoing default proceedings, largely resulting from the coronavirus pandemic. The outstanding debt on the three hotel portfolios totals more than $293.8 million, and all excess cash flow derived from such assets, if any, has been surrendered to the respective lenders. However, the sponsor's loans for all other asset classes, including multifamily properties like the subject, included on the DBRS Viewpoint platform are performing. The sponsor has more than 50 years of experience and has expertise dealing with ground lease bifurcations, with debt and equity capitalizations for more than 140 leasehold estates. DBRS Morningstar applied a Weak sponsor strength to this loan as a mitigant against the weaker leasehold ownership structure.

Greystar, a vertically integrated multifamily manager, developer, and investor will operate the property. Established in 1993, Greystar currently has offices in more than 30 cities with more than 754,000 residences under management.

DBRS Morningstar Analysis

Site Inspection Summary





DBRS Morningstar met with the property manager and toured the property on February 23, 2022. Based on the site inspection, DBRS Morningstar found the property quality to be Above Average.

The property is located several blocks north of the intersection of City Avenue (Rte. 1) and Monument Road in Bala Cynwyd, a suburb of Philadelphia. Of note, City Avenue is a boundary between Philadelphia and Montgomery County, which makes the location of the subject on the Montgomery County side of City Avenue potentially appealing, given the onerous wage tax incurred by residents who live within the Philadelphia city limits. City Avenue itself is a heavy commercial corridor marked with retail, hotel, and office properties. In addition, the Philadelphia College of Osteopathic Medicine and Saint Joseph's University are both on City Avenue, close to the subject. At the intersection of City Avenue and Monument Road are the studios of two network television affiliates, a recently developed retail property anchored by Target, and an office building that serves as the headquarters of SIG.

At the time of the tour, the property was still in its lease-up phase and was 40% physically occupied and 42% leased; the property manager expects stabilization (90%+ occupancy) by late summer 2022. The property is not offering any concessions, other than occasionally waiving amenity fees (a $400 one-time payment), or waiving general application fees for targeted groups such as first responders. While the current occupancy provides a relatively small sample size, the property is seeing some demand from the local hospitals and SIG. The tour included all three unit types. The fixtures and appliances are identical across all types, including washers and dryers in all units. Common area amenities are fairly impressive but representative of what is becoming more common in newly built multifamily buildings: bike storage and repair facilities, pet spa, work areas, modern fitness center, and rooftop lounge with grills and an outdoor TV. The common interior recreation space contains, among other things, an interactive sports simulator. Access to all of these features are covered by the aforementioned amenity fee. DBRS Morningstar did not notice any deferred maintenance at the time of inspection.

DBRS Morningstar NCF Summary

NCF Analysis	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	6,943,778	6,288,660	-9.43
Other Income ($)	562,353	374,507	-33.40
Vacancy & Concessions ($)	-503,424	-1,037,629	106.11
EGI ($)	**7,002,708**	**5,625,538**	**-19.67**
Expenses ($)	3,581,509	3,666,477	2.37
NOI ($)	**3,421,198**	**1,959,061**	**-42.74**
Capex ($)	56,990	51,250	-10.07
NCF ($)	**3,364,208**	**1,907,811**	**-43.29**

The DBRS Morningstar NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. DBRS Morningstar did not do separate as-is and as-stabilized cash flow analyses because the loan is not structured with any future funding to execute a business plan to lift cash flows. Therefore, the resulting DBRS Morningstar cash flow was $1,907,811, representing a -43.3% variance from the issuer's as stabilized cash flow (the variance to the issuer's Year 1 NCF was -38.6%). The key drivers of the variance were GPR and vacancy. DBRS Morningstar analyzed the GPR based on leases in place with vacant units grossed up at market rents. The issuer estimated stabilized rents incorporating forecast inflationary increases. DBRS Morningstar analyzed vacancy at the Reis competitive set's rate of 16.5% while the issuer used a rate of 5%.

DBRS Morningstar Viewpoint

The CynWyd is well located in proximity to major retailers and employment demand generators. Located in the Norristown/Upper Merion/Lower Merion submarket, the Q4 2021 occupancy rate was 97.4% with effective average rents at $2,088 per month for properties built after 2000, according to MPF Research. The appraisal lists seven properties, totaling 1,566 units, either recently completed or expected to be available in 2022, increasing the submarket's 26,161 units by 5.9%. While these new units could compete directly with the subject and slow lease-up, the appraiser expects submarket rent levels and occupancy to remain static and in line with historical trends. However, DBRS Morningstar believes this could further push stabilization beyond the sponsor's forecast of Q3 2022.

Based on DBRS Morningstar's analysis, going-in leverage is high at 110.7% and decreases slightly to 106.5% at stabilization. Also, credit metrics are weak, based on DBRS Morningstar's NCF analysis, with an in-place DSCR of 1.18x (based on IO terms) and a going-in debt yield of 4.0%. DBRS Morningstar considers this ground lease to be credit negative with average ground rent payments over the term at 16.8% of DBRS Morningstar's GPR. Further, the ground rent poses a risk to property cash flow in times of weak revenue as it will increase by 20.0% within the five-year fully extended loan term. To account for this, DBRS Morningstar estimated the ground rent expense as an average over the fully extended loan term, marked the sponsor strength as Weak, and increased the cap rate by 81 basis points to make the valuation more in line with comparables and reflective of the onerous ground lease.

The loan's EL is still below the pool WA EL because it has a DBRS Morningstar Market Rank of 6, which is indicative of an urban infill location that has a statistically lower default rate than suburban locations.

Sherwood Oaks

Loan Snapshot

Seller
HGI
Ownership Interest
Fee Simple
Trust Balance ($ million)
26.7
Loan PSF/Unit ($)
134,337
Percentage of the Pool (%)
5.5
Fully Extended Loan Maturity/ARD
December 2026
Amortization
n/a
DBRS Morningstar As-Is DSCR (x)
1.0
DBRS Morningstar Stabilized DSCR (x)
1.3
DBRS Morningstar As-Is Issuance LTV (%)
78.6
DBRS Morningstar Stabilized Balloon LTV (%)
68.3
DBRS Morningstar Property Type
Multifamily

Debt Stack ($ millions)

Trust Balance
26.7
Pari Passu
0.0
Remaining Future Funding
1.0
Mortgage Loan Including Future Funding
27.8
Loan Purpose
Acquisition
Equity Contribution/(Distribution) ($ million)
32.3

Source: Appraisal.

Source: Appraisal.

Collateral Summary			
DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	1984/2020
City, State	Riverview, FL	**Physical Occupancy (%)**	95.5
Units/SF	199	**Physical Occupancy Date**	December 2021

This loan is secured by the borrower's fee-simple interest in Sherwood Oaks, a 199-unit, garden-style multifamily property in Riverview, Florida. The borrower used the initial loan proceeds of $26.7 million and $32.3 million of cash equity to acquire the collateral at a purchase price of approximately $56.1 million ($281,783 per unit). Future funding of $1.0 million along with any remaining equity will cover $1.3 million of propertywide improvements. The three-year initial loan term and two 12-month extension options are IO throughout subject to a DSCR test.

