

# Presale Report

## A10 Bridge Asset Financing 2021-D, LLC

**DBRS Morningstar**  
December 21, 2021

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### Capital Structure

Description	Rating Action	Balance	Subordination	DBRS Morningstar Rating	Trend
Class A-1 FL	New Rating - Provisional	117,800,000	41.403	AAA (sf)	Stable
Class A-1 FX	New Rating - Provisional	78,500,000	41.403	AAA (sf)	Stable
Class A-S	New Rating - Provisional	11,800,000	37.881	AAA (sf)	Stable
Class B	New Rating - Provisional	19,250,000	32.134	AA (low) (sf)	Stable
Class C	New Rating - Provisional	23,900,000	25.000	A (low) (sf)	Stable
Class D	New Rating - Provisional	20,100,000	19.000	BBB (sf)	Stable
Class E	New Rating - Provisional	5,000,000	17.507	BBB (low) (sf)	Stable
Class F	New Rating - Provisional	19,250,000	11.761	BB (low) (sf)	Stable
Class G	New Rating - Provisional	13,400,000	7.761	B (low) (sf)	Stable
Non-IG/Equity	NR	26,000,000	--	NR	NR

Notes:

1. NR = not rated.
2. An affiliate of A10 Capital, LLC will be holding the first-loss position (including Classes F and G and the Non-IG/Equity interests), and as part of the trust indenture, it or an affiliate must retain that position for as long as any senior note remains outstanding.
3. Estimated Closing Date: January 12, 2022
4. Pricing will be fixed rate (other than for the Class A-1 FL class of notes, which will be based on Daily Compounded SOFR) for each tranche and will be calculated by taking the interpolated swap rate based on the weighted average life for each representative tranche and adding the spread.



**DBRS Morningstar Viewpoint**  
Click here to see this deal.

DBRS Morningstar Viewpoint is an interactive, data-driven, loan and property level platform that provides users with access to DBRS Morningstar presale reports, surveillance updates, transaction information, and contextual comparable data in a user-friendly manner. Complimentary registration and access to the transaction is available.

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**Transaction Summary**

<b>Pool Characteristics</b>			
<b>Current Portfolio Balance (\$)</b>	313,682,837	<b>Targeted Pool Balance (\$)</b>	335,000,000
<b>Number of Loans</b>	27	<b>Average Loan Size (\$)</b>	11,617,883
<b>Number of Properties</b>	33	<b>Top Ten Loan Concentration (%)</b>	51.4
<b>Managed / Static</b>	Static	<b>Unfunded Companion Participation Amount (\$)</b>	83,210,057
<b>Pre-Identified Additional Underlying Loans<sup>5</sup></b>	Y	<b>Replenishment Allowed</b>	N
<b>Par Value Test Ratio (%)</b>	119	<b>Pre-Funding Period (Days)<sup>5</sup></b>	90
<b>Initial Par Value Ratio (%)</b>	121	<b>IC Ratio: Trigger (%)</b>	120.00
<b>Wtd. Avg. Current Funded As-Is Appraised Issuance LTV (%)</b>	62.8	<b>Wtd. Avg. DBRS Morningstar As-Is Issuance LTV (%)</b>	71.5
<b>Wtd. Avg. Current Funded Stabilized Appraised LTV (%)</b>	52.0	<b>Wtd. Avg. DBRS Morningstar Stabilized Balloon LTV (%)</b>	56.3
<b>Wtd. Avg. Interest Rate (%)</b>	5.19	<b>DBRS Morningstar Wtd. Avg. Interest Rate<sup>4</sup> (%)</b>	6.0
<b>Wtd. Avg. Remaining Term<sup>1</sup></b>	33.8	<b>Wtd. Avg. Remaining Term - Fully Extended</b>	57.8
<b>Wtd. Avg. DBRS Morningstar As-Is DSCR<sup>2</sup></b>	0.51	<b>Wtd. Avg. Appraisal As-Is DSCR (x)<sup>4</sup></b>	0.63
<b>Wtd. Avg. DBRS Morningstar Stabilized DSCR<sup>3</sup></b>	1.09	<b>Wtd. Avg. Appraisal Stabilized DSCR (x)<sup>4</sup></b>	2.29
<b>Avg. DBRS Morningstar As-Is NCF Variance<sup>2</sup> (%)</b>	-21.1	<b>Avg. DBRS Morningstar Stabilized NCF Variance<sup>3</sup> (%)</b>	-25.5

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 0.09% to 0.10% 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. On the Closing Date, proceeds received by the Trust in excess of the aggregate outstanding principal balance of the loans will be deposited in the Reserve Account for purposes of purchasing (1) Pre-Identified Additional Underlying Loans and (2) Pre-Approved Future Funding Companion Participations associated with the Underlying Loans. Loans identified and reviewed by Rating Agencies and Investors prior to the Closing Date that are eligible for purchase during the Pre-Funding Period. Amounts deposited on the Closing Date in the Reserve Account identified for use to purchase Pre-Identified Additional Underlying Loans can be utilized for 90 days. To the extent funds are not utilized for purchasing Pre-Identified Additional Underlying Loans, the remaining funds will either be (1) held in the Reserve Account to purchase Pre-Approved Future Funding Companion Participations or (2) released to amortize the entire capital structure pro-rata (subject to Rating Agency confirmation of RAC).

<b>Participants</b>	
<b>Issuer</b>	A10 Bridge Asset Financing 2021-D, LLC
<b>Loan Seller</b>	A10 Capital, LLC
<b>Servicer</b>	A10 Capital, LLC
<b>Special Servicer</b>	A10 Capital, LLC
<b>Note Administrator</b>	Computershare Trust Company, N.A.
<b>Trustee</b>	Wilmington Trust, National Association

## Transaction Comparison

<b>Comparable Transactions</b>				
Deal Name	A10 BAF 2021-D	Comp Set Avg.	A10 BAF 2020-C	A10 BAF 2019-B
Pool Balance	\$313,682,837	\$335,155,020	\$389,201,519	\$281,108,520
Target Pool Balance	\$335,000,000	\$409,408,384	\$400,000,000	\$418,816,767
# of Loans	27	40	33	47
Average Loan Size	\$11,617,883	\$9,057,357	\$11,793,985	\$6,320,728
Largest Loan Concentration	8.4%	8.2%	9.5%	6.9%
Top Ten Concentration	51.4%	51.9%	55.6%	48.3%
Herf	23.1	25.4	22.1	28.7
Managed/Static	Static		Static	Managed
Initial Par Value Ratio	121%	120%	123%	116%
<b>DBRS Morningstar WA E/L</b>	<b>5.3%</b>	<b>5.5%</b>	<b>6.3%</b>	<b>4.6%</b>
E/L 0% - 2%	23.8%	16.6%	7.2%	26.0%
E/L 2% - 4%	20.5%	23.3%	24.3%	22.4%
E/L 4% - 6%	15.6%	20.5%	26.2%	14.8%
E/L 6% - 8%	14.8%	17.0%	10.6%	23.5%
E/L 8% - 10%	7.3%	13.6%	20.5%	6.6%
E/L >10%	17.9%	8.9%	11.2%	6.6%
<b>DBRS Morningstar As-Is WA LTV</b>	<b>71.5%</b>	<b>67.0%</b>	<b>62.3%</b>	<b>71.8%</b>
LTV >= 85.03%	25.5%	10.6%	7.2%	14.1%
LTV >=75.16%, <85.03%	15.5%	12.7%	0.0%	25.4%
LTV >=67.1%, <75.16%	19.3%	23.6%	41.0%	6.2%
LTV <67.1%	39.7%	53.1%	51.9%	54.2%
<b>DBRS Morningstar Stabilized WA LTV</b>	<b>56.3%</b>	<b>56.5%</b>	<b>57.8%</b>	<b>55.2%</b>
LTV >= 85.03%	0.0%	3.5%	0.0%	7.0%
LTV >=75.16%, <85.03%	4.1%	2.6%	5.2%	0.0%
LTV >=67.1%, <75.16%	10.6%	18.6%	35.2%	2.0%
LTV <67.1%	85.2%	75.3%	59.6%	91.0%
<b>DBRS Morningstar Sampled As-Is NCF Variance</b>	<b>-21.1%</b>	<b>-16.8%</b>	<b>-17.5%</b>	<b>-16.0%</b>
<b>DBRS Morningstar As-Is WA DSCR</b>	<b>0.51</b>	<b>0.86</b>	<b>0.96</b>	<b>0.77</b>
DSCR < 0.50x	53.7%	34.7%	34.2%	35.2%
DSCR 0.50x - 0.75x	11.6%	14.8%	14.4%	15.2%
DSCR 0.75 - 1.00x	21.8%	8.5%	3.2%	13.7%
DSCR 1.00x - 1.25x	8.4%	11.0%	7.3%	14.8%
DSCR > 1.25x	4.5%	31.0%	40.9%	21.0%
<b>DBRS Morningstar Sampled Stabilized NCF Variance</b>	<b>-25.5%</b>	<b>-20.2%</b>	<b>-20.3%</b>	<b>-20.1%</b>
<b>DBRS Morningstar Stabilized WA DSCR</b>	<b>1.09</b>	<b>1.35</b>	<b>1.34</b>	<b>1.36</b>
DSCR < 0.90x	22.8%	20.1%	21.6%	18.6%
DSCR 0.90x - 1.00x	27.3%	0.9%	1.0%	0.7%
DSCR 1.00x - 1.25x	18.4%	13.2%	10.1%	16.3%
DSCR 1.25x - 1.50x	15.7%	36.9%	36.2%	37.5%
DSCR > 1.50x	15.8%	29.0%	31.1%	26.9%

<b>Comparable Transactions (Continued)</b>				
Deal Name	A10 BAF 2021-D	Comp Set Avg.	A10 BAF 2020-C	A10 BAF 2019-B
<b>DBRSM WA Business Score</b>	<b>3.16</b>	<b>2.52</b>	<b>2.31</b>	<b>2.72</b>
% Bus Rank 1-2	12.8%	22.3%	39.0%	5.5%
% Bus Rank 2.01-3	21.1%	63.5%	53.4%	73.6%
% Bus Rank 3.01-4	54.0%	14.2%	7.5%	20.9%
% Bus Rank 4.01-5	12.1%	0.0%	0.0%	0.0%
<b>DBRS Morningstar Property Type</b>				
Total Hotel % (includes Assisted Living)	0.0%	1.1%	2.3%	0.0%
Total Office %	30.5%	39.9%	30.3%	49.5%
Total Retail %	5.5%	29.3%	38.2%	20.3%
Total MF %	41.5%	11.8%	11.0%	12.5%
Total Industrial %	16.8%	7.6%	1.5%	13.8%
Total Self Storage %	2.0%	1.9%	0.0%	3.8%
Total MHC %	3.6%	0.0%	0.0%	0.0%
Total Mixed Use %	0.0%	8.4%	16.8%	0.0%
Total Other %	0.0%	0.0%	0.0%	0.0%
<b>DBRSM WA Market Rank</b>				
% Mkt Rank 8	8.9%	4.1%	2.2%	6.0%
% Mkt Rank 7	1.9%	8.8%	4.0%	13.7%
% Mkt Rank 5-6	15.5%	17.8%	19.1%	16.5%
% Mkt Rank 3-4	44.4%	57.4%	64.8%	49.9%
% Mkt Rank 1-2	29.2%	11.9%	9.9%	13.9%
% Mkt Rank 0	0.0%	0.0%	0.0%	0.0%
<b>DBRS Morningstar MSA Group</b>				
% MSA Group 3	20.3%	30.5%	26.2%	34.7%
% MSA Group 2	9.9%	8.8%	14.3%	3.2%
% MSA Group 1	16.8%	13.4%	15.2%	11.6%
% MSA Group 0	52.9%	47.4%	44.3%	50.4%
<b>DBRS Morningstar Property Quality</b>				
Excellent	0.0%	0.0%	0.0%	0.0%
Above Average	0.0%	4.2%	3.6%	4.7%
Average +	10.5%	0.0%	0.0%	0.0%
Average	67.2%	87.5%	88.2%	86.9%
Average -	12.5%	7.9%	7.4%	8.4%
Below Average	9.7%	0.4%	0.8%	0.0%
Poor	0.0%	0.0%	0.0%	0.0%
<b>DBRS Morningstar Sponsor Strength</b>				
Strong	0.0%	0.0%	0.0%	0.0%
Average	89.6%	84.4%	82.9%	85.9%
Weak	9.2%	14.0%	13.8%	14.1%
Bad (Litigious)	1.3%	1.6%	3.2%	0.0%

For managed transactions, deal stats exclude ramp loans.

**Coronavirus Overview**

With regard to the Coronavirus Disease (COVID-19) pandemic, the magnitude and extent of performance stress posed to global structured finance transactions remain highly uncertain. This considers the fiscal and monetary policy measures and statutory law changes that have already been implemented or will be implemented to soften the impact of the crisis on global economies. Some regions, jurisdictions, and asset classes are, however, feeling more immediate effects. Accordingly, DBRS Morningstar may apply additional short-term stresses to its rating analysis. For example, DBRS Morningstar may front-load default expectations and/or assess the liquidity position of a structured finance transaction with more stressful operational risk and/or cash flow timing considerations.

The DBRS Morningstar Sovereign Group releases baseline macroeconomic scenarios for rated sovereigns. DBRS Morningstar analysis consider impacts consistent with the baseline scenarios as set forth in the following report:

<https://www.dbrsmorningstar.com/research/384482>.

**Indenture Overview**

The transaction is governed by a trust indenture that will hold all of the CRE loans as collateral in addition to other accounts assigned to the Issuer. The Issuer's collateral includes loans and various accounts established for and on behalf of the issuer. The collateral does not include any membership interest.

A10 Capital, LLC (A10 Capital or the Company), the loan originator, provides a unique strategy in its lending platform by specializing in CRE bridge loans on value-add properties. A10 Capital's loans typically have an initial three- to five-year term with extension options and are used to finance properties until they are either fully stabilized or better positioned to receive more traditional bridge financing. Most of the loans contain a future funding component that, subject to A10 Capital's sole discretion, is to be distributed for leasing costs, capital improvements, and other value-add propositions presented by the borrowers on the underlying CRE loans. The borrowers are typically equity sponsors of transitional assets in various markets across the U.S. A10 Capital's initial advance is the senior debt component, typically for the purchase or refinance of properties in some form of distress.

There are currently two previously issued A10 Capital CLO transactions outstanding: A10 BAF 2020-C and A10 BAF 2019-C. As of the most recent remittance date in December 2021, A10 BAF 2020-C reported all loans as current, eight loans on the servicer watchlist representing 21% of the pool and no specially serviced loans. For the same December 2021 remittance period, A10 BAF 2019-B reported two loans on the watchlist (12.4% of pool), three loans in special servicing (17.6% of pool) and two loans 120+ days delinquent (12.8% of pool).

**Transaction Overview**

The \$335.0 million transaction includes an initial trust balance of \$298.5 million, comprising of loan assets and \$36.5 million held in a reserve account. The reserve account can be used to fund a pre-identified additional underlying asset (a \$15.2 million loan secured by The View on the Square, a student housing property located in San Marcos, Texas) or pre-approved future funding companion participations (collectively referred to as the post-closing underlying assets). The post-closing underlying assets can be brought into the trust using funds available in the prefunded reserve account at closing or principal proceeds as a result of loan payoffs. As existing loans payoff, available principal proceeds will be distributed according to the priority of payments. Before distributing principal proceeds to noteholders, the Issuer has the option to divert principal proceeds toward pre-approved future funding companion participations. This option remains with the Issuer throughout the term of the transaction. To the extent funds are not utilized for purchasing pre-identified additional underlying loans or funding pre-approved future funding companion participations during the pre-funding period (the period ending on the 90th day following the closing date), the remaining funds may (1) continue to be held in the reserve account to purchase pre-approved future funding companion participations, (2) be distributed to holders of the senior notes on a pro rata basis based on the then-outstanding note principal amount, or (3) be distributed to note holders as principal proceeds subject to the priority of payments.

The initial collateral consists of 26 fixed- or floating-rate mortgage loans secured by 32 mostly transitional real estate properties with a current balance totaling \$298.5 million. Inclusive of the pre-identified additional underlying asset, the collateral is scheduled to consist of 27 mortgage loans secured by 33 mostly transitional real estate properties with a current portfolio balance totaling \$313.7 million. DBRS Morningstar modeled the pool with all 27 mortgage loans and \$21.3 million of additional capacity as part of the paydown analysis, which was conducted to bring future funded facilities into the trust and provide estimated credit enhancement levels reflective of the full \$335.0 million targeted pool balance. All pool-based statistics in this presale report are based on the \$313.7 million current portfolio balance that includes the pre-identified additional underlying asset and delayed close loans for a total mortgage loan count of 27. The loans are generally secured by cash flowing assets, many of which are in a period of transition with plans to stabilize and improve asset value. Twenty of the 27 mortgage loans, representing 73.7% of the current portfolio balance, are structured with outstanding future funding participations, which collectively total \$83.2 million and may be acquired by the Issuer at a future date. Please see the table below for participations that the Issuer will be allowed to acquire.

The transaction will have sequential-pay structure. Interest can be deferred for the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Class G Notes, and interest deferral will not result in an Event of Default (EOD).

### Rating Considerations

DBRS Morningstar analyzed the pool to determine the provisional ratings, reflecting the long-term risk that the Issuer will default and fail to satisfy its financial obligations in accordance with the terms of the transaction. When the property-level as-is appraised values were measured against the fully funded mortgage loan commitments, the pool exhibited a moderately high WA as-is LTV of 71.5%. However, the pool's WA LTV ratio is estimated to improve to 52.0% through stabilization based on the fully funded mortgage loan commitments measured against the appraiser's property-level stabilized value estimates. The DBRS Morningstar adjusted stabilized value estimates reflect a more conservative but still relatively low pool WA LTV of 56.3%.

For all 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 with the remaining fully extended loan 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 debt service payments associated with the fully funded loan balances were measured against the DBRS Morningstar As-Is NCF estimates, 25 loans representing 87.1% of the current portfolio balance, had a DBRS Morningstar As-Is DSCR below 1.00x, a threshold indicative of higher default risk. The properties are often transitional 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 structural features are insufficient to support such treatment. Even with the structure provided, DBRS Morningstar generally does not assume the assets will stabilize above market levels. When the debt service payments associated with the fully funded loan balances were measured against the DBRS Morningstar Stabilized NCF estimates, 14 loans, representing 50.1% of the current portfolio balance, had a DBRS Morningstar Stabilized DSCR below 1.00x.