Built in 1984 and renovated in 2020, the collateral features 199 residential units and was 95.5% occupied as of December 31, 2021. The property consists of 24 low-rise buildings, 23 of which are residential, with the remaining building being a clubhouse. Per the December 2021 rent roll, the subject reported an average monthly rental rate of $1,205 per unit, ranging from $1,011 for studio units to $1,343 for two-bedroom/two-bathroom units. In comparison, according to Q4 2021 Reis data, properties of similar vintage in the Brandon/Plant City submarket reported a higher average monthly rent of $1,354 per unit. Propertywide amenities include a swimming pool and a barbecue and picnic area. All units include a typical appliance package, washer and dryer hook-ups, granite countertops, and walk-in closets.

Unit Mix and Rents-Sherwood Oaks			
Unit Type	Units	Avg. Unit Size (sf)	Rent/Month ($)
Studio	21	300	1,011
1 Bedroom	128	675	1,193
2 Bedroom/1 Bathroom	33	1,000	1,298
2 Bedroom/2 Bathroom	17	1,000	1,343
Total/WA	**199**	**717**	**1,205**

The appraiser identified six multifamily properties in the area that directly compete with the subject. With an occupancy of 95.5%, the subject is in line with the occupancy of the competitive set, which ranges from 95.0% to 98.0%. The WA occupancy of the competitive set is 96.2%. The units at the subject are smaller than the appraiser's competitive set on average, and the subject achieves a lower average rental rate compared with the competitive set. Additionally, Reis identified 15 comparable properties within a three-mile radius of the collateral, representing a higher occupancy of 97.9% compared with the subject's 95.5% occupancy. Additional information regarding comparable properties can be found in the table below.

Competitive Set							
Property	Location	Distance from Subject (Miles)	Units	Year Built/ Renovated	Occupancy (%)	Avg. Rental Rate Per Unit ($)	Avg. Unit Size (sf)
The Paddock Club Brandon	Brandon, FL	2.7	440	1997	96.8	1,884	1,201
Indigo Point	Brandon, FL	1.5	240	1989	97.0	1,797	811
The Park at Portofino	Brandon, FL	1.3	444	1989	95.0	1,346	932
Winthrop West	Riverview, FL	1.2	204	1990	95.0	1,850	1,008
Park at Vincenzo	Brandon, FL	3.6	184	1973	97.0	1,256	969
Westwood at 60	Brandon, FL	3.3	88	1985	98.0	1,417	1,133
Total/WA Comp. Set	**Various**	**Various**	**1,600**	**Various**	**96.2**	**1,619**	**1,013**
Sherwood Oaks	**Riverview, FL**	**n/a**	**199**	**1984/2020**	**95.5**	**1,205**	**717**

Source: Appraisal, except the Subject figures are based on the rent roll dated December 31, 2021.

Sponsorship

The sponsor and guarantor for this transaction is RealtyMogul Apartment Growth REIT, Inc. RealtyMogul is an online real estate capital marketplace founded in 2012 that allows individuals the opportunity to invest in real estate by crowdfunding through two REITs. RealtyMogul Apartment Growth REIT, Inc. has a portfolio consisting of seven multifamily properties in Texas, New York, and Connecticut, with an estimated valuation of over $127 million. The guarantor is required to maintain a minimum net worth of $13.9 million and a minimum liquidity of $2.8 million. DBRS Morningstar assigned a sponsor strength score of Weak because of the lack of a warm body guarantor. A Weak sponsor score increases the probability of default and the resulting expected loss for the loan in the DBRS Morningstar model.

A third-party company, Pinnacle Property Management Services, LLC, provides property management for a contractual fee of 2.75% of EGI. The firm manages over 169,000 apartment homes across 32 states.

DBRS Morningstar Analysis

Site Inspection Summary

Source: Appraisal.

Source: Appraisal.

DBRS Morningstar did not conduct a site inspection of the property because of health and safety constraints associated with the ongoing coronavirus pandemic. Based on photos and assessments from the Issuer and third parties, DBRS Morningstar determined the property quality to be Average.

DBRS Morningstar NCF Summary

NCF Analysis				
	T-12 October 2021	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	2,985,215	3,517,941	3,362,740	-4.41
Other Income ($)	322,417	362,883	322,417	-11.15
Vacancy & Concessions ($)	-656,405	-302,631	-263,715	-12.86
EGI ($)	**2,651,227**	**3,578,193**	**3,421,442**	**-4.38**
Expenses ($)	1,203,057	1,575,485	1,500,168	-4.78
NOI ($)	**1,448,170**	**2,002,708**	**1,921,274**	**-4.07**
Capex ($)		59,700	49,750	-16.67
NCF ($)	**1,448,170**	**1,943,008**	**1,871,524**	**-3.68**

The DBRS Morningstar NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar Stabilized NCF was $1,871,524, representing a -3.7% variance from the Issuer's as-stabilized NCF of $1,943,008. The main driver of the variance is GPR. DBRS Morningstar estimated stabilized GPR based on the average rents achieved by recently signed leases for each unit type. For operating expenses, DBRS Morningstar inflated T-12 figures dated October 31, 2021, by 3%, assuming a stabilization period of one year. The resulting expense ratio is 43.9%, which is in line with other multifamily properties in the area.

DBRS Morningstar Viewpoint

The collateral, a 199-unit garden-style multifamily complex, is approximately a 15-minute drive to downtown Tampa, which offers residents easy access to one of the fastest-growing metros in Florida.

The property benefits from its proximity to major demand drivers; it is approximately a nine-minute drive to the 1.1 million-sf Westfield Brandon Mall and is within a two-mile radius of major grocers, retailers, and wholesalers, such as Publix, Walmart, Costco Wholesale, and The Home Depot. Although DBRS Morningstar did not perform a site inspection of the property, the photos and assessments from the Issuer and third-party reports have shown the property to be in Average condition.

The sponsor's business plan is to invest $1,345,500 ($6,761 per unit) in propertywide improvements, with $100,000 ($503 per unit) allocated to HVAC upgrades for all units and $1,245,000 ($6,258 per unit) allocated to propertywide upgrades and deferred maintenance items. While the sponsor's business plan does not include upgrades to units, DBRS Morningstar still expects the property to achieve rental premiums. The seller had completed $3.0 million ($15,000 per unit) of capital improvements since 2020, $1.8 million ($9,045 per unit) of which had gone toward unit upgrades. On account of the timing of improvement projects overlapping with the coronavirus pandemic, the asset has only recently started to realize increases in rent. Average rental rates from recent leases signed point to premiums ranging between $132 per unit and $233 per unit based on the unit type. DBRS Morningstar expects all remaining units to achieve similar rental rates and estimated its stabilized GPR accordingly.

DBRS Morningstar believes the asset benefits from good market fundamentals. The appraiser's competitive set has a much higher WA rental rate per unit ($1,619) and a slightly higher occupancy (96.2%) compared with those of the collateral, which points to room for growth in rental rates at the subject. The Reis submarket data support a similar conclusion. The Brandon/Plant City multifamily submarket has a vacancy of 2.8% and an average rental rate of $1,683 per unit, as of Q4 2021, according to Reis. The Reis submarket rental rate is 39.7% higher than the average in-place rent at the subject ($1,205) per the December 2021 rent roll, which again offers a positive outlook for potential increases in rent. While Reis projects submarket vacancy to reach 4.2% in 2027, this is still below DBRS Morningstar's concluded stabilized vacancy rate of 5%. Reis also projects the submarket rent to climb to $2,176 per unit (an increase of 29% from the current average submarket rent).