### Strengths

- **Leverage:** The pool consists of relatively low-leverage financing based on the appraised as-is and stabilized values with most loans backed by a significant amount of sponsor cash equity that was contributed at origination. The WA as-is and stabilized appraised LTVs, based on the most recent appraisal reports and including future funding participations, are 71.5% and 52.0%, respectively. The DBRS Morningstar adjusted WA as-is and stabilized LTVs are 71.5% and 56.3%, respectively. These LTVs compare favorably with leverage points for recent CRE collateralized loan obligations (CLO) transactions.
- **Transaction Sponsor:** An affiliate of A10 Capital will hold the first-loss position (including the Class F note, the Class G notes and the membership interests) and, as part of the trust indenture, it or an affiliate must retain that position for as long as any senior note remains outstanding. Collectively, the retained notes and membership interests represent the most subordinate 17.5% of the transaction.
- **MSA Strength:** Six loans, representing a combined 20.3% of the current portfolio balance, are collateralized by properties located in areas characterized as having a DBRS Morningstar

MSA rank of 3. Loans collateralized by properties located in such areas have a historical default rate of 17.2%, which is 10.8% lower than the overall CMBS historical default rate of 28.0%.

- **Predominately Acquisition Financing:** Sixteen of the 27 loans, representing 63.6% of the current portfolio balance, are being used to provide acquisition financing to the transaction sponsors, wherein sponsors contributed reasonably significant cash equity in conjunction with the mortgage loan to facilitate the transaction. DBRS Morningstar generally views cash-in financings more favorably, given the greater alignment of interests evidenced by the transaction sponsor's financial commitment to the transaction and/or collateral.

#### Challenges and Considerations

- **Transitional Properties:** The pool consists of mostly transitional assets and, in some instances, DBRS Morningstar estimated stabilized cash flows that are above the in-place cash flow. It is possible that the sponsor(s) 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 pandemic and its impact to the overall economy. A sponsor's failure to execute the business plan could result in a term default or in the inability to refinance the fully funded loan balance.
  - *Mitigant: Given the nature of the assets, DBRS Morningstar determined an above-average sample size, representing 80.7% of the current portfolio balance.*
  - *Mitigant: DBRS Morningstar made relatively conservative stabilization assumptions and, in each instance, considered the business plan to be achievable and the future funding amounts to be sufficient to execute such plans.*
  - *Mitigant: DBRS Morningstar assumes no cash flow or value upside when determining the loan-level LGD. Furthermore, the credit metrics DBRS Morningstar used to determine the LGD assume that future funding facilities are fully funded and adds additional conservatism.*
- **Elevated Business Plan Scores:** The business plan scores (BPS) for loans analyzed by DBRS Morningstar ranged from 1.8 to 5.0 with a deal average of 3.2. On a scale of one to five, a higher DBRS Morningstar BPS is generally indicative of elevated risk associated with 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 when assessing a BPS. Compared with similar transactions, this pool has a relatively high average BPS, which is generally indicative of elevated business plan execution risk. Several loans were viewed by DBRS Morningstar as bridge-to-bridge financing with exit plans generally requiring additional bridge financing.
  - *Mitigant: Higher business plan scores generally translate to higher POD penalties applied by DBRS Morningstar in determining the estimated loan-level expected losses.*
  - *Mitigant: The pool exhibits favorably low leverage, which is evidenced by relatively low issuance and stabilized LTV ratios of 71.5% and 52.0%, respectively. The lower loan basis relative to the estimated value of the underlying collateral is generally*

*considered to appropriately coincide with the elevated business plan execution risk exhibited at an individual loan-level.*

- **Property Type Concentration:** The pool is heavily concentrated by property type with ten loans representing 41.5% of the current portfolio balance secured by multifamily or student housing properties, and nine loans representing 30.5% of the current portfolio balance secured by office properties.
  - *Mitigant: Loans secured by multifamily properties generally exhibit lower average default frequencies relative to other commercial property types. Four loans representing 16.4% of the current portfolio balance are secured by multifamily properties. However, six loans representing a combined 25.1% of the current portfolio balance are secured by student housing properties, which DBRS Morningstar generally considers to exhibit higher cash flow volatility than traditional multifamily assets.*
  - *Mitigant: Traditional property types such as office, retail, industrial and multifamily asset classes generally benefit from more readily available conventional take-out financing than nontraditional property types such as hospitality, self-storage, and manufactured housing, The pool does not feature any loans secured by hospitality properties.*
- **Markets:** Only four loans, representing 14.3% of the current portfolio balance, are secured by properties located in areas characterized as having a DBRS Morningstar Market Rank of 7 or 8. Such areas are considered to be more urban in nature. Loans secured by properties located in such areas have historically benefited from increased liquidity and consistently strong investor demand, even during times of economic distress. Additionally, 12 loans, representing 44.4% of the current portfolio balance, are secured by properties in markets characterized as having a DBRS Morningstar market rank of 3 or 4. Such areas are considered to be more suburban in nature and loans secured by properties located in such areas have historically exhibited elevated PODs. The WA DBRS Morningstar Market Rank of 3.75 is generally indicative of a higher concentration of properties being located in less densely populated suburban areas.
  - *Mitigant: DBRS Morningstar analyzed loans secured by properties located in less densely populated markets with elevated PODs and LGDs relative to loans secured by properties located in more densely populated urban markets.*
- **Sponsor Strength:** DBRS Morningstar analyzed four loans, representing 10.4% of the current portfolio balance, with Weak or Bad (Litigious) sponsorship strengths. These loans include Legends Edinburg, 300 E Davis, Heritage Hills, and Colonial Landing.
  - *Mitigant: DBRS Morningstar applied a POD penalty to loans analyzed with Weak or Bad (Litigious) sponsorship strength.*
- **Property Quality:** The loan collateral were built between 1938 and 2021 with an average year build of 1988. Five loans, representing a combined 22.2% of the current portfolio balance, are secured by properties evidencing quality that DBRS Morningstar characterized as Average (-) or Below Average. These loans included Eden at Watersedge, Harland-Clarke Portfolio, Legends Edinburg, Imperial Avalon, and Colonial Landing. Lower-quality properties

are less likely to retain existing tenants and may require additional capex, resulting in less-than-stable performance. Additionally, no loans are secured by properties characterized as evidencing Above Average property quality.

- *Mitigant:* DBRS Morningstar applied a POD penalty to loans secured by properties characterized as evidencing Below Average property quality.
- *Mitigant:* Twenty loans, representing 73.7% of the current portfolio balance, are structured with future funding participations ranging from \$119,309 to \$11.0 million. The sponsor will use these funds to facilitate their respective capital improvement plans, which should enhance the quality of the properties and improve overall value.
- **Low DSCR:** With regard to the coronavirus disease, the magnitude and extent of performance stress posed to global structured finance remains highly uncertain. This considers the fiscal and monetary policy measures and statutory law changes that have been implemented or will be implemented to soften the impact of the crisis on global economies. When the DBRS Morningstar fully funded senior mortgage loan debt service estimates were measured against the DBRS Morningstar As-Is NCF, 25 loans, representing 87.1% of the current portfolio balance, had a DBRS Morningstar As-Is DSCR of below 1.00x.
  - *Mitigant:* When the fully funded loan balances were measured against the DBRS Morningstar Stabilized NCF, ten loans, representing a combined 39.8% of the current portfolio balance, exhibited a DBRS Morningstar Stabilized DSCR of at least 1.15x; and eight loans, representing a combined 31.5% of the current portfolio balance, exhibited a DBRS Morningstar Stabilized DSCR of at least 1.25x.
- **Lack of Site Inspections:** DBRS Morningstar did not conduct interior or exterior tours of the properties because of health and safety constraints associated with the ongoing coronavirus pandemic. As a result, DBRS Morningstar relied more heavily on third-party reports, online data sources, and information provided by the Issuer to determine the overall DBRS Morningstar property quality assigned to each loan.
  - *Mitigant:* Recent third-party reports were provided for most all loans and contained property quality commentary and photos. Where the most recent third-party reports available were dated by at least 12 months, DBRS Morningstar elected to stress the collateral valuation, resulting in elevated leverage ratios and therefore elevated probability of default and loss given default estimates.

#### **Legal and Structural Considerations**

- **Libor Replacement:** The transaction will be subject to a benchmark (or index) rate replacement. The current selected benchmark is compounded Secured Overnight Financing Rate (SOFR). The transaction will be exposed to a mismatch between the Libor benchmark of the underlying loans in the transaction and SOFR-pay notes. Currently, A10 Capital, LLC, in its capacity as designated transaction representative, will generally be responsible for handling any benchmark rate change to the underlying loans and will only be held to a gross negligence standard with regard to any liability for its actions.

- **Conflict of Interest:** There is an inherent conflict of interest between the special servicer and the seller as they are related entities. Given that the special servicer is typically responsible for pursuing remedies from the seller for breaches of the representations and warranties, this conflict could be disadvantageous to the noteholders. Furthermore, unlike other issuers, A10 generally does not impose performance hurdles on its borrowers as a condition of loan extensions and exercises sole discretion when making all servicing decisions.
  - *While the special servicer is classified as the enforcing transaction party, if a loan repurchase request is received, the trustee and originator will be notified and the originator is required to correct the material breach or defect or repurchase the affected loan within a maximum period of 270 days. The repurchase price would amount to the outstanding principal balance and unpaid interest plus relevant Issuer expenses and protective advances made by the servicer.*
- **Lack of 15e:** Consistent with both A10 BAF 2019-B and A10 BAF 2020-C, there was no 15e filing with respect to this transaction. A10 Capital elects to have all investors sign representation letters confirming they have received sufficient information from which to base their investment decision, effectively transferring liability in the event of unintentional misinformation. DBRS Morningstar reviewed historical financial data (where available), borrower cash flow projections, Issuer cash flow estimates, internal credit memos from the issuer, third-party reports, and other diligence items as part of its analysis in the determination of provisional ratings. However, DBRS Morningstar could not confirm the accuracy of such information within the data tape.

### **Model Adjustments**

The loan pool includes a mix of fixed-rate and floating-rate loans. DBRS Morningstar considered contractual terms of the fixed-rate loans. For floating-rate loans, DBRS Morningstar incorporated the lower of the DBRS Morningstar stressed rate that corresponded to the remaining fully extended term of the loans and 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.

DBRS Morningstar applied additional LGD penalties to three loans representing 10.8% of the current portfolio balance: Exeter Office Fund 4-Pack, Harland-Clarke Portfolio, and Colonial Landing. DBRS Morningstar applied an LGD penalty to both Exeter Office Fund 4-Pack and Colonial Landing to account for what was considered to be insufficient insurance coverage. Please see page 35 for additional details on Exeter Office 4-Pack. DBRS Morningstar applied an LGD penalty to Harland-Clarke Portfolio to account for exposure to light manufacturing utilization, which DBRS Morningstar has found historically translates to elevated losses in the event of a default.

DBRS Morningstar applied upward capitalization rate (cap rate) adjustments to 12 loans, totaling a combined 40.6% of the current portfolio balance. DBRS Morningstar adjusted the cap rates for these loans to either reflect its view of the respective markets and the inherent

risk associated with the sponsors' business plans or to penalize for a lack of recent third party appraisal, engineering, and/or environmental reports. The downward stabilized value adjustments are highlighted in the DBRS Morningstar Sampled Model Adjustments 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 (%)
2	1450 Infinite Drive <sup>1</sup>	5.0	5.7	129.5	47.8	60.0	53.7
4	The View on the Square	5.2	6.2	64.0	60.8	76.5	72.6
7	Harland-Clarke Portfolio	5.9	6.4	46.2	46.2	50.1	50.1
8	Lions Gate Apts	5.6	6.3	61.5	55.3	61.5	61.5
11	Wolf Village	5.1	6.5	78.4	61.2	78.4	78.4
14	Imperial Avalon <sup>2</sup>	3.4	4.7	42.7	30.9	42.7	42.7
16	Appling Farms	5.7	6.2	63.8	59.1	69.4	64.3
21	300 E Davis <sup>3</sup>	5.5	7.6	69.4	50.6	69.4	69.4
23	Veranda	5.6	6.1	62.3	62.0	67.8	67.5
24	Vault Storage & RV	4.2	4.7	69.8	42.0	69.8	47.0
25	100 Edgewood II <sup>4</sup>	5.9	21.4	44.8	12.3	44.8	44.8
26	Colonial Landing	6.8	7.3	64.6	64.6	69.4	69.4

1. DBRS Morningstar adjusted the as-is LTV of 1450 Infinite Drive to reflect the loan's current portfolio balance measured against the as-is appraised value.

2. DBRS Morningstar therefore elected to cap the stabilized value of the Imperial Avalon at the currently encumbered in-place value estimate of \$70.2 million given the lack of financing available to achieve positive cash flow potential at stabilization.

3. DBRS Morningstar elected to cap the stabilized value of 300 E Davis at the in-place value estimate of approximately \$12.5 million.

4. The collateral for the 100 Edgewood II loan is not expected to become cash flow positive through the loan term and DBRS Morningstar therefore elected to cap the stabilized value estimate at the appraiser's dark value estimate of \$22.3 million.

Two loans – Imperial Avalon and 100 Edgewood II – are considered by DBRS Morningstar to be structured as bridge-to-bridge financings. The Imperial Avalon loan is secured by the borrower's fee-simple interest in a manufactured housing community, which the transaction sponsor intends to vacate and re-zone in anticipation of developing a Class A multifamily community. The loan provided by A10 Capital provides financing for the sponsor to continue to buyout existing tenants and cover future negative carry costs associated with the vacating and re-zoning of the property. However, an exit will require the sponsor to seek construction financing. DBRS Morningstar therefore elected to cap the stabilized value of the collateral at the currently encumbered in-place value of \$70.2 million, which is generally more conservative than the appraiser's estimated unencumbered land value of \$87.7 million. The 100 Edgewood II loan is secured by the borrower's fee-simple interest in a fully vacant office high-rise in Atlanta. The loan is structured to provide acquisition financing to the transaction sponsor who plans to execute a \$36.0 million capital improvement plan and ultimately reposition the property. However, the loan only provides for acquisition financing and \$4.0 million of the planned capital investment and will likely require additional bridge funding or a sale of the property or refinancing. As such, the collateral is not expected to become cash flow positive through the loan term and DBRS Morningstar elected to cap the stabilized value estimate at the appraiser's dark value estimate of \$22.3 million, representing a 44.8% stabilized LTV ratio.

## DBRS Morningstar Credit Characteristics

<b>DBRS Morningstar As-Is DSCR (x)</b>	
DSCR	% of the Pool (Senior Note Balance <sup>1</sup> )
0.00x-0.50x	53.7
0.50x-0.75x	11.6
0.75x-1.00x	21.8
1.00x-1.25x	8.4
1.25x-1.50x	4.5
1.50x-1.75x	0.0
>1.75x	0.0
Wtd. Avg. (x)	0.51

<b>DBRS Morningstar Stabilized DSCR (x)</b>	
DSCR	% of the Pool (Senior Note Balance <sup>1</sup> )
0.00x-0.50x	5.5
0.50x-0.75x	7.2
0.75x-1.00x	27.1
1.00x-1.25x	28.7
1.25x-1.50x	15.7
1.50x-1.75x	12.5
>1.75x	3.3
Wtd. Avg. (x)	1.11

<b>DBRS Morningstar As-Is Issuance LTV</b>	
LTV	% of the Pool (Senior Note Balance <sup>1</sup> )
0.0%-50.0%	8.9
50.0%-60.0%	12.0
60.0%-70.0%	33.3
70.0%-80.0%	16.1
80.0%-90.0%	5.2
90.0%-100.0%	24.5
100.0%-110.0%	0.0
110.0%-125.0%	0.0
>125.0%	0.0
Wtd. Avg. (%)	71.5

<b>DBRS Morningstar Stabilized Balloon LTV</b>	
LTV	% of the Pool (Senior Note Balance <sup>1,2</sup> )
0.0%-50.0%	18.3
50.0%-60.0%	51.4
60.0%-70.0%	21.3
70.0%-80.0%	9.0
80.0%-90.0%	0.0
90.0%-100.0%	0.0
100.0%-110.0%	0.0
110.0%-125.0%	0.0
>125.0%	0.0
Wtd. Avg. (%)	56.3

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 Shadow Rating	DBRS Morningstar As-Is DSCR (x)	DBRS Morningstar Stabilized DSCR (x)	DBRS Morningstar As-Is LTV (%)	DBRS Morningstar Stabilized Morningstar LTV (%)
Eden at Watersedge	26,447,254	8.4	n/a	1.19	1.53	91.1	50.9
1450 Infinite Drive	18,752,000	6.0	n/a	0.17	0.99	60.0	58.6
Exeter Office Fund 4-Pack	15,887,200	5.1	n/a	0.00	1.01	97.9	55.4
The View on the Square	15,200,000	4.8	n/a	0.00	0.91	76.5	72.6
WMS Campus	15,098,879	4.8	n/a	0.72	1.16	70.1	52.5
333 & 350 Palm	14,750,000	4.7	n/a	0.34	0.60	98.5	58.8
Harland-Clarke Portfolio	14,140,000	4.5	n/a	1.48	1.48	50.1	50.1
Lions Gate Apts	13,900,000	4.4	n/a	0.81	0.81	61.5	61.5
Legends Edinburg	13,800,000	4.4	n/a	0.89	0.99	64.9	64.9
99 Rhode Island - Exeter	13,235,000	4.2	n/a	0.00	1.01	81.9	56.5

Property Detail							
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 (\$)
Eden at Watersedge	Multifamily	Memphis	TN	1968	833	34,878	33,822
1450 Infinite Drive	Office	Louisville	CO	1996	161,655	278	271
Exeter Office Fund 4-Pack	Office	Various	n/a	1998	259,865	104	101
The View on the Square	Student Housing	San Marcos	TX	2021	391	76,982	75,079
WMS Campus	Industrial	Chicago	IL	1948	227,872	118	115
333 & 350 Palm	Multifamily	Beverly Hills	CA	1963	48	800,000	774,668
Harland-Clarke Portfolio	Industrial	Various	n/a	1981	641,347	36	35
Lions Gate Apts	Student Housing	Bloomsburg	PA	2011	232	73,707	67,674
Legends Edinburg	Student Housing	Edinburg	TX	2017	588	34,524	33,794
99 Rhode Island - Exeter	Office	San Francisco	CA	1948	63,779	516	506

### DBRS Morningstar Sample

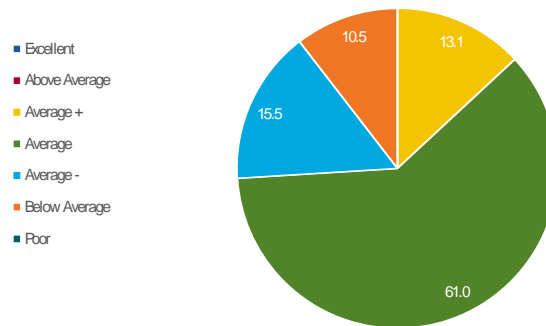
Prospectus ID	Loan Name	% of Pool	DBRS Morningstar Stabilized NCF (\$)	DBRS Morningstar Stabilized NCF Variance (%)	DBRS Morningstar Major Variance Drivers	DBRS Morningstar Property Quality
1	Eden at Watersedge	8.4	2,868,046	0.5	Concessions; Reimbursements; CapEx	Below Average
2	1450 Infinite Drive	6.0	3,188,279	-32.6	GPR; Vacancy; CapEx; Leasing Costs	Average
3	Exeter Office Fund 4-Pack	5.1	2,124,317	-28.3	GPR; Vacancy; CapEx	Average
5	WMS Campus aka Riverview at Roscoe	4.8	2,101,273	-22.2	GPR; Vacancy; Mgmt. Fee; CapEx; Leasing Costs	Average
6	333 & 350 Palm	4.7	1,450,317	-43.4	GPR; CapEx	Average
7	Harland-Clarke Portfolio	4.5	2,434,502	-18.2	Vacancy; Mgmt. Fee; OpEx; Leasing Costs; CapEx	Average-
8	Lions Gate Apts	4.4	903,785	-48.0	Vacancy; Concessions; OpEx; Mgmt. Fee; CapEx	Average
9	Legends Edinburg	4.4	1,603,800	-4.6	CapEx	Average-
10	99 Rhode Island - Exeter	4.2	2,679,955	-7.1	GPR; Vacancy; Leasing Costs	Average
11	Wolf Village	4.1	928,529	-22.9	GPR; Other Income; CapEx	Average
12	West Memphis	4.1	1,504,749	4.3	Vacancy; CapEx; Leasing Costs	Average+
13	Annex at Ruston	4.0	1,150,636	-7.4	Vacancy; OpEx; CapEx	Average+
14	Imperial Avalon	3.6	750,133	-77.4	GPR; CapEx	Average-
17	Scottsdale Airpark	3.4	2,130,162	-15.1	Vacancy; Mgmt. Fee; OpEx; Leasing Costs	Average
18	Blanton Commons	3.3	1,702,580	-1.7	Vacancy; Mgmt. Fee; CapEx	Average
20	Two Vantage Way	2.9	1,464,723	-23.0	Vacancy; Mgmt. Fee; Leasing Costs	Average
21	300 E Davis	2.5	536,113	-43.1	GPR; Vacancy; Leasing Costs	Average+
22	Heritage Hills	2.3	888,314	-15.0	Vacancy; OpEx; CapEx	Average
24	Vault Storage & RV	2.0	605,418	-4.1	OpEx	Average
25	100 Edgewood II <sup>1</sup>	0.0	1	-100.0	n/a	Average

1. The 100 Edgewood II loan does not provide sufficient financing to complete the transaction sponsor's proposed business plan and DBRS Morningstar therefore does not anticipate the underlying collateral to become cash flow positive through the loan term.

### DBRS Morningstar Site Inspections

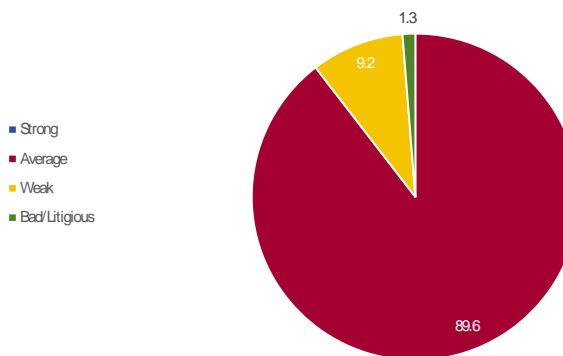
DBRS Morningstar sampled 20 of the 27 loans in the pool, representing 80.7% of the pool by current portfolio balance. DBRS Morningstar generally did not conduct tours of the underlying properties because of health and safety constraints associated with the ongoing coronavirus pandemic. Instead, DBRS Morningstar assessed property quality based on a review of third-party reports, documents provided by the Issuer, and online information. The resulting DBRS Morningstar property quality scores are highlighted in the chart below.

DBRS Morningstar Sampled Property Quality



Source: DBRS Morningstar.

### DBRS Morningstar Sponsor Strength



Source: DBRS Morningstar.

### DBRS Morningstar Cash Flow Analysis

DBRS Morningstar completed a cash flow review and a cash flow stability and structural review for 20 of the 27 loans, representing 80.7% of the pool by loan balance. For the loans not subject to an NCF review, DBRS Morningstar applied an NCF variance of -21.1% and -21.5% to the Issuer’s as-is and stabilized NCFs, respectively, which reflect the average sampled NCF variances (excluding certain positive or otherwise outlying variances from the DBRS Morningstar As-Is and Stabilized NCF samples).

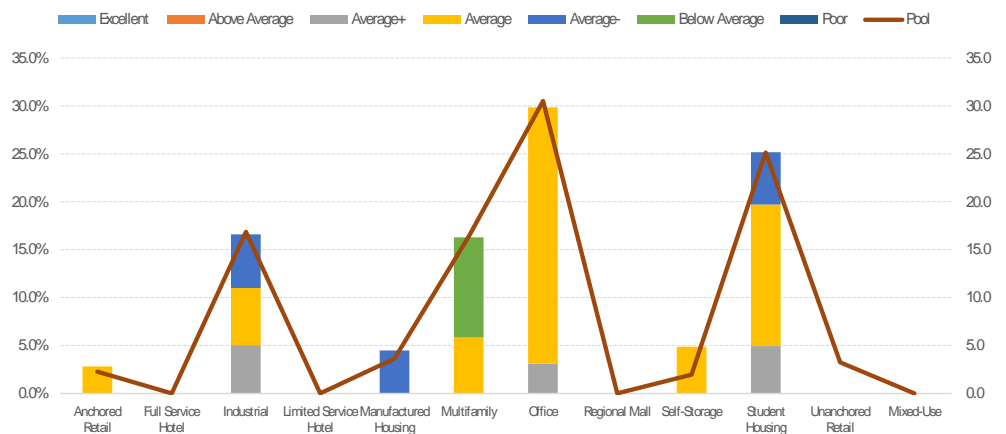
*As-Is NCF*

The DBRS Morningstar As-Is NCF was based on the current performance of the property, without giving any credit to future upside that may be realized upon the sponsor’s completion of the business plan. The as-is scenario also assumes that the loan is fully funded, with any allowable future funds increasing the overall leverage. In some cases, property cash flows may be insufficient to cover the fully loaded debt service. In these cases, the PODs and LGDs in the model may be more substantially elevated. The DBRS Morningstar as-is sample had an average in-place NCF variance of -21.1% from the Issuer’s NCF, with NCF variances generally ranging from -49.3% to 6.6%, excluding one loan with a positive variance: 1450 Infinite Drive. The estimated DBRS Morningstar As-Is NCF for these loans generally resulted in positive variances because DBRS Morningstar incorporated the most recent rent rolls and financial statements, which in some cases showed an improvement in performance and occupancy since origination.

*Stabilized NCF*

The DBRS Morningstar Stabilized NCF assumed the property stabilized at market rent and/or recently executed leases and market expenses that DBRS Morningstar believed were reasonably achievable based on the sponsor’s business plan and structural features of the respective loan. This often involved assuming higher-than-in-place rental rates for multifamily properties based on significant ongoing renovations, with rents already achieved on renovated units providing the best guidance on market rent upon renovation. The DBRS Morningstar sample had an average DBRS Morningstar Stabilized NCF variance of -25.5% from the Issuer’s stabilized NCF, with individual stabilized NCF variances generally ranging from -100.0% to 4.3%.

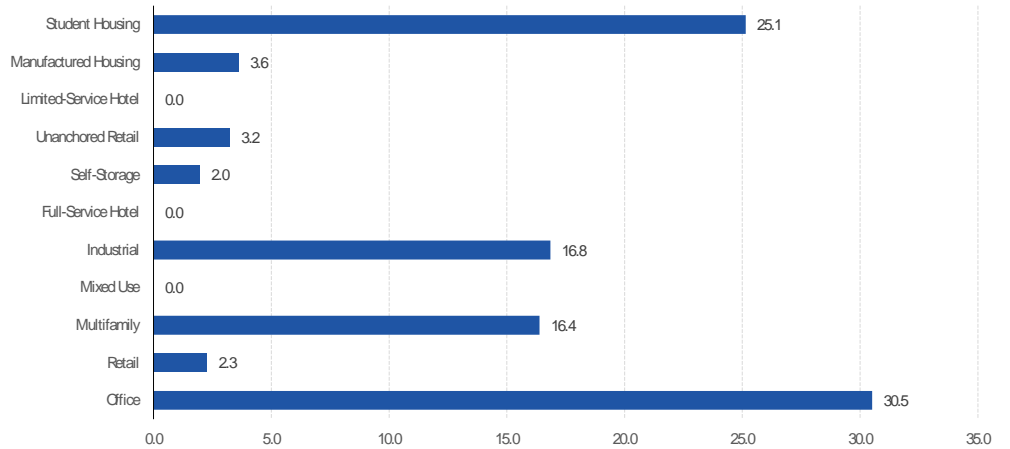
DBRS Morningstar Sampled Property Type



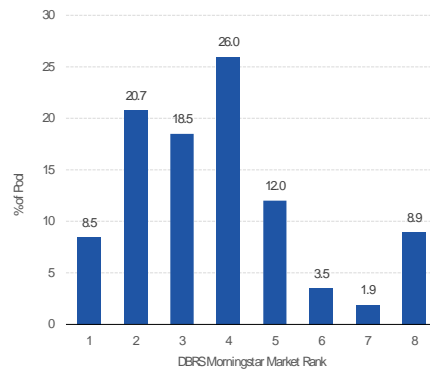
Source: DBRS Morningstar.

### Transaction Concentrations

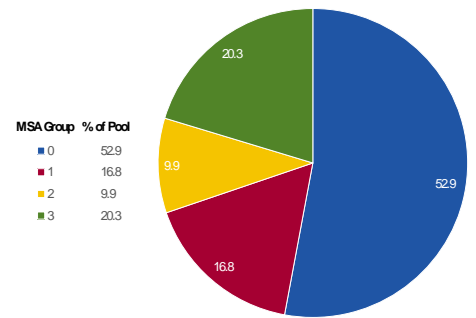
DBRS Morningstar Property Type



DBRS Morningstar Market Rank

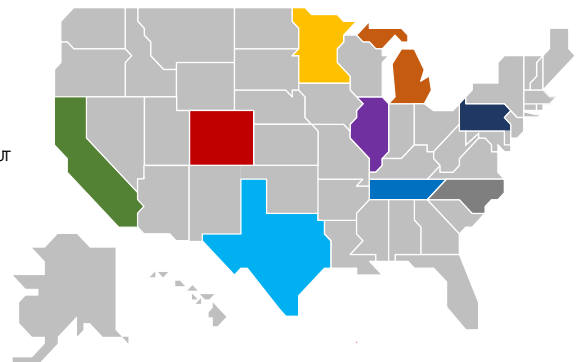


DBRS Morningstar MSA Group



### Largest Property Location

Property Name	City	State
Eden at Watersedge	Memphis	TN
1450 Infinite Drive	Louisville	CO
Exeter Office Fund 4-Pack	Various	CA, CO, MN
The View on the Square	San Marcos	TX
WWS Campus aka Riverview at Roscoe	Chicago	IL
333 & 350 Palm	Beverly Hills	CA
Harland-Clarke Portfolio	Various	MI, NC, PA, UT
Lions Gate Apts	Bloomsburg	PA
Legends Edinburg	Edinburg	TX
99 Rhode Island - Exeter	San Francisco	CA



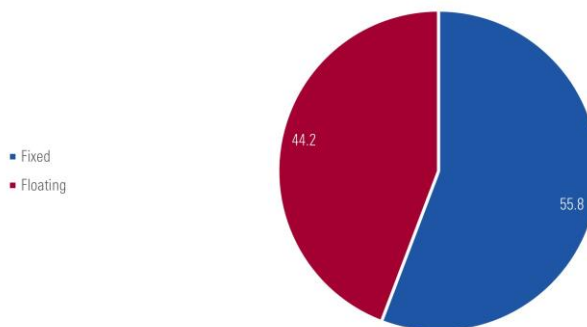
## Loan Structural Features

### Loan Terms

All loans are structured with initial terms generally ranging from 24 months to 60 months, plus two 12-month extension options that are generally exercisable at the sole discretion of the Issuer. As such, fully-extended loan terms generally range from 48 months to 84 months. All loans are structured with at least an initial IO term and 21 loans, representing 79.4% of the current portfolio balance, are IO through the entirety of the initial term. Amortization during the extension terms is subject to the Issuer's sole discretion.

### Interest Rate

The loan pool includes a mix of fixed-rate and floating-rate loans. Twelve loans, representing 44.2% of the current portfolio balance, are structured with floating rates and reference one-month U.S. Libor as the index, subject to a floor plus a margin. The remaining 15 loans, representing 55.8% of the current portfolio balance, are structured with fixed interest rates.



### Subordinate Debt

Eleven loans are secured by properties with additional financing in the form of a B note. The B notes generally range from \$615,000 to \$4.0 million.

<b>Subordinate Debt</b>				
Loan Name	Trust Balance (\$)	Pari Passu Balance (\$)	B-Note Balance (\$)	Total Debt Balance (\$)
1450 Infinite Drive	18,752,000	26,172,000	2,000,000	46,924,000
The View on the Square	15,200,000	14,900,000	4,000,000	34,100,000
WMS Campus aka Riverview at Roscoe	15,098,879	11,801,121	4,000,000	30,900,000
Harland-Clarke Portfolio	14,140,000	9,000,000	1,860,000	25,000,000
Lions Gate Apts	13,900,000	3,200,000	2,400,000	19,500,000
West Memphis	12,740,000	1,000,000	3,260,000	17,000,000
Appling Farms	10,871,642	9,811,358	1,500,000	22,183,000
Two Vantage Way	9,200,000	6,200,000	3,550,000	18,950,000
300 E Davis	7,853,814	766,186	1,200,000	9,820,000
Colonial Landing	3,940,000	130,000	615,000	4,685,000
Orient Way	3,200,000	2,055,000	1,000,000	6,255,000

### Pari Passu Debt

Eleven loans have pari passu participation interests held outside the trust: 1450 Infinite Drive, The View on the Square, WMS Campus aka Riverview at Roscoe, 333 & 350 Palm, Harland-Clarke Portfolio, Lions Gate Apartments, Legends Edinburg, 99 Rhode Island – Exeter, Imperial Avalon, Appling Farms, and Scottsdale Airpark. All such participations are held outside the trust and, in some instances, were sold to third-party investors. The participations held by third-party investors are subject to the terms and conditions of the participation agreement.

### Future Funding

Twenty loans, representing 73.7% of the current portfolio balance, feature outstanding future funding participations, which range from \$119,309 to \$11.0 million and total \$83.2 million. The sponsors will use these funds to facilitate their respective capital improvement plans, which should help to enhance the quality of the properties and improve overall value. Pre-approved future funding companion participations can be brought into the trust using funds available in the prefunded reserve account at closing or principal proceeds as a result of loan payoffs. As existing loans pay off, available principal proceeds will be distributed according to the priority of payments. Before distributing principal proceeds to noteholders, the Issuer has the option to divert principal proceeds toward pre-approved future funding companion participations. This option remains with the Issuer throughout the term of the transaction.

Loan Name	Current Portfolio Loan Amount (\$)	Future Funding Amount <sup>1</sup> (\$)	Non-Trust Pari Passu Debt	Senior Loan Amount <sup>2</sup> (\$)	Future Funding Uses
Eden at Watersedge	26,447,254	2,605,746	0	29,053,000	Capital Improvements
1450 Infinite Drive	18,752,000	9,172,000	17,000,000	44,924,000	Leasing Costs
Exeter Office Fund 4-Pack	15,887,200	11,046,309	0	26,933,509	Leasing Costs; Capital Improvements
WMS Campus aka Riverview at Roscoe	15,098,879	3,201,121	8,600,000	26,900,000	Leasing Costs
333 & 350 Palm	14,750,000	9,037,500	14,612,500	38,400,000	Capital Improvements; Tenant Buyouts; Interest & Carry Costs
Lions Gate Apts	13,900,000	1,200,000	2,000,000	17,100,000	Capital Improvements
99 Rhode Island - Exeter	13,235,000	9,705,000	10,000,000	32,940,000	Leasing Costs; Capital Improvements; Earnout
Wolf Village	13,000,000	1,500,000	0	14,500,000	Capital Improvements
West Memphis	12,740,000	1,000,000	0	13,740,000	Leasing Costs; Capital Improvements
Imperial Avalon	11,350,000	9,600,000	9,000,000	29,950,000	Tenant Buyout; Interest & Carry Costs
N San Vicente	11,000,000	2,000,000	0	13,000,000	Leasing Costs; Earnout
Appling Farms	10,871,642	811,358	9,000,000	20,683,000	Leasing Costs
Scottsdale Airpark	10,577,000	7,490,000	5,000,000	23,067,000	Leasing Costs; Capital Improvements
Two Vantage Way	9,200,000	6,200,000	0	15,400,000	Leasing Costs; Capital Improvements
300 E Davis	7,853,814	766,186	0	8,620,000	Leasing Costs
Heritage Hills	7,149,357	1,570,528	0	8,719,885	Leasing Costs
Vault Storage & RV	6,165,691	119,309	0	6,285,000	Capital Improvements
100 Edgewood II	6,000,000	4,000,000	0	10,000,000	Capital Improvements
Colonial Landing	3,940,000	130,000	0	4,070,000	Capital Improvements
Orient Way	3,200,000	2,055,000	0	5,255,000	Leasing Costs; Capital Improvements

1. Cut-Off date unfunded future funding amount.

2. Whole loan amount including unfunded future funding.

### Leasehold

No loans in the pool are secured by properties subject to a borrower's leasehold interest.

### Property Release

Five loans, representing 20.0% of the current portfolio balance, allow for the release of one or more properties or a portion of the mortgaged property, subject to release prices above the allocated loan amounts of the respective properties and/or certain leverage and/or debt service coverage tests prescribed in the individual loan agreements.

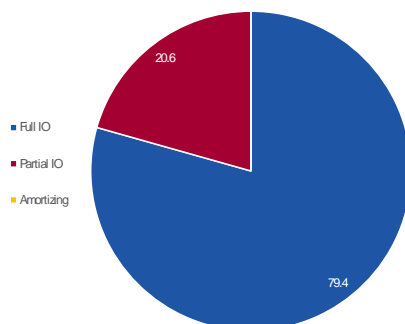
### Property Substitution

No loans in the pool allow for the substitution of properties.