Loan proceeds of $27.8 million represent a DBRS Morningstar As-Is Issuance LTV of 78.6%, which is relatively low compared with the pool average. The appraiser identified six sales comparables for the property and identified comparables' price per unit range from $164,148 to $215,856 per unit, with an average of $188,116 per unit. The purchase price of approximately $35.0 million for the collateral represents a purchase price of $175,879 per unit, which is in line with the appraisal's identified sales comparables. The property is in an area with a DBRS Morningstar Market Rank of 3, which historically had elevated POD and LGD. Overall, given the loan's credit metrics, it has an EL higher than the pool WA EL based on the DBRS Market rank of 3, and Weak sponsor strength.

Solano Vista

Loan Snapshot

Seller
HGI
Ownership Interest
Fee Simple
Trust Balance ($ million)
21.5
Loan PSF/Unit ($)
119,318
Percentage of the Pool (%)
4.4
Fully Extended Loan Maturity/ARD
October 2026
Amortization
n/a
DBRS Morningstar As-Is DSCR (x)
0.9
DBRS Morningstar Stabilized DSCR (x)
1.2
DBRS Morningstar As-Is Issuance LTV (%)
85.8
DBRS Morningstar Stabilized Balloon LTV (%)
69.7
DBRS Morningstar Property Type
Multifamily

Debt Stack ($ millions)

Trust Balance
21.5
Pari Passu
20.5
Remaining Future Funding
6.1
Mortgage Loan Including Future Funding
48.1
Loan Purpose
Acquisition
Equity Contribution/(Distribution) ($ million)
16.7

Source: Appraisal.

Source: Appraisal.

Collateral Summary			
DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	1974
City, State	Glendale, AZ	**Physical Occupancy (%)**	77.4
Units/SF	352	**Physical Occupancy Date**	February 2022

This loan is secured by the borrower's fee-simple interest in Solano Vista, a 352 unit garden-style apartment property in Glendale, Arizona, built in 1974. The sponsor used the proceeds for the acquisition of the property, which is approximately 10 miles from the Phoenix CBD and approximately 20 miles from Scottsdale. Glendale is also the location of the University of Phoenix Stadium, home to the National Football League's Arizona Cardinals. The property is approximately 15 miles from Luke Air Force Base, a training center for United States Air Education and training command. Initial loan proceeds of $42 million, future funding of $6.1 million, and sponsor equity of $16.7 million facilitated the purchase price of $56.1 million, capex of $6.2 million, and closing costs of $1.8 million.

Currently, 167 units have been renovated with new cabinets, quartz countertops, stainless steel appliances, tile backsplashes, and updated fixtures. The remaining 185 units are in classic condition, and the business plan is to upgrade these units over the next 24 months. The sponsor plans to spend $17,600 per unit. Planned upgrades include new countertops, appliances, cabinet fronts, flooring, kitchen backsplashes, and fixtures. The sponsor also expects to add washers/dryers to 243 units. Additional upgrades include roof replacement, exterior paint, pool deck upgrades, landscaping, and lighting. Solano Vista's unit mix consists of 134 studios of approximately 325 sf, 132 one bedrooms of approximately 500 sf, and 86 two bedrooms of approximately 750 sf. The property was 77.4% physically occupied per the February 2022 rent roll as the sponsor has started upgrading units.

The appraiser identified six properties that are part of the subject's competitive set as noted in the table below.

Competitive Set							
Property	Location	Distance from Subject (Miles)	Units	Year Built/ Renovated	Occupancy (%)	Avg. Rental Rate Per Unit ($)	Avg. Unit Size (sf)
Tides at East Glendale	Phoenix, AZ	0.4	430	1985	98.0	992	553
Summer's Point	Glendale, AZ	1.3	164	1978	99.0	1,144	573
Sera Bella	Phoenix, AZ	2.4	169	1973	97.0	937	615
Standard West	Glendale, AZ	1.4	131	1984	99.0	1,053	693
Connect on Northern	Glendale, AZ	1.4	260	1979	99.0	1,360	748
Tides on 61st	Glendale, AZ	2.3	154	1981	99.0	1,217	706
Total/WA Comp. Set	**Various**	**Various**	**1,308**	**Various**	**98.4**	**1,110**	**634**
Solano Vista Apartments	**Glendale, AZ**	**n/a**	**352**	**1974**	**77.4**	**890**	**494**

Source: Appraisal, except the Subject figures are based on the rent roll dated month February 2022.

Sponsorship

The sponsor is Rise48 Equity, LLC, a fully integrated real estate investment company founded in 2019. It has since acquired 1,486 units in 13 properties. The company has four principals that each have substantial experience in real estate investing and finance who collectively have ownership of 11,000 units across 69 properties in 10 states. Due to its equity being largely crowdfunded, DBRS Morningstar marked the sponsor as Weak.

The property is being managed by DB Chamberlin and Associates, which has more than 30 years of experience managing apartment properties and has managed more than 10,000 units.

DBRS Morningstar Analysis

Site Inspection Summary

Source: Appraisal.

Source: Appraisal.

DBRS Morningstar did not conduct a site inspection of the property as a result of health and safety constraints associated with the ongoing coronavirus pandemic. Based on a review of third-party reports, documents provided by the Issuer, and online information, DBRS Morningstar found the property quality to be Average – because of the 1970s vintage and small unit sizes.

DBRS Morningstar NCF Summary

NCF Analysis				
	T-12 Augsut 2021	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	3,854,902	4,753,943	4,084,439	-14.08
Other Income ($)	621,869	688,499	621,869	-9.68
Vacancy & Concessions ($)	-964,737	-387,879	-419,860	8.25
EGI ($)	**3,512,034**	**5,054,564**	**4,286,448**	**-15.20**
Expenses ($)	1,081,640	1,570,913	1,248,326	-20.53
NOI ($)	**2,430,394**	**3,483,652**	**3,038,123**	**-12.79**
Capex ($)		105,600	88,000	-16.67
NCF ($)	**2,430,394**	**3,378,052**	**2,950,123**	**-12.67**

The DBRS Morningstar NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar Stabilized NCF was $2,950,123, a –12.7% variance from the issuer's as stabilized NCF. The key drivers of the variance were GPR and bad debt. DBRS Morningstar gave the appraiser's premium of $160 per unit only to the classic units being upgraded (not to units already upgraded by the seller) because of the subject's 1970s vintage, dated exterior, and small unit sizes and did not give annual increases for inflationary growth. DBRS Morningstar also analyzed bad debt to the November 2021 rent roll at 3.8% of the GPR.

DBRS Morningstar Viewpoint

Solano Vista has underperformed the submarket's 1970s vintage units' 95.2% occupancy and will likely benefit from the upgrades of classic units and exteriors. However, the unit sizes are significantly smaller than the competitive set. The appraisal shows Solano Vista's average unit size at 494 sf compared with the competitive set's weighted average unit size of 634 sf, 28.4% larger. The South Glendale submarket has not seen any new supply since before 2016, and 375 units currently under construction are anticipated to deliver in 2022 to add to the existing supply of 15,204 units, according to MPF Research. However, these new units will likely be more in line with Class A product and are not expected to compete directly with Solano Vista. Submarket rents have trended upward as 1970s vintage rents have gone up 41.2% from $0.97 psf in 2016 to $1.37 psf in Q2 2021 according to the appraisal. So it is likely that the sponsor's business plan isn't solely for a value add play but more a necessity to compete in the submarket.

Based on DBRS Morningstar's analysis, leverage is high with an elevated DBRS Morningstar As-Is LTV at 85.7% that drops to 69.7% at stabilization. Loan metrics are also weak with a stabilized debt yield of 4.9%. While DSCR is moderate at 1.39x based on DBRS Morningstar's as stabilized cash flow and full IO structure, it lowers to 0.90 when based on 30 year amortization. Therefore, there is potential for refinance risk in the event the business plan doesn't get executed as expected or the subject continues to underperform the competitive set in occupancy.

The loan has one of the higher expected losses in the pool because of its elevated DBRS Morningstar As-Is LTV, Average – property quality, Weak sponsor strength, and a DBRS Morningstar Market Rank 4, which is indicative of a suburban location with elevated default risk.

Rochester Portfolio

Loan Snapshot

Seller
HGI
Ownership Interest
Fee Simple
Trust Balance ($ million)
12.9
Loan PSF/Unit ($)
65,782
Percentage of the Pool (%)
2.7
Fully Extended Loan Maturity/ARD
December 2026
Amortization
n/a
DBRS Morningstar As-Is DSCR (x)
0.9
DBRS Morningstar Stabilized DSCR (x)
1.0
DBRS Morningstar As-Is Issuance LTV (%)
87.2
DBRS Morningstar Stabilized Balloon LTV (%)
72.6
DBRS Morningstar Property Type
Multifamily

Debt Stack ($ millions)

Trust Balance
12.9
Pari Passu
12.9
Remaining Future Funding
3.5
Mortgage Loan Including Future Funding
29.3
Loan Purpose
Acquisition
Equity Contribution/(Distribution) ($ million)
8.8

Source: Appraisal.

Source: Appraisal.

Collateral Summary			
DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	1986
City, State	Rochester, NY	**Physical Occupancy (%)**	89.3
Units/SF	391	**Physical Occupancy Date**	January 2022

The loan is secured by the borrower's fee-simple interest in Rochester Portfolio, a 391-unit multifamily portfolio of 14 cross-collateralized apartment buildings located throughout the Rochester, New York MSA. The initial loan proceeds of approximately $25.9 million (inclusive of $12.9 million of pari passu debt) along with $8.8 million of borrower equity will be used to acquire the portfolio for $33.6 million and cover closing costs of $1.0 million. The loan is also structured with a $3.5 million future funding component that will fund planned renovations and provide working capital. The loan has an initial three-year term and two one-year extension options and is IO throughout.

The portfolio consists of 14 Class B/C garden-style apartment complexes in Rochester. The properties were built between 1900 and 1940, with occupancy rates ranging from 71.9% to 100.0% and a WA portfolio occupancy rate of 89.3% as of January 2022. The sponsor will implement a $3.5 million ($8,849 per unit) capital improvement plan across the portfolio. Interior renovations will be done to 130 units within the portfolio for a total cost of $2.0 million ($15,000 per unit). The scope of the interior renovations includes new kitchen appliances, countertops, cabinetry, and flooring. The remaining future funding will be put toward improvement of the exterior of the properties as well as common area amenities. In 2019, the seller of invested approximately $1.6 million in the portfolio. The majority of the work done by the seller addressed deferred maintenance, exterior repairs, and common area improvements.

Portfolio Summary						
Property	City, State	Units	Year Built	Cutoff Date Loan Amount ($)	% of Cutoff Date Loan Amount	Occupancy%
Amherst	Rochester, NY	10	1920	$442,416	1.71%	90.00%
Arnold Court	Rochester, NY	23	1940	$1,384,955	5.36%	95.70%
Barrington	Rochester, NY	39	1920	$2,616,027	10.12%	89.70%
Bel Air Manor	Rochester, NY	31	1928	$2,231,317	8.63%	100.00%
Colby Park	Rochester, NY	37	1928	$2,231,317	8.63%	91.90%
Georgian Court	Rochester, NY	23	1928	$1,692,723	6.55%	95.70%
Mayflower	Rochester, NY	34	1920	$2,077,433	8.04%	94.10%
Mayflower House	Rochester, NY	5	1945	$288,532	1.12%	100.00%
Parkwin Apartments	Rochester, NY	43	1925	$2,692,969	10.42%	90.70%
Strathallan House	Rochester, NY	7	1900	$423,181	1.64%	100.00%
The Carlton	Rochester, NY	20	1920	$1,192,600	4.61%	80.00%
The Coolidge	Rochester, NY	68	1910	$4,539,576	17.56%	83.80%
The Frederich	Rochester, NY	32	1910	$2,423,672	9.38%	71.90%
Westminster	Rochester, NY	21	1928	$1,615,781	6.25%	90.50%
Total/WA Comp Set	**Rochester, NY**	**393**	**1923**	**$25,852,499**	**100.00%**	**89.30%**

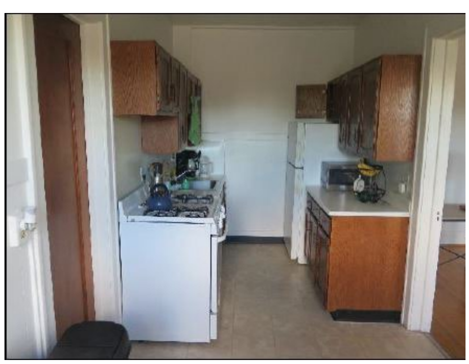
Sponsorship

The sponsor for the transaction is Rushmore Capital, a private real estate management firm. The firm’s portfolio consists of several multifamily properties in New Jersey, Pennsylvania, and Maryland. The company was founded in 2010 and has largely concentrated on acquisitions and asset management, with a focus on underperforming properties. Currently, Rushmore Capital has surpassed $1.0 billion in acquisitions, totaling more than 7,00 units.

The subject properties will be managed by Downing Management, a borrower-affiliated management company.

DBRS Morningstar Analysis

Site Inspection Summary



Source: Appraisal.

Source: Appraisal.

DBRS Morningstar did not conduct a site inspection of the portfolio because of health and safety constraints associated with the ongoing coronavirus pandemic. Based on a review of the third-party reports, documents provided by the Issuer, and online information, DBRS Morningstar found the portfolio quality to be Average (-).