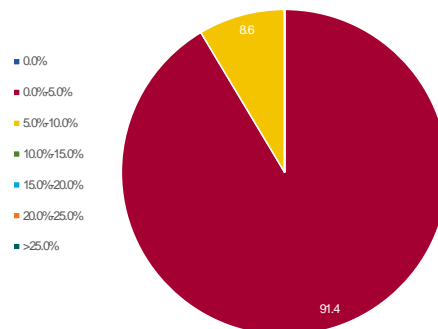
### Terrorism Insurance

As of the cut-off date, all loans carry or, in the case of delayed-close loans, are expected to carry terrorism insurance.

### 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

Type	# of Loans	% of Pool
Tax Ongoing	23	82.6
Insurance Ongoing	20	74.8
CapEx Ongoing	9	31.4
Leasing Costs Ongoing <sup>1</sup>	2	12.7

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

### Borrower Structure

Type	# of Loans	% of Pool
SPE with Independent Director and Non-Consolidation Opinion	14	64.8
SPE with Independent Director Only	1	4.1
SPE with Non-Consolidation Opinion Only	0	0.0
SPE Only	11	30.1

**Delayed Close Loans**

Three loans currently being accounted for in the Trust have not yet closed: The View on Square, N San Vicente and Orient Way. These three loans collectively represent 9.4% of the current portfolio balance. Both N San Vicente and Orient Way are expected to close prior to the transaction closing date.

## Eden at Watersedge

### Loan Snapshot

<b>Seller</b>
A10 Capital, LLC
<b>Ownership Interest</b>
Fee
<b>Trust Balance (\$ million)</b>
26.4
<b>Fully Funded Loan PSF/Unit (\$)</b>
34,878
<b>Percentage of the Pool (%)</b>
8.4
<b>Fully Extended Loan Maturity/ARD</b>
February 2027
<b>Amortization</b>
IO
<b>DBRS Morningstar As-Is DSCR (x)</b>
1.19
<b>DBRS Morningstar Stabilized DSCR (x)</b>
1.53
<b>DBRS Morningstar As-Is Issuance LTV (%)</b>
91.1
<b>DBRS Morningstar Stabilized Balloon LTV (%)</b>
49.3
<b>DBRS Morningstar Property Type</b>
Multifamily
<b>DBRS Morningstar Property Quality</b>
Below Average

### Debt Stack (\$ millions)

<b>Trust Balance</b>
26.4
<b>Pari Passu</b>
0.0
<b>Remaining Future Funding</b>
2.6
<b>Fully Funded Senior Mortgage Loan</b>
29.1
<b>Subordinate Debt</b>
0.0
<b>Loan Purpose</b>
Acquisition
<b>Equity Contribution/(Distribution)</b>
14.7



Source: Appraisal.



Source: Appraisal.

<b>Collateral Summary</b>			
<b>DBRS Morningstar Property Type</b>	Multifamily	<b>Year Built/Renovated</b>	1968/2018
<b>City, State</b>	Memphis, TN	<b>Physical Occupancy (%)</b>	93.1
<b>Units/SF</b>	833	<b>Physical Occupancy Date</b>	June 2021

This loan is secured by the borrower's fee-simple interest in Eden at Watersedge, a 833-unit, Class B, garden-style multifamily property located in the southeast suburbs of Memphis, Tennessee, approximately 12.0 miles southeast of the Memphis CBD. Initial loan proceeds of \$20.8 million, combined with an initial borrower equity contribution of nearly \$10.3 million, financed the borrower's \$30.6 million acquisition of the collateral, funded upfront real estate tax and insurance escrows, and covered closing costs associated with the transaction. The loan provides for up to approximately \$8.2 million of future funding, which is to be funded at a 65.0% advance rate alongside approximately \$4.4 million of additional borrower equity commitments (bringing the total borrower equity commitment to \$14.7 million) reserved for at closing to provide financing for the \$12.7 million capital investment plan. The four-year, fixed-rate loan is IO through the initial term and is structured with two 12-month extension options that are exercisable subject to lender discretion. Amortization during either extension option, if executed, is also subject to lender discretion. The initial loan amount represents a 66.7% loan-to-purchase price ratio. The appraiser estimates the value of the collateral to improve to \$57.1 million through stabilization, representing an improved loan-to-value ratio of 50.9% based on the nearly \$29.1 million fully funded loan amount.

The collateral was originally constructed in 1968 and benefited from approximately \$6.0 million of capital investment under the previous owner, which acquired the collateral in

2018 and invested the capital to amend some of the property's deferred maintenance items. However, the collateral's reputation seems to have deteriorated significantly under the previous ownership, which was believed to have neglected the asset and primarily focused on increasing occupancy by offering heavy concessions and below-market rents in preparation for a quick sale. The property has had several incidences of crime under the prior ownership as well, including three shooting events in the past two years (two in 2019 and one in July 2020). The current sponsor therefore believes there is an opportunity to improve and reposition the collateral through the execution of a \$12.7 million capital improvement plan, and deployment of a more hands-on management approach.

<b>Unit Mix and Rents</b>			
Unit Type	Units	Avg. Unit Size (sf)	Rent/Month (\$)
Studio	93	400	420
1 BD / 1 BA	110	726	518
1 BD / 1 BA	28	726	542
1 BD / 1 BA	62	780	525
1 BD / 1 BA	44	780	534
2 BD / 1 BA	156	984	590
2 BD / 1 BA	32	984	606
2 BD / 2 BA	56	1,042	632
2 BD / 2 BA	88	1,042	621
2 BD / 2 BA	28	1,319	662
2 BD / 2 BA	23	1,319	663
3 BD / 2 BA	12	1,220	701
3 BD / 2 BA	22	1,220	692
3 BD / 2 BA	30	1,628	768
3 BD / 2 BA	49	1,628	778
<b>Total/WA</b>	<b>833</b>	<b>951</b>	<b>585</b>

The collateral comprises 98 two-story residential buildings, with a mixture of apartment units and townhomes. Property-wide amenities include a leasing office, a pool, a couple of playgrounds, and a dog park. As part of the proposed capital investment, the transaction sponsor plans on building new amenities for the community, which will include a new state-of-the-art clubhouse and fitness center, a newly renovated pool, a new grilling area with pergolas, and a new fire pit and outdoor lounge area. The sponsor also plans to enhance the collateral's overall curb appeal with new signage, new landscaping, and upgrades to the exterior facades with modern paint colors. The collateral's unit mix is generally comprised of studio, one-, two-, and three-bedroom units. Approximately \$2.4 million of the sponsor's proposed capital investment plan is dedicated to upgrading unit interiors for approximately 300 units (representing an investment of \$8,000/unit for those units receiving interior upgrades). Renovations to the unit interiors will generally include new appliances, new cabinetry, new Formica countertops, upgraded lighting fixtures and hardware, new

bathroom vanities, new vinyl tile flooring in the kitchen and bathroom areas, new vinyl wood plank flooring in the living room areas, and new carpet in the bedrooms. The sponsor also plans to install new full-size washer and dryer units.

<b>Competitive Set</b>					
Property	Location	Distance from Subject (Miles)	Units	Year Built	Occupancy (%)
Highland Hills Apartments	Memphis, TN	1.6	260	1974	93.1
Hickory Pointe	Memphis, TN	1.4	240	1984	98.3
Cedar Mills	Memphis, TN	1.6	276	1974	97.0
The Reserve at Mt. Moriah	Memphis, TN	1.3	220	1972	50.0
Cedar Run Apartments	Memphis, TN	2.3	416	1975	92.6
<b>Total/WA Comp. Set</b>	<b>Memphis, TN</b>	<b>1.7</b>	<b>1,412</b>	<b>1976</b>	<b>87.9</b>
<b>Eden at Watersedge</b>	<b>Memphis, TN</b>	<b>n/a</b>	<b>833</b>	<b>1968</b>	<b>93.1</b>

Source: Appraisal, except the subject figures, which are based on the rent roll dated June 30, 2021.

**Sponsorship**

The sponsor for this loan is a joint venture, which has successfully acquired, rebranded, and repositioned over 4,000 units of similar vintage to the collateral over the past six years, executing over \$60.0 million of total rehabilitation work. The sponsor has been active in Tennessee since 2016, where it has a total deal volume in excess of \$200.0 million, including two ground-up multifamily developments totaling 550 units and roughly 20,000 sf of retail space. The guarantors reported no prior history of bankruptcies or foreclosures.

**DBRS Morningstar Analysis**

**Site Inspection Summary**



Source: Appraisal.



Source: Appraisal.

DBRS Morningstar did not conduct interior or exterior tours of the property due to health and safety constraints associated with the ongoing coronavirus pandemic. Based on photos

and assessments from third-party reports, DBRS Morningstar determined the property quality to be Below Average.

### DBRS Morningstar NCF Summary

NCF Analysis				
	T-12 September 2021	Issuer NCF	DBRS Morningstar NCF (\$)	NCF Variance (%)
GPR (\$)	5,403,980	7,110,600	7,110,600	0.0
Other Income (\$)	525,182	675,000	291,386	-56.8
Vacancy & Concessions (\$)	-510,915	-711,776	-675,507	-5.1
<b>EGI (\$)</b>	<b>5,418,247</b>	<b>7,073,824</b>	<b>6,726,479</b>	<b>-4.9</b>
Expenses (\$)	3,270,945	3,721,030	3,864,396	3.9
<b>NOI (\$)</b>	<b>2,147,302</b>	<b>3,352,794</b>	<b>3,076,296</b>	<b>-8.2</b>
Capex (\$)	0	249,900	208,250	-16.7
<b>NCF (\$)</b>	<b>2,147,302</b>	<b>3,102,894</b>	<b>2,868,046</b>	<b>-7.6</b>

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 \$2,868,046, a -7.6% variance from the Issuer's stabilized NCF of \$3,102,894. The primary driver of the variance was reimbursements.

DBRS Morningstar generally estimated reimbursement income based on the approximately 30.0% reimbursement ratio achieved over the T-12 period ended September 30, 2020. As part of the proposed renovation and repositioning plan, the sponsor intends to implement a more sophisticated reimbursement system, where tenants will be required to reimburse water and sewer utilities based on the number of bedrooms and occupants. The sponsor has achieved reimbursement ratios in excess of 80% at similar properties previously, and both the appraiser and Issuer estimated a stabilized reimbursement ratio of 50.0%. However, DBRS Morningstar does not generally account for upside in other income line items that is not directly linked to an upside in projected occupancy through stabilization.

### DBRS Morningstar Viewpoint

The collateral is generally well located within a suburban area in the southeast quadrant of Memphis. The collateral's location offers favorable proximity to a variety of surrounding retail centers as well as to I-240, which provides transit around the surrounding Memphis suburbs as well as to the Downtown Memphis CBD via connection with State Route 78 or I-69. Nonetheless, the collateral is located in an area characterized as having a DBRS Morningstar Market Rank of 4 and a DBRS Morningstar MSA Rank of 0. Such rankings are generally reflective of suburban areas surrounding non-core markets, and loans secured by properties located in these areas have historically demonstrated elevated losses relative to properties located in more densely developed, financially liquid markets. The property has also had several incidences of crime in recent years, including three shooting events in the past two years. The transaction sponsor has conveyed that the crime has been isolated to the property and not the surrounding area, and the history of crime at the property is therefore generally considered to be reflective of the previous owner's poor hands-off

management approach. The current sponsor plans to improve security at the property by offering discounted rent to Memphis Police Department employees and providing them with direct access to its 122-camera security system, while also investing significant capital in a number of security enhancements through the initial loan term. The sponsor also plans to engage a third-party property manager and deploy a more hands-on management approach, having demonstrated success in executing enhanced security plans across several similar investments with reported crime issues prior to acquisition. DBRS Morningstar views these measures as positive, but fully changing any negative image of the subject will likely take time and potentially extend beyond the loan term.

DBRS Morningstar did not conduct interior or exterior tours of the property; however, based on photos and assessments from third-party reports, DBRS Morningstar determined the property quality to be Below Average. The collateral is generally considered to be dated relative to surrounding submarket inventory, with properties constructed before 1970 represented only 11.0% of submarket inventory as of Q3 2021 per Reis. Properties constructed between 1970 and 1989 represented the majority (79.0%) of submarket inventory over the same period. The collateral is also slightly dated relative to its appraisal-identified competitive set, which exhibited a weighted-average year built of 1976. The prior owner invested approximately \$6.0 million in improvements and the collateral stands to benefit from another \$12.7 million of capital investment going forward as part of the transaction sponsor's proposed investment plan. Additionally, Reis reported no new submarket inventory delivered after 2010 with no new deliveries projected in the collateral's submarket through 2026. Reis also reported generally stable occupancy trends with an average submarket vacancy rate of 4.9% achieved over the five-year period ending December 31, 2020, further evidencing a generally favorable level of submarket stability to coincide with the collateral's relatively dated vintage and below-average property quality. The DBRS Morningstar WA stabilized monthly rent per unit of \$711 falls below the submarket average of \$721, and represents a WA rental premium of \$126 per month. The elevated DBRS Morningstar Business Plan Score of 3.6 additionally reflects the considerable value increase projected between current day and stabilization.

The transaction represents cash-in acquisition financing, with the sponsor contributing approximately \$10.3 million of cash equity to facilitate the purchase at closing. DBRS Morningstar generally views cash-in financings more favorably given the stronger borrower commitment implied by their capital investment in the collateral. Initial loan proceeds of approximately \$20.8 million represent moderately high levered financing when considering the collateral's below-average asset quality and suburban, non-core market location, evidenced by a loan-to-purchase price ratio of 66.7%. The fully funded loan amount of nearly \$29.1 million represents approximately 93.1% of the sponsor's \$31.2 million acquisition basis, though the appraiser estimates the value of the collateral to improve to \$57.1 million through stabilization (representing an improved LTV ratio of just 50.9%). The stabilized LTV ratio is generally indicative of low-leverage financing compared to the 71.1%

weighted-average LTV exhibited by properties securitized in Freddie Mac transactions in the Memphis MSA since 2019. The favorably low leverage point estimated at stabilization is further evidenced by a DBRS Morningstar Stabilized Debt Yield of approximately 9.9% compared to the 7.8% weighted-average debt yield exhibited by properties securitized in Freddie Mac transactions in the Memphis MSA since 2019. The comparatively low leverage point and strong stabilized debt yield generally reflect a reasonable likeliness of the sponsor being able to refinance without injecting additional equity. Nevertheless, the high going-in DBRS Morningstar LTV of 91.1% combined with the below-average property quality score contribute the loan's EL being above the pool average.

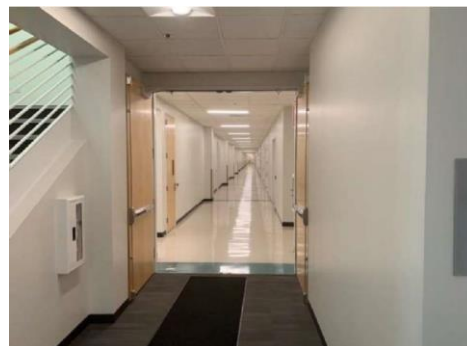
## 1450 Infinite Drive

### Loan Snapshot

<b>Seller</b>
A10 Capital, LLC
<b>Ownership Interest</b>
Fee
<b>Trust Balance (\$ million)</b>
18.8
<b>Fully Funded Loan PSF/Unit (\$)</b>
278
<b>Percentage of the Pool (%)</b>
6.0
<b>Fully Extended Loan Maturity/ARD</b>
December 2027
<b>Amortization</b>
IO
<b>DBRS Morningstar As-Is DSCR (x)</b>
0.17
<b>DBRS Morningstar Stabilized DSCR (x)</b>
0.99
<b>DBRS Morningstar As-Is Issuance LTV (%)</b>
60.0
<b>DBRS Morningstar Stabilized Balloon LTV (%)</b>
52.3
<b>DBRS Morningstar Property Type</b>
Office
<b>DBRS Morningstar Property Quality</b>
Average
<b>Debt Stack (\$ millions)</b>
<b>Trust Balance</b>
18.8
<b>Pari Passu</b>
17.0
<b>Remaining Future Funding</b>
9.2
<b>Fully Funded Senior Mortgage Loan</b>
44.9
<b>Subordinate Debt (B-Note)</b>
2.0
<b>Loan Purpose</b>
Acquisition
<b>Equity Contribution/(Distribution)</b>
21.8



Source: Appraisal.



Source: Appraisal.

<b>Collateral Summary</b>			
<b>DBRS Morningstar Property Type</b>	Office	<b>Year Built/Renovated</b>	1996/2016
<b>City, State</b>	Louisville, CO	<b>Physical Occupancy (%)</b>	63.4
<b>Units/SF</b>	161,655	<b>Physical Occupancy Date</b>	November 2021

The loan is secured by the borrower's fee-simple interest in Infinite Drive, a 161,655-sf office to R&D/lab conversion in Louisville, Colorado. The borrower is acquiring the property for \$30.4 million with plans to reposition the asset into a life-sciences building. Initial senior loan proceeds of \$21.0 million, subordinate debt of \$2.0 million, and borrower equity of \$8.4 million will fund the purchase price and cover closing costs. The loan is also structured with a \$23.9 million future funding component. The future funding includes \$10.7 million to cover 55.0% of budgeted capex investment, \$4.1 million to cover 55.0% of budgeted make-ready costs, and \$9.2 million to cover 100.0% of a budgeted leasing costs. The borrower will be responsible for the remaining 45.0% (\$12.1 million) of the capex and make-ready facilities. The borrower will also be responsible for interest and carry costs associated with the ongoing stabilization plan. The loan is IO throughout with a four-year initial term and two one-year extension options.

Originally constructed in 1996, the collateral is a planned R&D/lab facility approximately five miles southeast of downtown Boulder. The building was built-to-suit for a computer hard drive manufacturer that was acquired by Oracle, which paid a \$6.0 million termination fee to vacate the property in 2018. The seller subsequently tried to position the property more toward life sciences but was unsuccessful in completely re-tenanting the spaces. As of November 1, 2021, the property is 63.4% occupied by five tenants that pay a WA base rent of \$17.11 psf. Leases for four of the current tenants, accounting for 32.0% of NRA, roll by January 2024. The remaining in-place tenant, Immunitybio (31.4% of NRA), has an initial

lease expiration in December 2025 with two five-year extension options that are likely to be exercised for having a below-market rent. Nonetheless, the sponsor will have 68.6% of NRA to market as life-sciences space at higher rents.