DBRS Morningstar NCF Summary

NCF Analysis				
	T-12 September 2021	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	4,045,027	4,687,993	4,320,732	-7.83
Other Income ($)	413,638	451,993	413,638	-8.49
Vacancy & Concessions ($)	-634,159	-473,241	-527,129	11.39
EGI ($)	**3,824,506**	**4,666,745**	**4,207,241**	**-9.85**
Expenses ($)	1,389,475	2,453,373	2,551,190	3.99
NOI ($)	**2,435,031**	**2,213,373**	**1,656,051**	**-25.18**
Capex ($)		136,850	136,850	0.00
NCF ($)	**2,435,031**	**2,076,523**	**1,519,201**	**-26.84**

The DBRS Morningstar NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar NCF was $1,519,201, representing a -26.8% variance from the Issuer's stabilized NCF of $2,076,523. The main drivers of the variance are GPR and expenses. DBRS Morningstar's concluded monthly rent of $921 per unit is based on the in-place rents as of the September 30, 2021, rent roll, applying a $150 per unit premium to 130 units receiving upgrades. The Issuer applied a monthly premium of $90 on the in-place rents as of November 30, 2021, for a total monthly rent of $990. The Issuer inflated in-place rents by 4.0% and applied a $140 monthly premium to 35 units previously renovated by the seller. DBRS Morningstar concluded expenses generally based on the T-12 ended September 30, 2021, inflated by 10%, while the Issuer concluded expenses based on the Sponsor's year one budget inflated by 6.0%.

DBRS Morningstar Viewpoint

The subject is a 391-unit multifamily portfolio in Rochester. All 14 properties are relatively close to the Rochester CBD, with the farthest property being approximately four miles from the downtown area. Monroe County is home to the headquarters of Eastman Kodak, Paychex, and Pictometry International. Although Rochester was once a strong center for science, technology, and research and development, the city has experienced significant deindustrialization, which has resulted in a large population loss. Today, Rochester's economy is mainly defined by the technology and education industry, as the University of Rochester and Rochester Institute of Technology have played an increasingly larger role in the city's economy. While the Central Rochester submarket saw an increase of 8.5% in asking rents in Q3 2021, the asking rent increase in Q4 2021 was only 2.3%, per Reis. In addition, the population in a five-mile radius of the properties has been declining since 2000.

The sponsor acquired the portfolio for $33.6 million and plans on implementing a $3.5 million capital improvement plan. Approximately $2.0 million ($15,000 per unit) is allocated to interior renovation of 130 units in the portfolio. The remaining $1.5 million will be used to improve the exterior of the properties as well as address deferred maintenance, and improve the properties' curb appeal. Interior renovations to units will include new kitchen appliances, countertops, cabinetry, and flooring. Per the photos in the appraisals, the properties' units appear quite dated and in need of major renovation and overhaul.

Although the Central Rochester submarket vacancy rate will remain relatively stable over the next five years, projected to reach 5.3%, per Reis, rent in the submarket has shown a declining trend, which is expected to continue over the same period. DBRS Morningstar does feel the business plan for the portfolio is still achievable, despite the trends shown in the submarket. DBRS Morningstar's concluded monthly rents are still well within the projected submarket monthly rent of $1,341 per unit for 2027.

Fully funded loan proceeds of $33.6 million reflect the elevated As-Is and Stabilized DBRS Morningstar LTVs of 76.9% and 69.7%, respectively. Additionally, the properties are in DBRS Morningstar Market Rank 3 and MSA Group 0, which historically have had elevated PODs and LGDs. Given the loan's credit metrics and location, the loan has an EL higher than pool WA EL.

The Oaks at San Jose

Loan Snapshot

Seller
HGI
Ownership Interest
Fee Simple
Trust Balance ($ million)
9.2
Loan PSF/Unit ($)
95,905
Percentage of the Pool (%)
1.9
Fully Extended Loan Maturity/ARD
October 2026
Amortization
n/a
DBRS Morningstar As-Is DSCR (x)
0.6
DBRS Morningstar Stabilized DSCR (x)
0.9
DBRS Morningstar As-Is Issuance LTV (%)
83.2
DBRS Morningstar Stabilized Balloon LTV (%)
73.0
DBRS Morningstar Property Type
Multifamily

Debt Stack ($ millions)

Trust Balance
9.2
Pari Passu
10.0
Remaining Future Funding
2.3
Mortgage Loan Including Future Funding
21.5
Loan Purpose
Acquisition
Equity Contribution/(Distribution) ($ million)
8.0

Source: Appraisal.

Source: Appraisal.

Collateral Summary			
DBRS Morningstar Property Type	Multifamily	**Year Built**	1948
City, State	Jacksonville, FL	**Physical Occupancy (%)**	76.5
Units	200	**Physical Occupancy Date**	January 2022

The loan is secured by the borrower's fee-simple interest in Oaks at San Jose, a 200-unit apartment complex in Jacksonville, Florida. Initial loan proceeds of $19.2 million and approximately $8.0 million of borrower equity will be used to acquire the property at a price of $26.3 million and finance $900,000 of closing costs. The three-year initial loan term and the two 12-month extension options are IO throughout.

The property consists of 30 two-story garden-style apartment buildings built in 1948 on a 12.6-acre site. The buildings are of wood frame construction on a ground-level concrete slab. Apartment features include all-electric kitchens, hardwood floors, central heating and cooling, and washer and dryer connections in select units. Community amenities include a swimming pool and laundry facilities. The property also has 13 free-standing carports and 144 covered parking spaces. The subject is in Jacksonville, approximately six miles south of the CBD. The Jacksonville area has a diversified economy, including major employment in the healthcare, banking and finance, logistic, and defense sectors. Major employers include Baptist Health (10,650 employees), Bank of America (7,700 employees), Florida Blue (5,700 employees), and Southeastern Grocers (5,700 employees). Jacksonville is also the third-largest naval complex in the country, being home to three U.S. naval facilities. The property is less than two miles west of I-95, a major north-south limited-access highway in the Jacksonville area. The property is well located near area retail outlets that are generally concentrated along University Boulevard, in the vicinity of the subject. Overall, the immediate neighborhood is mixed-use in character, including multifamily, single-family, self-storage, and retail uses.

Unit Mix and Rents

Unit Type	Number of Units	Avg Unit Size (sf)	Average Rent ($)
Studio	1	525	625
One Bedroom	91	606	773
Two Bedroom	108	808	1,017
Total	**200**	**714**	**896**

Source: January 2022 rent roll.

The appraiser identified eight competitive multifamily properties, with an average year built of 1975, which is significantly newer than the subject. The average rent for the appraiser's competitive set of $1,108 per unit is higher than the subject's average rent of $896 per unit, reflective of the age and condition of the subject. The property has an occupancy rate of 76.5%, significantly lower than the competitive set average of 97.7%. The subject's lower occupancy rate is due in part to 20 down units, currently vacant as a result of building code violations. The average submarket rent by vintage, per Reis, is $1,037, while the submarket vacancy rate is 5.4%. Additional information regarding comparable properties can be found in the table below.

Competitive Set

Property	Location	Distance from Subject (Miles)	Units	Year Built	Occupancy (%)	Avg. Rental Rate Per Unit ($)	Avg. Unit Size (sf)
The Park at Avellino	Jacksonville	3.7	300	1974	100.0	1,035	937
Heron Walk Apartments	Jacksonville	2.2	384	1977	97.0	1,171	731
Pointe Sienna Apartments	Jacksonville	2.0	257	1970	95.0	1,241	889
Pinebrook Apartments	Jacksonville	2.2	208	1974	97.0	1,037	780
San Marco Village	Jacksonville	2.2	106	1973	99.0	1,027	847
Park at Anzio	Jacksonville	4.2	520	1983	98.0	1,139	864
Total/WA Competitive Set	**Various**	**Various**	**1,775**	**Various**	**97.7**	**1,108**	**841**
Oaks at San Jose	Jacksonville	n/a	200	1948	76.5	896	714

Source: Appraisal, except the subject figures are based on the rent roll dated January 23, 2022.

Sponsorship

The sponsor for this transaction is ROI Capital Group, an Israel-based real estate investor established in 2008. The firm has invested in real estate in the United Kingdom and United States. U.S.-based investments include more than 1,500 multifamily units. The sponsor has invested in value-add multifamily properties in the southeastern U.S., with an emphasis on Florida properties. Noam Avrahami, Shay Atiya, Shay Milech, and Tal Natalie are the recourse carveout guarantors and have adequate net worth and liquidity for the loan amount.

S.N.S. Multifamily Management LLC, a sponsor-affiliate firm, will manage the property for a contractual management fee of 3.0% of EGI. The management company is a Fort Lauderdale-based firm, with more than 1,800 units under management.

DBRS Morningstar Analysis

Site Inspection Summary

Source: Appraisal.

Source: Appraisal.

DBRS Morningstar did not conduct a site inspection of the property as a result of health and safety constraints associated with the ongoing coronavirus pandemic. Based on a review of third-party reports, documents provided by the Issuer, and online information, DBRS Morningstar found the property quality to be Below Average.

DBRS Morningstar NCF Summary

NCF Analysis				
	T-12 September 2021	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	2,259,372	2,728,573	2,421,749	-11.24
Other Income ($)	213,609	240,419	213,609	-11.15
Vacancy & Concessions ($)	-637,624	-238,750	-213,143	-10.73
EGI ($)	**1,835,357**	**2,730,242**	**2,422,215**	**-11.28**
Expenses ($)	970,395	1,272,049	1,288,243	1.27
NOI ($)	**864,963**	**1,458,192**	**1,133,972**	**-22.23**
Capex ($)		60,000	61,400	2.33
NCF ($)	**864,963**	**1,398,192**	**1,072,572**	**-23.29**

The DBRS Morningstar NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar Stabilized NCF was $1,072,572, representing a variance of -23.3% from the Issuer's as-stabilized NCF of $1,398,192. The main driver of the variance was GPR. DBRS Morningstar estimated stabilized GPR of $1,009 per unit based on the January 2022 rent roll, along with a $150 per-unit rent premium, to give credit to the upside in revenue expected as a result of the sponsor's business plan.

DBRS Morningstar Viewpoint

The collateral for the loan is a 200-unit apartment complex in Jacksonville. The subject is located approximately six miles south of the Jacksonville CBD, close to transportation, shopping, entertainment, and employment opportunities. The sponsor's business plan is generally achievable, given the capital improvements of approximately $2.3 million planned at the property, and the sponsor's experience with similar multifamily value-added projects.

The previous owner invested $819,000 in capital improvements since 2018, including the interior renovation of 50 units. The sponsor plans on renovating the remaining 150 units at a cost of approximately $981,000 ($6,500/unit). The proposed renovations include new kitchen cabinets, appliances, bathroom hardware, and flooring. DBRS Morningstar estimates that the improvements can achieve an average rent premium of $150 per renovated unit, which is supported by comparable property rents and by the stabilized rent conclusion in the appraisal. The overall renovation budget also includes propertywide improvements, including exterior and common area improvements, which are estimated to cost approximately $1.3 million. The capital improvement program will also cure building code violations, which affects 20 units that are currently down because of the violations.

The market fundamentals generally support the ultimate achievement of the plan. The DBRS Morningstar concluded stabilized vacancy rate is 6.0%, which is higher than the appraiser's stabilized vacancy rate, but is consistent with the Reis projected five-year submarket vacancy rate. The average rent for the appraiser's competitive set is $1,108, while the Reis average submarket rent by vintage is $1,037, compared with the subject's average current rent of $896, indicating potential rent upside for the subject's renovated units. DBRS Morningstar concluded to a stabilized rental rate of $1,009 per unit.

The fully funded mortgage loan balance of $21.5 million represents an elevated DBRS Morningstar as-is LTV of 83.2% and a DBRS Morningstar stabilized LTV of 73.0%%. DBRS Morningstar adjusted the stabilized value to be based on a 4.75% cap rate that is more consistent with appraisal assumption and recently securitized multifamily transactions in the Jacksonville MSA. The sponsor contributed $8.0 million to acquisition of the property and has considerable equity in the capital structure. The property is within a mixed-use area, and has a DBRS Morningstar Market Rank of 4, which has a unfavorable POD and LGD impact. The Jacksonville area falls within a DBRS Morningstar MSA Group 0, which has a neutral POD and LGD impact. Given the loan's credit metrics and location, the loan has an EL above the pool WA EL.

Transaction Structural Features

Credit Risk Retention: The Sponsor, HGI Multifamily Credit Sub-REIT, LLC (HGI Sub-REIT), will be responsible for compliance with the U.S. credit risk retention requirements and intends to satisfy such requirement through the purchase and retention by HGI CRE CLO 2022-FL3 Holder, LLC, (the Retention Holder), an indirect wholly owned subsidiary of the Sponsor, of an eligible horizontal residual interest. As of the Closing Date, the Retention Holder will purchase and retain 100% of the Class F Notes, the Class G Notes, and Class H Notes. Additionally, the transaction is being structured with the intent to comply with the EU risk retention rules under Regulation (EU) 2017/2402 and the UK risk retention rules under Regulation (EU) 2017/2402.

Collateral Manager: Harbor Group International, LLC will serve as the Collateral Manager and provide certain advisory and administrative functions with respect to the collateral interests. The Collateral Manager is obligated to perform its duties according to the collateral management agreement. Harbor Group International, LLC is also the [external manager] of HGI Sub-REIT pursuant to an advisory agreement and is under common control with HGI Sub-REIT, and therefore the Collateral Manager is also an affiliate of the originator, the Retention Holder, the seller, and the Issuer. The special servicer may be removed with or without cause as to any mortgage loan (or related mortgage asset) serviced under the servicing agreement for this transaction (Serviced Mortgage Asset or Serviced Mortgaged Loan), and a successor special servicer may be appointed, in each case at any time and at the direction of the Collateral Manager (with respect to any Controlled Mortgage Asset) or the holder of the related controlling Companion Participation (with respect to any Non-Controlled Mortgage Asset).

Delayed-Close Mortgage Assets: One mortgage asset, Euclid Grand (the Delayed Close Mortgage Asset), having an aggregate expected principal balance of $56.2 million or approximately 11.5% of the aggregate mortgage asset cut-off date balance, has not yet closed but is expected to close and be purchased by the Issuer on or prior to the date that is 90 days after the Closing Date (the Purchase Termination Date). If the Delayed Close Mortgage Asset is not acquired on or prior to the Purchase Termination Date, or if the terms of the Delayed Close Mortgage Assets are materially different from the terms described in the Offering Memorandum, then the Delayed Close Mortgage Asset may be acquired in accordance with the terms and conditions applicable to acquisitions of Ramp-Up Mortgage Assets (as defined), including satisfaction of the Eligibility Criteria and the Acquisition Criteria (as defined in the Offering Memorandum).