<b>Tenant Summary</b>					
Tenant	SF	% of Total NRA	Annual In-Place Base Rent psf (\$)	% of Total In-Place Base Rent	Lease Expiry
Immunitybio	50,838	31.4	18.04	52.0	Dec 2021
KBI/Elion	28,691	17.7	17.82	29.0	Jan 2024
Omnivision	11,851	7.3	13.30	8.9	Nov 2022
Atkins (Simply Good Foods)	7,635	4.7	14.21	6.1	Jun 2022
Horizon AG-Products, LP	3,525	2.2	20.00	4.0	Dec 2021
<b>Subtotal/Wtd. Avg.</b>	<b>102,540</b>	<b>63.4</b>	<b>17.21</b>	<b>100.0</b>	<b>Various</b>
Other Tenants	0	0.0	0.00	0.0	n/a
Vacant Space	59,155	36.6	n/a	n/a	n/a
<b>Total/WA</b>	<b>161,655</b>	<b>100.0</b>	<b>17.21</b>	<b>100.0</b>	<b>Various</b>

The sponsor has budgeted \$19.4 million (\$120 psf) for the property's renovation, 55.0% of which will be funded by the loan's future funding facility and 45.0% of which will be funded by the sponsor. The exterior renovation scope will focus on enhancing curb appeal with new exterior paint, new signage, repaved parking lots, and upgraded landscaping among other items. The interior renovation plan is to create a more open, collaborative environment with better natural lighting by adding skylights throughout the building and floor-to-ceiling windows in certain suites. The renovation scope also encompasses a significant amenity center expansion that will include a fitness center, cycling studio, locker room, tenant lounge, and outdoor patio, among other features. Additionally, the borrower has budgeted \$7.4 million (\$67 psf excluding Immunitybio) to begin conversion work on the vacant suites so that they are market-ready.

### Sponsorship

Formed in 2020, the sponsor and guarantor has raised \$708.0 million of capital commitments that will be focused on investment in commercial real estate assets with potential for income growth and value creation through capital improvements, redevelopment strategies, and revamped asset-management efforts. Excluding the collateral and as of June 30, 2021, the fund has acquired four office buildings, two life-sciences buildings, one industrial building, and one mixed-use building.

## 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				
	2020	Issuer NCF	DBRS Morningstar NCF (\$)	NCF Variance (%)
GPR (\$)	1,704,624	5,682,009	5,349,558	-5.9
Recoveries (\$)	2,451,249	3,673,884	3,858,778	5.0
Other Income (\$)	0	0	0	0.0
Vacancy (\$)	0	-467,795	-920,834	96.8
<b>EGI (\$)</b>	<b>4,155,873</b>	<b>8,888,098</b>	<b>8,287,502</b>	<b>-6.8</b>
Expenses (\$)	2,699,734	3,867,247	3,858,778	-0.2
<b>NOI (\$)</b>	<b>1,456,138</b>	<b>5,020,851</b>	<b>4,428,724</b>	<b>-11.8</b>
Capex (\$)	0	48,497	145,470	200.0
TI/LC (\$)	0	242,483	1,094,976	351.6
<b>NCF (\$)</b>	<b>1,456,138</b>	<b>4,729,872</b>	<b>3,188,279</b>	<b>-32.6</b>

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 \$3,188,279, representing a -32.6% variance from the Issuer's stabilized NCF of \$4,729,872. The primary drivers of variance were TI/LCs and vacancy. DBRS Morningstar assumed a first-gen TI of \$150 psf and second-gen new/renewal TIs of \$50/\$25 psf, resulting in annual TI/LC costs of \$6.61 psf. The Issuer assumed annual on-going TI/LC costs of \$1.50 psf. DBRS Morningstar assumed a stabilized vacancy of 10.0%, while the Issuer assumed a stabilized vacancy of 5.0%.

**DBRS Morningstar Viewpoint**

Given the property's existing R&D/lab nature, the growing Boulder life-sciences market, and the significant amount of capital budgeted in the loan structure, DBRS Morningstar recognizes that the collateral has encouraging fundamentals for its repositioning into a life-sciences building. Demand significantly outweighs supply in the quickly growing Boulder life-sciences market. Specifically, a June 2021 report from CBRE Capital Markets stated the Boulder life-sciences market consists of approximately 2.6 million sf with a vacancy rate of 0.5%. The report further indicates that 33 companies are actively seeking space in the market, resulting in a demand surplus of approximately 1.5 million sf. DBRS Morningstar expects the collateral to absorb a portion of this pent-up demand. However, the sponsor's approach of making the spaces market-ready and providing elevated TI allowances in exchange for higher rents is a relatively unproven concept in the Boulder life-sciences market. DBRS Morningstar accounted for this with a conservative stabilized vacancy assumption of 10.0% as well as a conservative market rent assumption, which is discussed further below.

The location in Louisville is seven miles southeast of the University of Colorado at Boulder where some of the life-sciences industry has clustered and five miles west of the 1.4 million-sf Colorado Tech Center, which is a master-planned business park with industrial and office properties that has also attracted some life-sciences tenants. An added concern is that the area has large tracts of available land where developers could construct build-to-suit facilities for tenants rather than conversions, albeit at a higher cost than the subject.

In addition to establishing a \$19.4 million (\$120 psf) future capex facility to renovate the building, the transaction has also established a \$7.4 million (\$46 psf) reserve for costs to build out the space to "make ready" condition and \$9.2 million (\$57.00 psf) funding commitment for future TI/LC. The appraiser's life-sciences lease comparables in Boulder have been signed at low rents ranging from approximately \$22 psf to \$27 psf with low TI allowances ranging from \$25 psf to \$60 psf, resulting in tenants investing an additional \$200 psf to \$400 psf of its own capital into the space. In an attempt to capture pent-up demand in the market, the sponsor is hoping to command notably higher rents in the \$40 psf to \$50 psf range by improving the spaces through its \$7.4 million make-ready facility and providing notably higher TI allowances through its \$9.2 million future TI/LC facility, allowing tenants to move into spaces quicker and reducing the amount of capital tenants need to invest in the space. While the appraiser estimated a market rent of \$47.29 psf, DBRS Morningstar assumed a market rent of \$40.00 psf and first-gen TI of \$150 psf that it considers to be comfortably more conservative given the relatively unproven nature of market-ready life-sciences space in the market. This assumption results in a high 32.6% DBRS Morningstar NCF haircut. In addition, DBRS Morningstar believes that the borrower will have to invest additional cash over and above the upfront reserve to secure leases, which is a risk factor.

DBRS Morningstar adjusted the as-is LTV of 1450 Infinite Drive to reflect the loan's current portfolio balance measured against the as-is appraised value. The appraiser estimates that the property's value will experience tremendous growth from \$34.7 million (\$215 psf) at origination to \$93.9 million (\$581 psf) at stabilization. DBRS Morningstar applied an upward cap rate adjustment resulting in a lower stabilized value, but the loan's leverage improves significantly nonetheless as demonstrated by a DBRS Morningstar Balloon LTV of 58.6%. Given the heavy lift in cash flow and value through stabilization, DBRS Morningstar modeled the loan with a higher-than-average DBRS Morningstar Business Plan Score, indicating a view that the business plan has an elevated level of risk. Lastly, the loan's expected loss is negatively affected by the collateral's location in a DBRS Morningstar Market Rank of 3 and MSA Group 0, indicating it is located in a market and MSA with elevated historical default rates. These risk factors combine to raise the loan's expected loss to more than twice the pool average.

## Exeter Office Fund 4-Pack

### Loan Snapshot

<b>Seller</b>
A10 Capital, LLC
<b>Ownership Interest</b>
Fee
<b>Trust Balance (\$ million)</b>
15.9
<b>Fully Funded Loan PSF/Unit (\$)</b>
104
<b>Percentage of the Pool (%)</b>
5.1
<b>Fully Extended Loan Maturity/ARD</b>
March 2026
<b>Amortization</b>
IO
<b>DBRS Morningstar As-Is DSCR (x)</b>
0.0
<b>DBRS Morningstar Stabilized DSCR (x)</b>
1.01
<b>DBRS Morningstar As-Is Issuance LTV (%)</b>
97.9
<b>DBRS Morningstar Stabilized Balloon LTV (%)</b>
54.2
<b>DBRS Morningstar Property Type</b>
Office
<b>DBRS Morningstar Property Quality</b>
Average

### Debt Stack (\$ millions)

<b>Trust Balance</b>
15.9
<b>Pari Passu</b>
0.0
<b>Remaining Future Funding</b>
11.0
<b>Fully Funded Senior Mortgage Loan</b>
26.9
<b>Subordinate Debt</b>
0.0
<b>Loan Purpose</b>
Acquisition
<b>Equity Contribution/(Distribution)</b>
20.4



Source: Appraisal.



Source: Appraisal.

<b>Collateral Summary</b>			
<b>DBRS Morningstar Property Type</b>	Office	<b>Year Built/Renovated</b>	1998 / 2018
<b>City, State</b>	Various, Various	<b>Physical Occupancy (%)</b>	15.8
<b>Units/SF</b>	259,865	<b>Physical Occupancy Date</b>	June 2021

This loan is secured by the borrower's fee-simple interest in the Exeter Office 4-Pack, which consists of four Class A office properties totaling 259,865 sf in California, Colorado, and Minnesota. Initial proceeds of \$15.9 million along with \$12.9 million in borrower equity financed the facilitated the sponsor's \$27.4 million acquisition of the properties and covering closing costs. The loan allows for \$11.0 million in future funding for planned capex and TI/LCs in conjunction with the remaining \$7.6 million of borrower cash equity. Such cash equity includes the estimated negative carry amount prior to stabilization, as the borrower will be fully responsible for paying debt service because there is no reserve in place at closing. The full amount of borrower cash equity needed to fund both the acquisition and the business plan is \$20.4 million. The five-year fully extended loan is IO through the initial term three-year term. Amortization during the extension terms subject to lender discretion.

<b>Portfolio Summary</b>						
Property	Cutoff Date Loan Amount (\$)	% of Loan Amount	City, State	SF	% of NRA	Year Built
Scripps Ranch	5,387,200	33.9	San Diego, CA	43,196	16.6	2002
329 Interlocken Parkway	4,220,000	26.6	Broomfield, CO	42,153	16.2	1998
335 Interlocken Parkway	2,500,000	15.7	Broomfield, CO	72,861	28.0	1998
Upland Circle	3,780,000	23.8	Chanhassen, MN	101,655	39.1	2001
<b>Total/WA</b>	<b>15,887,200</b>	<b>100.0</b>	<b>Various</b>	<b>259,865</b>	<b>100.0</b>	

The portfolio consists of four properties built between 1998 and 2002 and ranging from 42,153 sf to 101,655 sf. The four properties are all low- and mid-rise office buildings with large floorplates in suburban markets and feature 799 parking spaces throughout the portfolio. The overall portfolio is 16.0% occupied as of the June 2021 rent roll, with the 329 Interlocken Parkway property being 97.0% occupied while the remaining three properties are completely vacant. The loan permits up to \$7.4 million in future funding for TI packages and LCs in addition to \$2.8 million from the borrower for the same purpose. At loan closing, the borrower received a credit in the amount of \$187,178 representing the TI/LC costs associated with Liquid, Inc., at 329 Interlocken Parkway, with the lender holding back such credit at closing.

Both 329 Interlocken Parkway and 335 Interlocken Parkway (Broomfield, Colorado, assets) experienced significant water damage in August 2020, which caused approximately \$1.3 million in estimated damages. The seller's insurance proceeds covered the remediation of the damage; however, future swelling in the soil is likely to continue at both properties for the next several years. Because of this, the full extent of the damage to the properties is not fully known at this time, and the borrower is liable for all potential future damage incurred at the properties as a result of the event. The borrower has received a credit of approximately \$661,582 at the time of closing, representing the remaining water remediation work to be completed at the Interlocken Parkway properties. Additionally, there is also a borrower-funded future rollover reserve for the 329 Interlocken Parkway property that is triggered if any tenant over 10.0% of the NRA gives notice to not renew or extend its lease. Release provisions will be allowed for the portfolio so long as the sales are with a third party and not a result of refinancing. The release price must be equal to or greater than 115% of the allocated loan amount, 80% of gross sale proceeds, or the amount necessary to ensure the LTVs of the remaining properties in the portfolio are equal to or less than 55.0% on an as-is basis.

The sponsor's business plan is to invest significant capital into the value-add low occupancy properties to improve their functionality and appearance by way of a \$4.9 million capex plan before utilizing the \$10.2 million future TI/LC reserve to lease the portfolio up to stabilized occupancy before seeking to sell the portfolio once stabilized.

#### **Sponsorship**

The sponsor for this transaction was incepted in 2006 and focuses on value-add and core-plus funds. The sponsor has an interest in 646 assets in the United States and Europe with a portfolio value of \$11.8 billion.

## DBRS Morningstar Analysis

### Site Inspection Summary



Source: Appraisal.



Source: Appraisal.

DBRS Morningstar did not conduct interior or exterior tours of the property because of health and safety constraints associated with the ongoing coronavirus pandemic. Based on photos and assessments from third-party reports, DBRS Morningstar determined the portfolio's property quality to be Average.

### DBRS Morningstar NCF Summary

NCF Analysis	Issuer NCF	DBRS Morningstar NCF (\$)	NCF Variance (%)
GPR (\$)	4,611,109	4,318,639	-6.3
Recoveries (\$)	2,681,974	1,883,926	-29.8
Other Income (\$)	0	0	0
Vacancy (\$)	-687,625	-709,364	3.2
<b>EGI (\$)</b>	<b>6,605,458</b>	<b>5,493,201</b>	<b>-16.8</b>
Expenses (\$)	3,199,107	2,770,491	-13.4
<b>NOI (\$)</b>	<b>3,406,351</b>	<b>2,722,710</b>	<b>-20.1</b>
Capex (\$)	51,973	251,803	384.5
TI/LC (\$)	389,798	346,590	-11.1
<b>NCF (\$)</b>	<b>2,964,580</b>	<b>2,124,317</b>	<b>-28.3</b>

The DBRS Morningstar Stabilized NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar NCF is \$2,124,317, representing a variance of -28.3% from the Issuer's stabilized NCF of \$2,964,580. The primary drivers for the variance are the DBRS Morningstar reimbursement, vacancy, and capex reserve assumptions. DBRS Morningstar assumed NNN reimbursement structures for the 329 Interlocken Parkway, 335 Interlocken Parkway, and the Upland Circle properties in line with their respective appraisals. DBRS Morningstar assumed a modified gross lease structure for the Scripps Ranch property, in line with its respective appraisal, as opposed to the sponsor, which assumed a NNN lease structure. DBRS Morningstar assumed a blended vacancy of 16.4% based on the Reis submarkets for each respective property. Finally, DBRS Morningstar assumed a capex reserve of \$0.97 psf, in line with the property condition assessment's recommended inflated repairs for each respective property.

**DBRS Morningstar Viewpoint**

All four properties are in what are generally considered to be suburban locations as denoted in their respective appraisals and further evidenced by the portfolio's DBRS Morningstar WA Market Rank of 3. Loans secured by properties in such areas have historically demonstrated higher elevated losses compared with loans secured by more densely populated and more financially liquid markets. The business plan represents an acquisition value-add opportunity where the sponsor hopes to implement a \$4.9 million capex plan across the portfolio to improve its functionality and appearance before leasing the property to stabilization and seeking a sale. DBRS Morningstar has reviewed the sponsor's business plan and has deemed it to be realistic and achievable given the sponsor's history of performing such plans in previous A10 transactions and the funds associated with this transaction.

The transaction represents a low loan-to-cost ratio of only 58.0% and features substantial initial borrower cash-in equity of \$12.9 million with an additional \$7.6 million in future equity to enact the proposed business plan across the portfolio. The as-is appraised value of \$27.5 million will improve to \$48.7 million at stabilization according to the appraiser's stabilized assumptions, representing a stabilized LTV of 55.4% based on the fully funded loan amount. DBRS Morningstar applied an upward cap rate adjustment resulting in a lower stabilized value, but the loan's leverage improves significantly nonetheless as demonstrated by a DBRS Morningstar Balloon LTV of 54.3%. While the portfolio is not generating any cash flow at its current low occupancy level, and the borrower is responsible for paying out of pocket to keep debt service payments current, the fully funded loan amount of \$26.9 million is essentially in line with the deeply distressed purchase price for the portfolio at a nearly vacant level. As such, DBRS Morningstar believes the downside risk on the fully funded loan basis is fairly limited.

While the extent of the water damage that occurred at the Interlocken Parkway properties may not be fully realized for several years, the seller nearly completed a \$1.3 million remediation plan at the time of closing. The risks are further mitigated by the borrower's \$4.9 million planned capex plan across the portfolio aimed at increasing functionality. The borrower has a large TI/LC reserve of \$10.2 million, of which \$7.4 million is from the lender and the remaining \$2.8 million will come from the borrower, to assist with costs associated with leasing the property to stabilization before seeking a sale of the portfolio at large. Overall, DBRS Morningstar has deemed the borrower's business plan to have an elevated risk profile, and the loan exhibits an expected loss that is more than twice the pool average.

## WMS Campus aka Riverview at Roscoe

### Loan Snapshot

<b>Seller</b>
A10 Capital, LLC
<b>Ownership Interest</b>
Fee
<b>Trust Balance (\$ million)</b>
15.1
<b>Fully Funded Loan PSF/Unit (\$)</b>
118
<b>Percentage of the Pool (%)</b>
4.8
<b>Fully Extended Loan Maturity/ARD</b>
July 2026
<b>Amortization</b>
IO
<b>DBRS Morningstar As-Is DSCR (x)</b>
0.72
<b>DBRS Morningstar Stabilized DSCR (x)</b>
1.16
<b>DBRS Morningstar As-Is Issuance LTV (%)</b>
70.1
<b>DBRS Morningstar Stabilized Balloon LTV (%)</b>
51.0
<b>DBRS Morningstar Property Type</b>
Industrial
<b>DBRS Morningstar Property Quality</b>
Average
<b>Debt Stack (\$ millions)</b>
<b>Trust Balance</b>
15.1
<b>Pari Passu</b>
8.6
<b>Remaining Future Funding</b>
3.2
<b>Fully Funded Senior Mortgage Loan</b>
26.9
<b>Subordinate Debt</b>
4.0
<b>Loan Purpose</b>
Refinance
<b>Equity Contribution/(Distribution)</b>
3.3



<b>Collateral Summary</b>			
<b>DBRS Morningstar Property Type</b>	Office	<b>Year Built/Renovated</b>	1948/2015
<b>City, State</b>	Chicago, IL	<b>Physical Occupancy (%)</b>	58.7
<b>Units/SF</b>	227,872	<b>Physical Occupancy Date</b>	June 2021

This loan is secured by the borrower's fee simple interest in WMS Campus aka Riverview at Roscoe, a 227,872 sf, class A/B office property located in the Avondale neighborhood on the north side of Chicago, Illinois. The collateral recently served as the corporate headquarters for WMS Gaming (WMS), a Chicago based pinball manufacturer known for being one of the leading slot machine manufacturers globally. While the collateral's original footprint was delivered in 1948, WMS constructed the five-story, 94,648 sf office component of the subject property more recently in 2012 (for a reported construction cost of approximately \$45.0 million). In 2013, WMS Gaming was acquired by Scientific Game, which subsequently consolidated the slot machine business to its Las Vegas headquarters, resulting in the closing of the WMS Gaming corporate headquarters in July of 2018. In March of 2020, the transaction sponsors acquired the collateral fully vacant from Scientific Games for a reported purchase price of \$25.5 million. Following the acquisition, the transaction sponsors subsequently began remarketing and re-leasing the property, achieving a 59.0% leased occupancy as of June 30, 2021. The sponsors plan to continue re-leasing the property to achieve stabilization through the loan term.