Future Funding Participations: Certain mortgage assets will be a participation interest in a mortgage loan or senior note (participated mortgage loan) that has been participated (or split) into any combination of: (1) a fully funded senior, senior pari passu, or pari passu participation interest or senior note which will be held by the Issuer and will be part of the Collateral; (2) an unfunded future funding participation interest that will not be held by the Issuer and will not be part of the Collateral (Future Funding Participation); and (3) funded pari passu or junior participation interests or notes that will not be held by the Issuer and will not be part of the Collateral (Funded Companion Participation and, with any future funding participation, a Companion Participation). Future Funding Participations and Funded

Companion Participations will not be assets of the Issuer and will not be part of the Collateral for the Offered Notes, unless acquired by the Issuer after the Closing Date.

Twenty-one of the Closing Date Mortgage Assets, representing approximately 83.1% of the Aggregate Mortgage Asset Cut-Off Date Balance, are participation interests in Participated Loans that have related Future Funding Participations with an aggregate, unfunded Future Funding Commitment of approximately $48.2 million as of the cut-off date.

As of the Closing Date, each Future Funding Participation will be held by HGI Commercial Funding I, LLC (the Originator) or affiliates of the Originator (Future Funding Holder), as the holder of the related Future Funding Participation (or a permitted transferee pursuant to the terms of the related participation agreement). The Future Funding Holder will have the sole obligation under each of the related participation agreements to make future advances under the Future Funding Participations. Once funded, such participation may be transferred in accordance with the terms of the related participation agreement. The Issuer may, but is not obligated to, acquire such funded participation interest as a Ramp-Up Mortgage Asset or as a Reinvestment Mortgage Asset (as defined below). Pursuant to each participation agreement, so long as the Future Funding Holder or another affiliate of HGI Sub REIT is obligated to make future advances under such participation agreement, HGI Sub REIT (in such capacity, the Future Funding Indemnitor) will be required to indemnify the Issuer and, if applicable, the holder of any other related Companion Participation against any losses, claims, damages, costs, expenses, and liabilities in connection with, arising out of, or as a result of the failure of the Future Funding Holder to make future advances when required under the related participated mortgage asset.

Ramp-Up Acquisition Period: The transaction includes a Ramp-Up Acquisition Period whose completion date will be determined by the earliest of (1) the sixth Payment Date, (2) the first date on which all funds in the Unused Proceeds Account (as defined below) have been used to purchase Ramp-Up Mortgage Assets and, if applicable, Delayed Close Mortgage Asset, and (3) the date that the Collateral Manager determines, in its sole discretion, that investment in Ramp-Up Mortgage Assets is no longer practical or desirable and notifies the Trustee of such determination. Subject to the satisfaction of certain conditions, Ramp-Up Mortgage Assets may be acquired during the Ramp-Up Period with $60,000,000 (plus an amount equal to the purchase price of the Delayed Close Mortgage Assets that are not acquired by the Issuer on the Closing Date, if any) that the Issuer will deposit into an account (the Unused Proceeds Account) on the Closing Date. Any Ramp-Up Mortgage Assets acquired by the Issuer during the Ramp-Up Period will have the benefit of representations and warranties similar to the representations and warranties provided with respect to the Closing Date Mortgage Assets. In addition, the Issuer may use principal proceeds and any amounts transferred from the Unused Proceeds Account (subject to a maximum of $5,000,000) to the Reinvestment Account (as defined below) at the end of the Ramp-Up Period to acquire mortgage assets (each, a Reinvestment Mortgage Asset) during the Reinvestment Period (as defined below). All acquisitions of Ramp-Up Mortgage Assets and Reinvestment Mortgage Assets will be subject to the satisfaction of the Eligibility Criteria (as defined in the Offering Memorandum) and the Acquisition Criteria (as defined below).

Reinvestment: The transaction includes a 24-month Reinvestment Period commencing on the Closing Date and ending on (and including) the earliest of (i) the end of the Due Period related to the Payment Date, (ii) the end of the Due Period related to the Payment Date on which all of the Notes are redeemed, and (iii) the date on which principal of and accrued and unpaid interest on all of the Notes is accelerated following the occurrence and continuation of an Event Of Default (EOD) (which includes the Ramp-Up Period) during which the Collateral Manager will be permitted to direct the Issuer to acquire Ramp-Up Mortgage Assets or Reinvestment Mortgage Assets (which may include Funded Companion Participations), subject to the satisfaction of Eligibility Criteria and the Acquisition Criteria. The Acquisition Criteria requires that (a) the Note Protection Tests are satisfied and (b) no EOD is continuing.

No Downgrade Confirmations: Certain events within the transaction require the Issuer to obtain RAC. DBRS Morningstar will confirm that a proposed action or failure to act or other specified event will not, in and of itself, result in the downgrade or withdrawal of the current rating. The Issuer is not required to obtain RAC for acquisitions of funded companion participations less than $1.0 million.

Certain Mortgage Loan Modifications: The Collateral Manager may, but is not required to, direct and require the servicer to administratively process any Administrative Modification or any Criteria-Based Modification in accordance with the collateral management standard. Administrative Modifications and Criteria-Based Modifications are not subject to the Servicing Standard.

A Criteria-Based Modification for a mortgage loan Serviced Mortgage Asset will be permissible only if, immediately after giving effect to such modification, (i) not more than nine Criteria-Based Modifications have been effectuated; (ii) the Acquisition Criteria are satisfied; (iii) the related Mortgage Asset complies with the Eligibility Criteria, as adjusted by the EC Modification Adjustments (as defined below); and (iv) an updated appraisal is obtained with respect to the mortgage asset. Multiple simultaneous modifications to a single mortgage asset may be treated as a single Criteria-Based Modification.

"**Administrative Modification**" means any modification, waiver or amendment directed by the Collateral Manager that relates exclusively to (i) with respect to any Serviced Mortgage Loan, (a) Loan-Level Benchmark Replacement Conforming Changes or (b) the exercise of any rights of the lender under the Loan Documents to convert the applicable interest rate index (and related spread) for such Mortgage Loan to a replacement index that the Collateral Manager determines, in its sole discretion, may be appropriate to reduce or eliminate a mismatch between the applicable interest rate index and the Benchmark on the Notes and (ii) with respect to any Serviced Mortgage Loan that is not a Credit Risk Mortgage Loan, Specially Serviced Loan or Defaulted Mortgage Loan, (a) exit fees, extension fees, default interest, prepayment fees or yield or spread maintenance provisions, (b) financial covenants (including in connection with extensions and cash management requirements) relating to debt yield, debt service coverage or loan-to-value requirements, (c) reserve account purposes, minimum balance amounts, release conditions or other reserve requirements (other than for taxes or insurance), including requirements to fund reserves in connection with extensions, (d) waivers or reductions of a LIBOR floor or other benchmark floor (which reductions may not be to floor rates below zero) or waivers, reductions or deferrals of interest rate step-ups, provided (in each case) that after giving effect to such waiver, reduction or deferral, the Note Protection Tests are satisfied, I any requirement to obtain an interest rate cap agreement or a modification of an interest rate cap strike rate in connection with an extension, (f) the timing of, or conditions to, the funding of any Future Funding Participation, (g) sponsor or guarantor financial covenants relating to net worth, liquidity or other financial matters, (h) Property lease approvals or modifications or leasing parameters (including in connection with releasing reserves or future funding amounts relating to leasing), (i) modifications or waivers of repair, maintenance and capital expenditure completion dates, (j) conditions precedent to extending the term of the Mortgage Loan, (k) a requirement to replace an interest rate cap agreement in connection with a change to an interest rate index or (l) provisions related to partial releases of a Property; in each case, notwithstanding that any such modification, waiver or amendment referred to in this definition may have the effect of delaying or deferring principal payments that would otherwise occur on the Mortgage Loan prior to its fully extended maturity date.