Initial senior mortgage loan proceeds of approximately \$23.2 million combined with subordinate B-note financing of \$4.0 million and an initial borrower equity contribution of 4495,799 refinanced approximately \$17.2 million of existing debt on the property, provided financing for more than \$6.7 million of outstanding leasing costs, financed a \$2.6 million estimated negative carry and interest reserve, funded upfront tax and insurance escrows, and covered closing costs associated with the transaction. The loan provides for up to nearly

\$3.7 million of future funding, which is to be paid at a 56.3% advance rate concurrently with approximately \$2.8 million of future borrower equity commitments to provide financing for more than \$6.5 million of future leasing costs associated with the transaction sponsors' ongoing lease-up of the collateral. The three-year, fixed-rate loan is IO through the initial term and is structured with two 12-month extension options, which are exercisable subject to lender discretion. Amortization during either extension option, if executed, is also subject to lender discretion. The initial loan amount represents a 91.1% loan-to-purchase-price ratio based on the borrower's \$25.5 million acquisition basis, and a 70.1% LTV ratio based on the appraiser's May 2021 value estimate of approximately \$38.4 million. The appraiser estimates the value of the collateral to improve to nearly \$51.3 million through stabilization, representing an LTV ratio of 52.5% based on the \$26.9 million fully funded loan amount.

The collateral includes 91,082 sf of primarily single-story loft office/flex space with about 10% manufacturing space including a loading dock that can accommodate two trucks and a 30,635 sf two-story annex office building located at 3401 N California Avenue which were originally constructed in 1948 to accommodate an industrial use. The eastern portion of the property, located at 2718 Roscoe Street, is improved with a 94,648 sf 5-story LEED Platinum office building constructed in 2012 featuring Class A finishes and a fifth-floor rooftop deck. The first floor of the Roscoe building currently includes an existing cafe area, indoor basketball court and fitness center the sponsors plan to demolish and convert to 15,448 sf of rentable office space. The subject has a parking ratio of 2.68 spaces per 1,000 sf, including 64 spaces that will be added to subject's existing parking lots following a reconfiguration/restripe and 40 spaces.

<b>Tenant Summary</b>					
Tenant	SF	% of Total NRA	Issuer Base Rent PSF (\$)	% of Total Issuer Base Rent	Lease Expiry
Adtalem Global Education Inc. (Chamberlain University)	75,000	32.9	25.00	60.8	June 2032
Kids' Work Chicago Too, LLC (Kids' Work)	30,635	13.4	26.50	26.3	April 2032
The Paramount Group Chicago, LLC (Paramount Events)	17,081	7.5	16.22	9.0	April 2037
IVS Illinois, LLC (InVia Fertility Specialists)	4,500	2.0	27.00	3.9	March 2032
<b>Subtotal/WA</b>	<b>127,216</b>	<b>55.8</b>	<b>24.25</b>	<b>100.0</b>	<b>Various</b>
Other Tenants	0	0.0	0.00	0.0	n/a
Vacant Space	100,656	44.2	n/a	n/a	n/a
<b>Total/WA</b>	<b>227,872</b>	<b>100.0</b>	<b>24.25</b>	<b>100.0</b>	<b>Various</b>

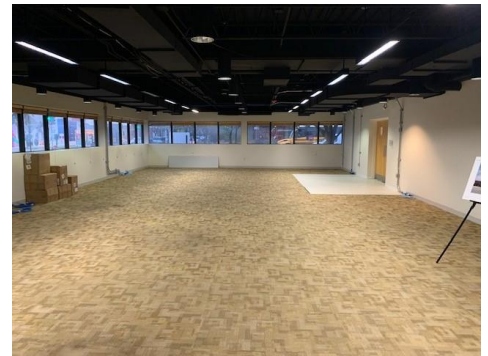
### Sponsorship

The sponsors for this transaction are two participants in 50/50 joint venture. One of the firms is a Chicago-based real estate development company and a repeat client of the Issuer (A10 Capital), having completed more than 100 projects totaling approximately 5.4 million sf across 11 states with an estimated \$350 million combined capitalization. As of loan closing, the firm's portfolio was primarily comprised of assets located in the Chicago MSA. The second entity in the JV is a Texas-based real estate investment, management and

development company with a history of investment experience in nearly every real estate asset class, including senior living, veterinary specialty hospitals and specialty care, multifamily, retail, office and for-sale condominiums and townhomes. The firm has invested over \$500 million of equity into sponsored real estate ventures with a gross value in excess of \$2.0 billion since its inception in 1994.

### **DBRS Morningstar Analysis**

#### **Site Inspection Summary**



DBRS Morningstar toured the interior and exterior of the property on morning of Friday, October 29, 2021. Based on the guided management tour, DBRS Morningstar found the property quality to be Average.

The collateral is located in the Avondale neighborhood on the north side of Chicago, approximately 7.0 miles north of the Downtown Chicago CBD. The property is situated at the intersection of North California Avenue and West Roscoe Street, and features frontage along the adjacent Chicago River. The Avondale neighborhood is generally considered to be predominantly residential, with commercial development concentrated along the nearby North Elston Avenue. The collateral's location provides for limited accessibility via the city's public transit system, which prioritizes transit to the Downtown CBD. However, the collateral benefits from favorable proximity U.S. Interstate 90, which serves as a key artery between Downtown Chicago and the northwest suburbs. Despite the residential composition of the Avondale neighborhood, the collateral's immediate surrounding area appeared mostly commercial in nature, including a neighboring animal hospital and veterinary center and an adjacent Commonwealth Edison office building. The property is also located within close proximity of the Addison Mall shopping center, which is located directly adjacent to the northwest and likely attracts additional traffic to the immediate area. Nonetheless, the collateral's location is considerably unique with limited accessibility relative to more traditional downtown office product.

The collateral is one contiguous structure but can be generally described as three subsections: (1) a recently developed, glass-wrapped, five-story office midrise with frontage

along the adjacent Chicago River; (2) a single-story office/industrial/manufacturing space being repurposed as loft-style office space with potential retail frontage along both Roscoe Street and at the intersection of Roscoe Street and North California Avenue; and (3) a two-story annex building. The collateral's primary entrance is situated along Roscoe Street, which dead-ends at the Chicago-River just in front of the subject property. The primary entrance leads to an open lobby area, which serves as the nexus point between the collateral's three subsections. Per representatives of the on-site management team, the lobby is to be renovated as part of the sponsors' ongoing redevelopment to accommodate additional tenant square footage. At the time of DBRS Morningstar inspection the glass-wrapped office midrise was almost entirely leased and occupied by Chamberlain University, which utilizes the space as a nursing school campus with customized buildouts including student classrooms, doctors and nursing offices, and communal student spaces. Per management, Chamberlain University invested significantly in its space, though the level of capital investment from the tenant was not disclosed.

The single-story office/industrial/manufacturing space is also accessible via the central lobby area, but will feature a secondary access point along West Roscoe Street once the transaction sponsors complete their ongoing redevelopment. The space was being gutted at the time of the DBRS Morningstar inspection with a number of tenant buildouts ongoing, including The Paramount Group's catering kitchen and testing room (an on-site restaurant). The remaining vacant interior office space is intended to be redeveloped and repositioned as flex office space, with the potential for the addition of retail frontage along the collateral's West Roscoe Street and North California Street Intersection. The generally dated industrial and manufacturing space that made up a small subsection of the existing footprint had either been repositioned as a portion of The Paramount Group's kitchen, or was intended to be demolished to make way for the second entrance point and an outdoor dining area. The two-story annex building located at the rear of the property was fully leased to a children's daycare business, which DBRS Morningstar was unable to tour at the time of inspection. The collateral features an abundance of parking with a large, gated surface parking lot located directly adjacent the primary entrance point. Per management, the sponsors also lease a portion of the adjacent Commonwealth Edison office building's parking lot to provide for drop-off and pick-up parking related to the daycare business operated out of the two-story annex building. Overall, the collateral showed well and showed generally favorable signs of redevelopment activity and leasing momentum at the time of DBRS Morningstar inspection.

### DBRS Morningstar NCF Summary

NCF Analysis			
	Issuer NCF	DBRS Morningstar NCF (\$)	NCF Variance (%)
GPR (\$)	4,397,297	4,508,362	2.5
Recoveries (\$)	1,828,961	1,854,970	1.4
Other Income (\$)	0	0	0
Vacancy (\$)	-684,888	-802,840	17.2
<b>EGI (\$)</b>	<b>5,541,370</b>	<b>5,560,491</b>	<b>0.3</b>
Expenses (\$)	2,438,945	2,583,575	5.9
<b>NOI (\$)</b>	<b>3,102,424</b>	<b>2,976,916</b>	<b>-4.0</b>
Capex (\$)	75,833	87,968	16.0
TI/LC (\$)	324,998	787,675	142.4
<b>NCF (\$)</b>	<b>2,701,594</b>	<b>2,101,273</b>	<b>-22.2</b>

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 \$2,101,273, representing a -22.2% variance to the Issuer's Stabilized NCF of \$2,701,594. The primary drivers of the variance included leasing costs, management fees, vacancy, and capital improvement reserves.

DBRS Morningstar generally estimated leasing costs based on a blend of the appraiser's estimates and management's indication of actual packages being offered at the time of the DBRS Morningstar site inspection. The resulting DBRS Morningstar stabilized leasing costs were \$3.64 psf compared with the Issuer's stabilized estimate of \$1.50 psf. DBRS Morningstar estimated management fees equal to 4.0% of EGI compared with the Issuer's stabilized estimate of 1.2%. The DBRS Morningstar stabilized vacancy estimate of 12.6% was generally in line with the appraiser's submarket vacancy projection through the three-year initial loan term, with appraisal-identified comps exhibiting an average vacancy rate of 12.0% when excluding properties undergoing their initial lease-up at the time of the appraisal reporting. As of Q3 2021, Reis projected submarket vacancy to average a similar 12.3% through the five-year period ending December 31, 2026. The Issuer estimated a stabilized vacancy loss of 11.0%. DBRS Morningstar lastly estimated capital improvement reserves based on the engineer's inflated estimate provided in the physical condition report, adjusted for the five-year fully extended loan term plus a two-year tail. The resulting DBRS Morningstar capital improvement reserve estimate was \$0.41 psf compared with the Issuer's stabilized estimate of \$0.35 psf.

### DBRS Morningstar Viewpoint

The collateral is uniquely located in the Avondale neighborhood on the north side of Chicago, and benefits from generally favorable curb appeal as well as frontage along the adjacent Chicago River. Despite the collateral's Chicago address and the generally dense build-out of the immediate surrounding area, the location provides limited access to public transit services, and limiting commutability relative to more traditional downtown Chicago

office space. Fortunately, the collateral benefits from favorable proximity to U.S. I-90, which is a major arterial roadway connecting the city to the regions northwest suburbs. The collateral additionally includes reasonably significant parking, with a private, gated parking lot located directly adjacent to the collateral's primary entrance. The Chicago office market has historically been considered to be relatively soft with limited institutional investment activity when directly compared with core coastal markets such as New York and San Francisco. The unique location of the collateral in a historically poorer performing office market is generally considered to be accounted for in the DBRS Morningstar estimated loan-level expected loss which is above the pool average, and heavily influenced by the collateral being located in an area with a DBRS Morningstar MSA Rank of 1 and a DBRS Morningstar Market Rank of 5.

The transaction represents relatively high-leverage financing, with a 91.1% loan-to-purchase price ratio based on the initial senior mortgage loan of \$23.2 million. Inclusive of the \$4.0 million of subordinate financing funded upfront, the whole loan-to-purchase price ratio is even higher at 106.8%. However, the sponsors acquired the collateral fully vacant and has demonstrated favorable leasing momentum, achieving a 59.0% occupancy between taking ownership in March of 2020 and the June 2021 rent roll date. The appraiser estimates the value of the collateral to improve to nearly \$51.3 million through stabilization, or a 52.5% LTV based on the fully funded senior mortgage loan and a 60.3% LTV based on the fully funded whole loan amount. The DBRS Morningstar Stabilized NCF represents a low DSCR of 1.16x based on the DBRS Morningstar stressed annual debt service, providing limited cash flow to support ongoing debt service maintenance in the event of a market downturn. The transaction sponsor's recent leasing activity has trended towards relatively long-term lease executions, with a WA lease term of 11.5 years based on the leases in-place per the June 2021 rent roll, and no leases scheduled to expire prior to March of 2032. The long-term leasing trend should provide generally favorable cash flow stability through the loan maturity and refinancing, assuming continued leasing momentum achieves stabilized occupancy levels in line with the market.

The transaction represents cash-in refinancing and the loan structure will continue to escalate the sponsor's capital investment in the transaction through the loan term, but potentially represents a liquidity risk with regard to timely access to capital necessary to achieve stabilization through the loan term. In terms of ability to refinance upon stabilization, the DBRS Morningstar Stabilized NCF represents a 7.9% debt yield based on the fully funded senior mortgage loan of \$26.9 million and a 6.9% debt yield based on the \$30.9 million whole loan amount. By contrast, properties securitized in conduit transactions over the past five years in the Chicago-Naperville-Joliet MSA exhibited an average debt yield of 11.5%. The below-average debt yield may prove challenging to refinance the loan without the transaction sponsor injecting additional equity. Assuming no additional leasing activity, the collateral is not expected to become cash flow positive until 2023. The combination of

as-is LTV, low stabilized DSCR and higher than average Business Plan Score results in the loan having an above average expected loss compared to the pool average.

## 333 & 350 Palm

### Loan Snapshot

<b>Seller</b>
A10 Capital, LLC
<b>Ownership Interest</b>
Fee
<b>Trust Balance (\$ million)</b>
14.8
<b>Fully Funded Loan PSF/Unit (\$)</b>
800,000
<b>Percentage of the Pool (%)</b>
4.7
<b>Fully Extended Loan Maturity/ARD</b>
October 2028
<b>Amortization</b>
IO
<b>DBRS Morningstar As-Is DSCR (x)</b>
0.34
<b>DBRS Morningstar Stabilized DSCR (x)</b>
0.60
<b>DBRS Morningstar As-Is Issuance LTV (%)</b>
98.5
<b>DBRS Morningstar Stabilized Balloon LTV (%)</b>
56.9
<b>DBRS Morningstar Property Type</b>
Multifamily
<b>DBRS Morningstar Property Quality</b>
Average
<b>Debt Stack (\$ millions)</b>
<b>Trust Balance</b>
14.8
<b>Pari Passu</b>
14.6
<b>Remaining Future Funding</b>
9.0
<b>Fully Funded Senior Mortgage Loan</b>
38.4
<b>Subordinate Debt</b>
0.0
<b>Loan Purpose</b>
Acquisition
<b>Equity Contribution/(Distribution)</b>
19.1



Source: Appraisal.



Source: Appraisal.

<b>Collateral Summary</b>			
<b>DBRS Morningstar Property Type</b>	Multifamily	<b>Year Built/Renovated</b>	1963
<b>City, State</b>	Beverly Hills, CA	<b>Physical Occupancy (%)</b>	89.6
<b>Units/SF</b>	48	<b>Physical Occupancy Date</b>	September 2021

The loan is secured by the borrower's fee-simple interest in 333 & 350 Palm, two multifamily properties totaling 48 units in Beverly Hills, California. The borrower is acquiring the properties for a purchase price of \$39.0 million with plans to buy out existing tenants and renovate the Class B buildings into Class A luxury apartments. Initial loan proceeds of \$29.3 million along with \$10.2 million of borrower equity will fund the purchase price and closing costs. The loan is also structured with a \$9.2 million future funding component. The loan future funding along with \$8.9 million of future sponsor equity contributions will collectively be used to fund a \$10.2 million capex facility, cover \$4.7 million of budgeted negative carry and interest expenses, and finance a \$3.0 million tenant buyout facility. A \$23.9 million component of the whole loan will be contributed to the trust. The loan requires earthquake insurance at the borrower's cost because the buildings have an elevated seismic Scenario Expected Losses (SEL). The borrower intends to address related building deficiencies during renovation and has the ability to have the SELs retested upon completion. The loan is IO throughout with an initial five-year term and two one-year extension options.

Originally constructed in 1963, the collateral consists of two separate 24-unit apartment buildings on the same block in Beverly Hills. Each 24-unit building consists of eight one-bedroom units and 16 two-bedroom units with areas of 1,250 sf and 1,675 sf, respectively. Neither building offers amenities, but each building has 40 subterranean parking spaces. As of September 1, 2021, the properties were collectively 89.6% occupied with an average rent

of \$3,567 per unit. Both buildings are subject to the City of Beverly Hills Rent Stabilization Ordinance (RSO), limiting the frequency and amount by which rents can be increased. For more information on the unit mix and appraiser's market rent data, please refer to the table below.

<b>Unit Mix and Rents - 333 &amp; 350 Palm</b>					
Unit Type	Units	Avg. Unit Size (sf)	Avg. Rent (\$/unit) <sup>1</sup>	Competitive Set Avg. Rent (\$/unit) <sup>2</sup>	Market Rent (\$/unit) <sup>2</sup>
One Bed	16	1,250	3,004	4,941	5,700
Two Bed	32	1,675	3,849	7,739	8,000
<b>Total/WA</b>	<b>48</b>	<b>1,533</b>	<b>3,567</b>	<b>6,806</b>	<b>7,233</b>

<sup>1</sup> Based on September 1, 2021, rent roll.  
<sup>2</sup> Based on appraisal.

As tenants at rent-stabilized properties are incentivized to occupy units for longer periods than market-rate properties, the sponsor has two strategies to vacate the properties. The borrower has budgeted \$3.0 million, or \$62,500 per unit, to negotiate buyouts of existing tenants. The sponsor has successfully carried out a similar buyout strategy at three other properties in the market throughout recent years, having spent between \$30,000 per unit and \$40,000 per unit on buyouts. If the sponsor is unable to successfully negotiate buyouts with all tenants, the backup plan is to utilize the Ellis Act, which allows property owners to legally vacate tenants but restricts re-leasing those units at a market rate for at least five years. According to the Issuer, the sponsor is focusing on negotiating with tenants at the 350 Palm building first and has successfully signed 11 buyout agreements and verbally agreed to seven more buyouts at the building since loan closing in September 2021.