Criteria-Based Modification means, with respect to any Serviced Mortgage Asset other than a defaulted mortgage, a modification, waiver, or amendment to a mortgage loan that is directed by the Collateral Manager that would (i) result in a change in interest rate (other than any modification in accordance with clause (i) of the definition of Administrative Modification), (ii) result in a delay in the required timing of any payment of principal, (iii) result in an increase in the principal balance of such mortgage loan that will be allocated to a Companion Participation interest, (iv) result in a change of maturity date or extended maturity date, or (v) permit indirect owners of the related borrower to incur additional indebtedness in the form of mezzanine loans or preferred equity.

EC Modification Adjustments means, with respect to any Criteria-Based Modification, adjustments to the Eligibility Criteria having the effects of: (i) limiting modified maturity date to not more than two years later than its original maturity date (if such modification involves extension beyond the last day of the Reinvestment Period); (ii) if such Criteria-Based Modification involves an increase in the principal balance of a mortgage loan or the indirect owners of the related borrower incurring additional indebtedness in the form of a mezzanine loan or preferred equity, the As-Stabilized LTV of the related mortgage loan and any additional indebtedness is not higher than the As-Stabilized LTV of the mortgage loan as of the Closing Date (or, date of acquisition), as determined based on an updated appraisal; (iii) if such Criteria Based Modification does not involve an increase in the principal balance of the related mortgage loan or the indirect owners of the related borrower incurring additional indebtedness in the form of a mezzanine loan or preferred equity, no requirements to obtain a No Downgrade Confirmation from DBRS Morningstar or re-obtain a rating from Moody’s; (iv) clauses (xxv)(a), (xxvii), (xxviii), (xxxii), and (xxxiii) of the Eligibility Criteria are not applicable; and (v) references in clause (xxix) and (xxxi) of the Eligibility Criteria to “acquisition” will instead be references to “modification.”

Note Protection Tests: The Note Protection Tests include the Interest Coverage Test and Par Value Test (both as defined in “*Transaction Overview—Structural Overview*” in this Term Sheet). If either test is not satisfied on any Measurement Date, (i) the Issuer will lose the ability to acquire Reinvestment Mortgage Assets and (ii) Interest Proceeds that would otherwise be available to the holders of the Class F Notes, the Class G Notes and the Class H Notes will be used to pay principal on the Offered Notes (in order of seniority), as necessary, to cause each of the Note Protection Tests to be satisfied. The Note Protection Tests will be satisfied if the Par Value Ratio and Interest Coverage Ratio (as defined in this Term Sheet) are equal to or greater than 122.31% (which provides for a 2.00% protective cushion) and 120.00%, respectively. The calculation of the Par Value Ratio includes adjustments for defaults, any applicable Appraisal Reduction Amounts and for certain modifications, serving to align the interests of the Issuer with those of investors.

Advancing Agent and Backup Advancing Agent: HGI Sub REIT will serve as Advancing Agent with respect to certain interest payments on the Class A and Class B offered notes subject to a determination of recoverability. If the Advancing Agent fails to make such payments, the Note Administrator, Computershare Trust Company, National Association, will serve as Backup Advancing Agent and be required to advance certain delinquent scheduled interest payments, as applicable, to the extent that the Master Servicer or Trustee deems such advances to be recoverable. If the Backup Advancing Agent fails to make such interest advance, the Trustee will be required to make such interest advance, in each case, again subject to a determination of recoverability.

Controlling Class: The Class A Notes are the Controlling Class, so long as any Class A Notes are outstanding; then the Class B Notes, so long as any Class B Notes are outstanding; then the Class C Notes, so long as any Class C Notes are outstanding; then the Class D Notes, so long as any Class D Notes are outstanding; then the Class E Notes, so long as any Class E Notes are outstanding; then the Class F Notes, so long as any Class F Notes are outstanding; then the Class G Notes, so long as any Class G Notes are outstanding and long as any Class H Notes are outstanding, then the Class H Notes.. If an EOD under the Indenture has occurred and is continuing, the holders of the Controlling Class will be entitled to determine the remedies to be exercised under the Indenture and, in certain circumstances, without regard to whether there are sufficient proceeds to pay in full the amounts then due and unpaid on the Notes. The Controlling Class will be the most senior class of notes outstanding. Any remedies pursued by the holders of the Controlling Class upon an EOD could be adverse to the interests of the holders of more subordinated classes of notes.

Deferrable Floating-Rate Notes: The Class C, D, E, F, and G Notes (the Deferrable Notes) allow for deferred interest on the deferrable notes. To the extent that interest proceeds are not sufficient on a given payment date to pay accrued interest, interest will not be due and payable on the payment date and will instead be deferred. The deferred interest will be added to the principal amount of the respective Deferrable Note and bear interest at the same rate as the reference Deferrable Note and will be payable on the first payment date on which funds are available in the priority of payments. The ratings assigned by DBRS Morningstar contemplate the timely payments of distributable interest and, in the case of the deferred interest, the ultimate recovery of deferred interest (inclusive of interest payable thereon at the applicable rate to the extent permitted by law). Thus, DBRS Morningstar will assign its Interest in Arrears designation to the Deferred Interest classes in months when classes are subject to deferred interest.

Methodologies

The principal methodology DBRS Morningstar applied to assign ratings to this transaction is the *North American CMBS Multi-Borrower Rating Methodology*. This methodology can be found on www.dbrsmorningstar.com under the heading Methodologies & Criteria. Alternatively, please contact info@dbrsmorningstar.com or contact the primary analysts whose information is listed in this report.

For a list of the related methodologies for our principal Structured Finance asset class methodologies that may be used during the rating process, please see the *DBRS Morningstar Global Structured Finance Related Methodologies* document on www.dbrsmorningstar.com. Please note that not every related methodology listed under a principal Structured Finance asset class methodology may be used to rate or monitor an individual structured finance or debt obligation.

Surveillance

DBRS Morningstar will perform surveillance subject to *North American CMBS Surveillance Methodology*.

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

This report is based on information as of March 21, 2022. Subsequent information may result in material changes to the rating assigned herein and/or the contents of this report.

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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