### Sponsorship

The sponsor for the loan is a real estate advisory and investment firm based in Los Angeles. The firm's investments are focused on multifamily properties ranging from 20 units to 200 units throughout California, Florida, Nevada, and Texas. Additionally, the firm invests in vacant land parcels larger than 20,000 sf in high-end, metropolitan areas with the intention of flipping upon receiving entitlements. There are numerous guarantors that collectively have adequate reported net worth and liquidity relative to the fully-funded loan amount. The buildings will be managed by a third party for a contractual fee of 4.0% of EGI.

## DBRS Morningstar Analysis

### Site Inspection Summary



Source: PCA.



Source: PCA.

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					
	2020	T-12 February 2021	Issuer NCF	DBRS Morningstar NCF (\$)	NCF Variance (%)
GPR (\$)	1,685,206	1,634,853	4,166,400	3,073,122	-26.2
Other Income (\$)	0	0	33,044	0	-100.0
Vacancy & Concessions (\$)	0	0	-325,775	-307,312	-5.7
<b>EGI (\$)</b>	<b>1,723,631</b>	<b>1,667,119</b>	<b>3,873,669</b>	<b>2,765,809</b>	<b>-28.6</b>
Expenses (\$)	914,508	821,176	1,300,890	1,303,492	0.2
<b>NOI (\$)</b>	<b>809,123</b>	<b>845,943</b>	<b>2,572,779</b>	<b>1,462,317</b>	<b>-43.2</b>
Capex (\$)	0	0	12,000	12,000	0.0
<b>NCF (\$)</b>	<b>809,123</b>	<b>845,943</b>	<b>2,560,779</b>	<b>1,450,317</b>	<b>-43.4</b>

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 \$1,450,317, representing a -43.4% variance from the Issuer's Stabilized NCF of \$2,560,779. The primary driver of the variance is GPR. DBRS Morningstar based its stabilized GPR for the 350 Palm building on the appraiser's market rents, reflecting its view that the sponsor will successfully vacate the entire building and be able to lease the units at market rates following the renovation. DBRS Morningstar based its stabilized GPR for the 333 Palm Building on in-place rents, accounting for the risk of needing to use the Ellis Act to vacate tenants, which would prohibit the sponsor from increasing rents for at least five years. The resulting DBRS Morningstar stabilized average rent is \$5,335 per unit, while the Issuer based

its GPR for all units on the appraiser's market rents, resulting in an average rent of \$7,233 per unit.

### **DBRS Morningstar Viewpoint**

DBRS Morningstar recognizes the value that the sponsor's business plan intends to capture, but considers the plan to have extraordinary hurdles and risks. Given the collateral's highly desirable location in Beverly Hills, considerable value can be unlocked by turning the Class B, rent-stabilized units into high end, market-rate apartments. Specifically, the collateral's one-bedroom and two-bedroom units are achieving average rents of \$3,004 per unit and \$3,849 per unit, respectively. Meanwhile, the appraiser's recently constructed rent-comparable properties in the surrounding area have one-bedroom units achieving rents ranging from \$5,440 per unit to \$6,900 per unit and two-bedroom units achieving rents ranging from \$6,940 per unit to \$14,000 per unit. The sponsor has budgeted a considerable amount of capital to have the renovated buildings compete with recently constructed, Class A products in the market, including \$4.6 million (\$95,400 per unit) for interior unit renovations and \$5.4 million (\$112,839 per unit) for general building renovation capex. However, DBRS Morningstar accounted for the various challenges threatening the feasibility and timeline of the gut-to-stud renovation in its analysis.

The major hurdle is the buyout of existing tenants, who naturally tend to seek longer tenures at rent-stabilized properties. DBRS Morningstar recognizes the value in the sponsor's experience in buying out tenants at other nearby properties at costs ranging from \$30,000 per unit to \$40,000 per unit, notably lower than the sponsor's buyout budget of \$62,500 per unit for this transaction. However, DBRS Morningstar believes there is a reasonable likelihood that a small number of tenants will not reach a buyout agreement for various reasons, meaning that the sponsor would need to use the Ellis Act to vacate those tenants. If the Ellis Act is used, the sponsor would not be able to re-lease the units at a market rate for at least five years. Given the buildings are located on separate parcels, the ramifications of enacting the Ellis Act at one building does not mean both buildings are subject to the restrictions. The sponsor is using this flexibility by focusing on buyout negotiations at the 350 Palm building first. Since loan closing in September 2021, the sponsor has signed 11 buyout agreements and verbally agreed to seven more buyouts at the 350 Palm building, leaving only two more units to vacate with four other units already vacant. The buyout progress is encouraging, and the sponsor's ability to move any tenants that do not reach an agreement from the 350 Palm building to the 333 Palm building further enhances the likelihood of fully vacating the building. In an effort to balance the encouraging progress made at the 350 Palm building with the uncertainty remaining at the 333 Palm building, DBRS Morningstar assumed the business plan of renovating and leasing units at market rents will be successfully carried out at the 350 Palm building but not at the 333 Palm building for its stabilized cash flow analysis.

Based on the DBRS Morningstar stressed debt service and stabilized cash flow approach discussed above, the loan only exhibits a DBRS Morningstar Stabilized DSCR of 0.60x. The DBRS Morningstar Stabilized DSCR would hypothetically improve to 1.00x if the sponsor were able to successfully carry out the business plan and lease units across both buildings at market rents. However, even this DBRS Morningstar best-case hypothetical DSCR is very low, marking the increased term risk with this loan. This risk is partially mitigated by a \$4.7 million shortfall reserve that was established as part of the transaction. However, this would only cover approximately two years of the DBRS Morningstar stressed debt service payments that would likely be needed when units are unavailable during the buildings' gut-to-stud renovations. The fully-funded loan exhibits high leverage at origination with a DBRS Morningstar As-Is LTV of 98.5%. The appraiser's estimated stabilized value of \$65.3 million results in improved leverage through stabilization as exhibited by an implied LTV of 56.9%. DBRS Morningstar believes the business plan risk is mitigated by a very high land value of \$34.4 million (\$717,500 per unit), representing 89.7% of the fully-funded loan amount and mitigating theoretical losses from the loan in the event of a default. Nonetheless, DBRS Morningstar recognized the loan's potential seismic risk and adjusted the business plan score up. Lastly, the collateral receives outsized benefit from being in a DBRS Morningstar Market Rank 8 and MSA Group 3, indicating a location with the lowest historical default rates. As a result, the expected loss for the loan is well below the pool average.

## Harland-Clarke Portfolio

### Loan Snapshot

<b>Seller</b>
A10 Capital, LLC
<b>Ownership Interest</b>
Fee
<b>Trust Balance (\$ million)</b>
14.1
<b>Fully Funded Loan PSF/Unit (\$)</b>
36
<b>Percentage of the Pool (%)</b>
4.5
<b>Fully Extended Loan Maturity/ARD</b>
November 2024
<b>Amortization</b>
Partial IO
<b>DBRS Morningstar As-Is DSCR (x)</b>
1.48
<b>DBRS Morningstar Stabilized DSCR (x)</b>
1.48
<b>DBRS Morningstar As-Is Issuance LTV (%)</b>
50.1
<b>DBRS Morningstar Stabilized Balloon LTV (%)</b>
48.4
<b>DBRS Morningstar Property Type</b>
Industrial
<b>DBRS Morningstar Property Quality</b>
Average-
<b>Debt Stack (\$ millions)</b>
<b>Trust Balance</b>
14.1
<b>Pari Passu</b>
9.0
<b>Remaining Future Funding</b>
0.0
<b>Fully Funded Senior Mortgage Loan</b>
23.1
<b>Subordinate Debt (B Note)</b>
1.9
<b>Loan Purpose</b>
Acquisition
<b>Equity Contribution/(Distribution)</b>
17.0



Source: Appraisal.



Source: Appraisal.

<b>Collateral Summary</b>			
<b>DBRS Morningstar Property Type</b>	Industrial	<b>Year Built/Renovated</b>	1981 / 2015
<b>City, State</b>	Various, Various	<b>Physical Occupancy (%)</b>	100.0
<b>Units/SF</b>	641,347	<b>Physical Occupancy Date</b>	June 2021

### Collateral Summary

This loan is secured by the borrower's fee-simple interest in Harland Clarke Industrial Portfolio, a Class B industrial portfolio totaling 641,347 sf across four properties in North Carolina, Utah, Michigan, and Pennsylvania. Initial loan proceeds of a \$23.1 million senior note, a \$1.9 million subordinate B note, and approximately \$15.6 million in borrower cash equity were used to acquire the property. The four allocated loans will be cross-collateralized and cross-defaulted. The borrower has additionally budgeted to commit \$1.4 million of future equity, which is scheduled to provide financing for capex across the portfolio to reduce the deferred maintenance the portfolio has accumulated. The four-year fully extended loan is IO for the first 18 months before amortizing over a 30-year schedule thereafter.

<b>Portfolio Summary</b>							
Property	Cutoff Date Loan Amount (\$)	% of Loan Amount	City, State	SF	% of NRA	Year Built/ Renovated	Occupancy (%)
Schoolcraft Road	4,584,000	32.4	Livonia, MI	214,665	33.5	1983/2000	100.0
Prospectus Drive	3,605,000	25.5	Durham, NC	178,564	27.8	1983/2000	100.0
Electronics Way	2,346,000	16.6	Mountville, PA	123,082	19.2	1985/2015	100.0
Harold Gatty Drive	3,605,000	25.5	Salt Lake City, UT	125,036	19.5	1981/2007	100.0
<b>Total/ WA</b>	<b>14,140,000</b>	<b>100.0</b>	<b>Various</b>	<b>641,347</b>	<b>100.0</b>	<b>Various</b>	<b>100.0</b>

The acquisition is the result of a sale-leaseback between the sponsor and the tenant for a total acquisition price of approximately \$38.0 million. The properties were built between 1981 and 1985 and range from 123,082 sf to 214,665 sf. The entire portfolio is occupied by Vericast (Moody's Caa1), which signed a 12-year NNN lease at the acquisition's closing for \$5.80 psf featuring contractual rent increases of 2.3% per year and including one 10-year extension option. Vericast has a Right of First Offer to purchase the properties during the first two years of its lease; however, this does not apply if the landlord sells the entire portfolio at once. Vericast is a premier marketing solutions company that serves its clients by influencing consumer purchasing and transaction behavior at scale. Its major business units include Valassis, Harland Clarke, RetailMeNot, and QuickPivot, all of which are recognized as leading providers of advertising, marketing services, and intelligent media delivery. There is approximately \$3.5 million in deferred maintenance throughout the property of which the tenant is solely responsible for the repairs and maintenance. Vericast has deposited \$1.4 million into a hard lockbox at close to address the capex repairs, and the funds will be released back to Vericast upon completion of the repairs. The sponsors have signed completion guaranties for the work identified in the property condition assessments (PCAs)/roofing reports for the four properties to ensure their completion.

**Sponsorship**

The sponsors for this transaction are the founders of a national industrial real estate firm that has specialized in the acquisition, repurposing, and management of manufacturing and distribution facilities across the United States for more than 30 years. The sponsor currently manages more than 10.0 million sf of industrial properties across the United States.

The property will be managed by a borrower-affiliated property manager accepting a management fee of 4.0% of EGI.

**DBRS Morningstar Analysis**

**Site Inspection Summary**



DBRS Morningstar did not conduct interior or exterior tours of the property because of health and safety constraints associated with the ongoing coronavirus pandemic. Based on

photos and assessments from third-party reports, DBRS Morningstar determined the property quality to be Average (-).

### DBRS Morningstar NCF Summary

NCF Analysis			
	Issuer NCF	DBRS Morningstar NCF (\$)	NCF Variance (%)
GPR (\$)	3,607,558	3,752,767	4.0
Recoveries (\$)	1,196,473	1,124,050	-6.1
Other Income (\$)	0	0	0.0
Vacancy (\$)	-277,596	-320,505	15.5
<b>EGI (\$)</b>	<b>4,526,435</b>	<b>4,556,312</b>	<b>0.7</b>
Expenses (\$)	1,196,473	1,306,460	9.2
<b>NOI (\$)</b>	<b>3,329,962</b>	<b>3,249,852</b>	<b>-2.4</b>
Capex (\$)	192,404	549,153	185.4
TI/LC (\$)	160,337	266,197	66.0
<b>NCF (\$)</b>	<b>2,977,221</b>	<b>2,434,502</b>	<b>-18.2</b>

The DBRS Morningstar Stabilized NCF is based on the DBRS Morningstar *North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar NCF is \$2,434,502, representing a variance of -18.2% from the Issuer's Stabilized NCF of \$2,977,222. The primary driver for the variance was the DBRS Morningstar operating expense and capex reserve assumptions. DBRS Morningstar assumed operating expenses to be generally based on the YE2020 historical statements inflated by 6.0%. DBRS Morningstar assumed a capex reserve of \$0.86 psf based on the PCA inflated recommended figures for each respective property in the portfolio.

### DBRS Morningstar Viewpoint

The collateral consists of four warehouse/light manufacturing properties that are occupied by Vericast on 12-year leases via a sale-leaseback with the sponsor. While the leasing is in place and should result in stable cash flow, Vericast's credit risk carries a degree of risk for the cash flow stability. Should a credit event with the tenant occur, there are reserves to re-tenant the properties and the locations are primarily in good markets where the sponsor could find alternative uses.

The sponsor's business plan is to ensure the completion of the capex plan to address the deferred maintenance across the portfolio before holding for five years to seven years and seeking a possible sale of one or two of the properties at a lower cap rate. There is currently \$3.5 million in deferred maintenance across the portfolio, which the tenant is responsible for.

While Vericast's credit quality is a risk, the borrower has deposited \$625,461 into an A10-controlled Rollover Reserve at close, which increases to \$2.0 million in the event that Vericast defaults on its leases at any of the properties. This additional \$1.4 million rollover reserve requirement is waived if the sponsor sells the Pennsylvania property prior to a

Vericast default. As of November 2021, the borrower had not indicated a willingness to sell the Pennsylvania property.

All four properties are in what are generally considered to be suburban locations, as denoted in their respective appraisals and further evidenced by their position in areas with a DBRS Morningstar Market Rank of 3. Loans secured by properties in such areas have historically demonstrated higher elevated losses compared with loans secured by more densely populated and more financially liquid markets. Despite this, the portfolio is receiving DBRS Morningstar's Industrial property type designation. Industrial properties typically demonstrate lower expected losses when compared with other property types and feature longer lease terms and lower leasing cost assumptions in the event that the tenant vacates the properties. All four markets feature NNN market rents ranging from \$5.50 psf to \$6.50 psf across seven- to 10-year terms.

Fully funded senior proceeds of \$23.1 million will bring the sponsor's fully funded cost basis to approximately \$38.0 million, resulting in a loan-to-cost ratio of 60.9%. The appraiser estimates the value of the collateral to be \$50.1 million upon completion of the deferred maintenance at the portfolio, resulting in a favorable stabilized LTV ratio of 46.2%. DBRS Morningstar applied an upward cap rate adjustment resulting in a lower stabilized value, but the loan's leverage is favorably low nonetheless, as demonstrated by a DBRS Morningstar Balloon LTV of 48.4%. The subject's leverage and the DBRS Morningstar Industrial property type designation have resulted in an expected loss below the pool average for the transaction.

## Lions Gate Apts

### Loan Snapshot

<b>Seller</b>
A10 Capital, LLC
<b>Ownership Interest</b>
Fee
<b>Trust Balance (\$ million)</b>
13.9
<b>Fully Funded Loan PSF/Unit (\$)</b>
73,707
<b>Percentage of the Pool (%)</b>
4.4
<b>Fully Extended Loan Maturity/ARD</b>
June 2028
<b>Amortization</b>
Partial IO
<b>DBRS Morningstar As-Is DSCR (x)</b>
0.81
<b>DBRS Morningstar Stabilized DSCR (x)</b>
0.81
<b>DBRS Morningstar As-Is Issuance LTV (%)</b>
61.5
<b>DBRS Morningstar Stabilized Balloon LTV (%)</b>
56.5
<b>DBRS Morningstar Property Type</b>
Student Housing
<b>DBRS Morningstar Property Quality</b>
Average
<b>Debt Stack (\$ millions)</b>
<b>Trust Balance</b>
13.9
<b>Pari Passu</b>
2.0
<b>Remaining Future Funding</b>
1.2
<b>Fully Funded Senior Mortgage Loan</b>
17.1
<b>Subordinate Debt (B Note)</b>
2.4
<b>Loan Purpose</b>
Refinance
<b>Equity Contribution/(Distribution)</b>
1.7



Source: Property Condition Assessment.



Source: Appraisal.

### Collateral Summary

<b>DBRS Morningstar Property Type</b>	Student Housing	<b>Year Built/Renovated</b>	2011/2020
<b>City, State</b>	Bloomsburg, PA	<b>Physical Occupancy (%)</b>	74.4
<b>Units/SF</b>	232	<b>Physical Occupancy Date</b>	November 2021

This loan is secured by the borrower's fee-simple interest in Lions Gate Apartments, a 696-bed/232-unit student housing property in Bloomsburg, Pennsylvania, approximately 130 miles northwest of Philadelphia. Initial senior loan proceeds of \$15.9 million, \$2.4 million of subordinate debt, and \$1.7 million of borrower equity will refinance \$16.0 million of existing debt, fund the sponsor's \$3.4 million partner buyout, and cover closing costs. The loan is structured with \$1.2 million of future funding, which is allocated to address retention pond repairs on the property per city requirements and parking lot/sidewalk repairs. The five-year, floating rate loan is structured with a three-year initial IO period and is scheduled to amortize on a 30-year schedule thereafter. The loan also features two one-year extension options that are exercisable at lender discretion.

The sponsor and Kinsley Construction developed the collateral in 2011 as a 696-bed student housing property. The sponsor's business plan primarily consists of addressing the physical exterior maintenance and converting the property to traditional multifamily. The capex funding associated for the transaction is to renovate the retention ponds at the property, per city requirements, and repair the parking lot and sidewalks. Despite the lack of capex dollars going toward the multifamily conversion, the sponsor hopes to turn the property into a more traditional multifamily property. While the exterior maintenance is well accounted for with transaction proceeds, the transition away from student housing is a more significant obstacle. The collateral serves Bloomsburg University, with a student

enrollment of nearly 8,000 students for the 2021–22 academic year. The unit mix consists of 232 three-bedroom, three-bathroom units, which are rented both by the bed and by the unit. As of the November 2021 rent roll, the subject is 74.4% occupied with an average rental rate of \$614 per bed. Amenities at the property include a clubhouse with a business center and meeting rooms, a 24-hour fitness center, a resort-style pool and jacuzzi, and on-site property management. There are 577 surface parking spaces (0.82 per bed or 2.48 per unit). The property also provides a bus service from the subject to the university.

<b>Unit Mix and Rents - Lions Gate Apartments</b>			
Unit Type	Units	Avg. Unit Size (sf)	Avg. Rent (\$/unit)
Three Bedrooms	232	1,011	1,843
<b>Total/WA</b>	<b>232</b>	<b>1,011</b>	<b>1,843</b>

Based on the November 2021 rent roll.

<b>Competitive Set</b>							
Property	Location	Distance from Subject (Miles)	Units	Year Built/Renovated	Occupancy (%)	Avg. Rental Rate Per Unit (\$)	Avg. Unit Size (SF)
Apollo Point Apartments	Bloomsburg, PA	0.1	48	2018	98.0	1,295-1,495	819-1,192
Lexington Village	Nanticoke, PA	33.2	55	2007	100.0	1,450	865
Yalick Farms	Dallas, PA	39.2	120	2007	96.0	1,300	950
East Mountain Apartments	Wilkes Barre, PA	42.3	188	1989	100.0	1,445	1,215
Fairway Flats at Sand Springs	Drums, PA	29.3	48	2020	n/a	1,395	835
<b>Total/WA</b>	<b>Various, PA</b>	<b>Various</b>	<b>459</b>	<b>Various</b>	<b>98.6</b>	<b>1,251</b>	<b>937</b>
<b>Comp Set</b>							
<b>Lions Gate Apartments</b>	<b>Bloomsburg, PA</b>	<b>n/a</b>	<b>232</b>	<b>2011/2020</b>	<b>74.4</b>	<b>1,843</b>	<b>1,011</b>

The appraiser identified five competitive properties within 43 miles of the subject. While the properties are of a similar vintage and size, they are not necessarily comparable in terms of performance because of their locations. Demand for the collateral is primarily driven by Bloomsburg University and Geisinger Health System, both of which are within a 10-mile radius of the subject. As a result, the appraiser's outlook on the immediate area's demographics and county performance are more indicative of the subject's future performance. For example, the appraiser notes that the Columbia County multifamily submarket reported an 88.8% occupancy rate in Q1 2021, which is much more elevated than the appraiser's competitive set at 98.6%. Additionally, the appraiser reported that the populations within a five-mile radius of the collateral and Columbia County are expected to decline 0.1% and 0.2%, respectively, by 2025. Similarly, Bloomsburg University has experienced declining enrollment with the most recent enrollment figure on the website reported as 7,971 students in spring 2020, representing a 13.3% decline from the spring 2015 semester. The surrounding area's population figures along with declining university

enrollment pose as an obstacle for the collateral to achieve higher occupancy figures and completely move away from leasing to students.

### Sponsorship

The sponsor for this transaction is the founder of a firm that designs, constructs, and services electrical, plumbing, and HVAC systems for residential and commercial projects throughout the Mid-Atlantic United States. The company is hired by or works alongside real estate developers, and its business primarily revolves around multifamily construction. The sponsor reports ownership in a variety of real estate asset classes with a total market value of \$117.0 million.

### DBRS Morningstar Analysis

#### Site Inspection Summary



Source: Appraisal.



Source: Appraisal.

DBRS Morningstar did not conduct a site inspection of the property because of the 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					
	2019	2020	Issuer NCF	DBRS Morningstar NCF (\$)	NCF Variance (%)
GPR (\$)	3,499,043	3,299,081	3,605,280	5,131,724	42.3
Other Income (\$)	71,797	103,952	69,600	91,794	31.9
Vacancy & Concessions (\$)	0	0	-367,488	-1,787,924	386.5
<b>EGI (\$)</b>	<b>3,570,840</b>	<b>3,403,033</b>	<b>3,307,392</b>	<b>3,435,594</b>	<b>3.9</b>
Expenses (\$)	2,351,377	2,337,617	1,499,597	2,429,227	62.0
<b>NOI (\$)</b>	<b>1,219,463</b>	<b>1,065,416</b>	<b>1,807,795</b>	<b>1,006,367</b>	<b>-44.3</b>
Capex (\$)	0	0	69,600	102,582	47.4
<b>NCF (\$)</b>	<b>1,219,463</b>	<b>1,065,416</b>	<b>1,738,195</b>	<b>903,785</b>	<b>-48.0</b>

The DBRS Morningstar NCF is based on the DBRS Morningstar *North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar Stabilized NCF for the subject was \$903,785, representing a -48.0% variance from the Issuer's Stabilized NCF of \$1,738,195. The primary driver of the variance is DBRS Morningstar's general view that the property is stabilized and did not contemplate a conversion to traditional multifamily. As a result, DBRS Morningstar used the in-place vacancy per the November 2021 rent roll of 25.6%, while the Issuer concluded to a 10.0% vacancy. DBRS Morningstar also applied an additional 7.8% vacancy loss plug to bring the NRI in line with the T-12 figure. DBRS Morningstar generally based expenses on the T-12 inflated 3.0%, and the Issuer generally looked to the stabilized appraisal.

### **DBRS Morningstar Viewpoint**

The subject is in Bloomsburg, a town in northeastern Pennsylvania. The area is rural in nature, as reflected by the DBRS Morningstar Market Rank of 2. Demand in the area is largely driven by Bloomsburg University and Geisinger Health System. The university is two miles west of the subject and reported a student enrollment of 7,797 for the spring 2020 semester. The subject has served as student housing for the university since it was constructed in 2011, and performance has been highly variable. Occupancy at the property has averaged 85.9%. In 2017, the subject experienced water damage, which led to occupancy dropping to 73.6% in 2018 from 89.8% in 2017. As of the November 2021 rent roll, the subject was 74.4% occupied with an average rental rate of \$614 per bed and \$1,843 per unit. While this is an elevated vacancy rate when compared with the appraiser's competitive set that averaged 98.6% occupancy, the vacancy rate is in line with the property's historical performance.

The sponsor's \$1.2 million capex plan is going toward rebuilding the retention ponds on the property per city requirements; however, the sponsor also intends to convert the property into traditional multifamily housing through stabilization. In doing so, the sponsor has expressed plans to lower rents, pass utilities onto the tenants, terminate the university bus contract, and lower other expenses through operating efficiencies. The collateral's tertiary location makes it seem unlikely that the surrounding area has the population to support the sponsor's plans to completely move away from student housing. The university's population of nearly 8,000 students is more than half of the general Bloomsburg population, reported at 14,085 in 2019. Additionally, the property's website is currently advertising for fall 2022 leasing, which suggests the property is continuing to operate as student housing. Incidentally, Pennsylvania's State System of Higher Education recently announced that the administrations of Bloomsburg University, Lock Haven, and Mansfield University will be consolidating because of declining enrollment. The most recent enrollment figure on the website of 7,971 students in spring 2020 represents a 13.3% decline from spring 2015 enrollment. While this is not a positive outlook for Bloomsburg University, the university remains the most significant demand driver in the area.

The collateral's occupancy has remained relatively stable in the low- to mid-70% range since 2018. The unlikelihood of eliminating, and continued reliance on, the student population and lack of renovations to make the units more appealing to traditional renters led DBRS Morningstar to view the property as stabilized. As a result, the DBRS Morningstar NCF represents a concerningly low DSCR of 0.81x. However, the low DSCR and tertiary market location are offset the low LTV, producing an expected loss that is lower than the pool average. While traditional refinance of the asset would not ordinarily be attainable at the DBRS Morningstar NCF assumption that results in a fully funded A note debt yield of just 5.3%, the downside risk is considered limited by the current leverage point. The sponsor built and owns a traditional multifamily property adjacent to the subject (Apollo Point, securitized in WFCM 2019-C54) that has similar sized units and a loan basis of nearly \$130,000 per unit, far above the subject's fully funded A-note balance of under \$75,000 per unit.

## Legends Edinburg

### Loan Snapshot

<b>Seller</b>
A10 Capital, LLC
<b>Ownership Interest</b>
Fee
<b>Trust Balance (\$ million)</b>
13.8
<b>Fully Funded Loan PSF/Unit (\$)</b>
34,524
<b>Percentage of the Pool (%)</b>
4.4
<b>Fully Extended Loan Maturity/ARD</b>
December 2026
<b>Amortization</b>
IO
<b>DBRS Morningstar As-Is DSCR (x)</b>
0.99
<b>DBRS Morningstar Stabilized DSCR (x)</b>
0.99
<b>DBRS Morningstar As-Is Issuance LTV (%)</b>
64.9
<b>DBRS Morningstar Stabilized Balloon LTV (%)</b>
63.6
<b>DBRS Morningstar Property Type</b>
Student Housing
<b>DBRS Morningstar Property Quality</b>
Average-

### Debt Stack (\$ millions)

<b>Trust Balance</b>
13.8
<b>Pari Passu</b>
6.5
<b>Remaining Future Funding</b>
0.0
<b>Fully Funded Senior Mortgage Loan</b>
20.3
<b>Subordinate Debt</b>
0.0
<b>Loan Purpose</b>
Refinance
<b>Equity Contribution/(Distribution)</b>
(0.3)



Source: Appraisal.



Source: Appraisal.

<b>Collateral Summary</b>			
<b>DBRS Morningstar Property Type</b>	Student Housing	<b>Year Built/Renovated</b>	2017
<b>City, State</b>	Edinburg, TX	<b>Physical Occupancy (%)</b>	92.3
<b>Units/SF</b>	588	<b>Physical Occupancy Date</b>	September 2021

This loan is secured by the borrower's fee-simple interest in Legends Edinburg, a 588-bed, Class B, student housing community in Edinburg, Texas. The collateral is 0.7 miles north of the Edinburg campus of the University of Texas Rio Grande Valley (UTRGV). Loan proceeds of \$20.3 million will facilitate the refinance of the sponsor's \$19.3 million construction loan; return \$265,049 in cash equity to the borrower; fund initial tax, insurance, and capex escrows; and cover closing costs. During the pandemic, the sponsor was required to pay down its pre-existing loan by \$3 million, which it did through a partnership loan. The floating-rate loan is IO during its initial three-year term with two 12-month extension options. The loan's cash management provisions feature a cash trap that will occur during a loan EOD or when (1) T-12 average economic occupancy falls to 88% or less, (2) T-12 EGI falls below \$3.25 million, or (3) T-12 NOI drops below \$1.68 million.

Developed by the sponsor in 2017, the collateral consists of three buildings spread across a 15.42-acre site. Common area amenities include a resort style saltwater pool, 24-hour computer lab, clubhouse, 24-hour fitness center, private study lounge, dog park, and sand volleyball area. Unit amenities include a one-to-one bed/bath ratio, fully furnished units, Wi-Fi, an in-unit washer/dryer, granite countertops, and memory foam mattresses. As of the September 2021 rent roll, the subject was 92.3% occupied and 95.8% leased. The property is achieving average rents of \$525 per bed per month, which is below the appraiser's competitive set average rental rate of \$695 per bed, shown below:

<b>Unit Mix and Rents - Legends Edinburg</b>				
Unit Type	Beds	Avg Unit Size (sf)	Avg Unit Rent (\$/bed)	Competitive Set Avg Unit Rent (\$/bed)
One Bed	72	562	893	853
Two Bed	204	457	531	675
Four Bed	312	349	436	558
<b>Total/WA</b>	<b>588</b>	<b>413</b>	<b>525</b>	<b>695</b>

Based on the September 2021 rent roll and the appraisal.

**Sponsorship**

The sponsor for the transaction is a real estate firm that specializes in the development and property management of unique luxury student housing projects in secondary and tertiary markets. Found in 2010, the firm currently owns nine student housing assets across Texas and Arkansas, totaling more than 4,000 beds.

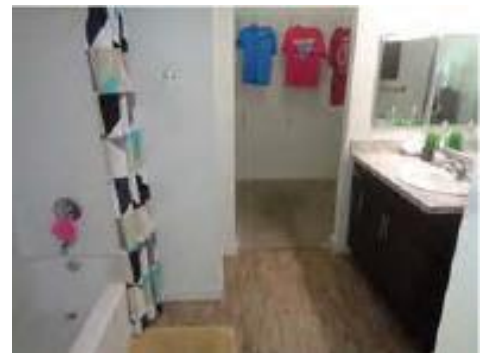
The guarantors for the transaction are two individuals that have extensive experience in real estate; however, DBRS Morningstar concluded to a weak sponsorship strength given the sponsor’s low net worth and liquidity multiples as well as a pending lawsuit regarding the a development of another property. The plaintiff alleges the sponsor and one of the guarantors represented that permits for the construction of a student housing property in had already been obtained; however, this proved to be false and the development was blocked by the Army Corps of Engineers. The sponsor has filed a lawsuit against the Army Corps of Engineers for blocking the project. One of the guarantors will be indemnified by the limited liability company associated with the development, which has enough capital to cover the lawsuit if damages must be paid.

**DBRS Morningstar Analysis**

**Site Inspection Summary**



Source: Appraisal.



Source: Appraisal.

DBRS Morningstar did not conduct interior or exterior tours of the property because of health and safety constraints associated with the ongoing coronavirus pandemic. Based on photos and assessments from third-party reports, DBRS Morningstar determined the property quality to be Average (-).

### DBRS Morningstar NCF Summary

NCF Analysis				
	2020	Issuer NCF	DBRS Morningstar NCF (\$)	NCF Variance (%)
GPR (\$)	3,058,334	3,694,922	3,701,266	0.2
Other Income (\$)	267,445	289,640	274,701	-5.2
Vacancy & Concessions (\$)	0	-358,611	-340,566	-5.0
<b>EGI (\$)</b>	<b>3,325,779</b>	<b>3,625,952</b>	<b>3,635,402</b>	<b>0.3</b>
Expenses (\$)	1,952,123	1,856,510	1,914,002	3.1
<b>NOI (\$)</b>	<b>1,373,656</b>	<b>1,769,442</b>	<b>1,721,400</b>	<b>-2.7</b>
Capex (\$)	23,074	88,200	117,600	33.3
<b>NCF (\$)</b>	<b>1,350,582</b>	<b>1,681,242</b>	<b>1,603,800</b>	<b>-4.6</b>

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 represents a -4.6% variance from the Issuer's stabilized NCF. DBRS Morningstar views the asset as stabilized given the subject's 92.3% in-place occupancy as of the September 2021 rent roll. The primary drivers of the NCF variance were the management fee, replacement reserves, and operating expenses.

DBRS Morningstar concluded a management fee of 4% of EGI, replacement reserves of \$200 per bed, and operating expenses based on the 2020-21 school year inflated by 3%. The Issuer did not provide detail on its respective assumptions.

### DBRS Morningstar Viewpoint

The subject is in central Edinburg, approximately 10.0 miles north of McAllen, Texas, and approximately 21.0 miles north of the U.S.-Mexico border. The is located within a DBRS Morningstar Market Rank of 1, representing a very rural area. Despite a tertiary location, the property supplies student housing for the UTRGV Edinburg campus, which is just two blocks south of the property. Enrollment at UTRGV's Edinburg campus is approximately 21,000 students and, despite the onset of the coronavirus pandemic, UTRGV saw enrollment for the 2021 spring semester increase by approximately 9% year over year. Additionally, UTRGV saw its enrollment increase by an average of 5.12% per year during the 10-year period ended in 2020. UTRGV is part of the University of Texas system and offers 64 bachelor's, 49 master's, and four doctoral programs. It was rated the fourth best college to attend in Texas by BestCollege.com. The subject is 0.7 miles north of the campus, a five-minute drive from downtown Edinburg and two miles from I-69C. During the lender's site inspection, there was evidence of lack of maintenance throughout the property. Most notably, several locations had mold damage. The sponsor was required to set aside 125% of the estimated cost for the immediate repairs.

The subject should benefit from its proximate location to the growing UTRGV campus and a lack of competitive student housing assets in the area. The sole competitive student housing

property within a mile of UTRGV, The Rio, is closer to the UTRGV campus (0.1 miles) but was developed in 2007 and is inferior to the subject. On campus housing is also limited, with only 788 beds available across the campus' three residence halls. Per RealPage, there are eight conventional multifamily assets that house both students and nonstudents surrounding UTRGV. Only two of these assets are within a half-mile of UTRGV; the remaining assets do not have competitive locations to the subject. However, a conventional apartment building is being built directly adjacent to the subject and is expected to compete for student renters. Furthermore, DBRS Morningstar notes that Edinburg is not highly land constrained because of its rural location. New student housing could be built, though not necessarily as close to the main college campus. The local economy heavily relies upon UTRGV, although the average household income in the city of Edinburg is \$66,780, which is above the Hidalgo County average.

The sponsor's business plan is to continue the subject's lease-up, marketing exclusively to students. Given that the property is 95.8% leased going into the 2021-22 school year with a lack of directly competitive product or new development surrounding UTRGV, DBRS Morningstar believes the asset is currently stabilized. The asset's stabilization along with the moderate DBRS Morningstar Issuance LTV of 64.9% results in the loan's expected loss being below the pool average expected loss despite being in a very tertiary market.

## 99 Rhode Island - Exeter

### Loan Snapshot

<b>Seller</b>
A10 Capital, LLC
<b>Ownership Interest</b>
Fee
<b>Trust Balance (\$ million)</b>
13.2
<b>Fully Funded Loan PSF/Unit (\$)</b>
516
<b>Percentage of the Pool (%)</b>
4.2
<b>Fully Extended Loan Maturity/ARD</b>
March 2026
<b>Amortization</b>
IO
<b>DBRS Morningstar As-Is DSCR (x)</b>
0.0
<b>DBRS Morningstar Stabilized DSCR (x)</b>
1.01
<b>DBRS Morningstar As-Is Issuance LTV (%)</b>
81.9
<b>DBRS Morningstar Stabilized Balloon LTV (%)</b>
55.3
<b>DBRS Morningstar Property Type</b>
Office
<b>DBRS Morningstar Property Quality</b>
Average
<b>Debt Stack (\$ millions)</b>
<b>Trust Balance</b>
13.2
<b>Pari Passu</b>
10.0
<b>Remaining Future Funding</b>
9.7
<b>Fully Funded Senior Mortgage Loan</b>
32.9
<b>Subordinate Debt</b>
0.0
<b>Loan Purpose</b>
Acquisition
<b>Equity Contribution/(Distribution)</b>
21.9



Source: Appraisal.



Source: Appraisal.

<b>Collateral Summary</b>			
<b>DBRS Morningstar Property Type</b>	Office	<b>Year Built/Renovated</b>	1948/2019
<b>City, State</b>	San Francisco, CA	<b>Physical Occupancy (%)</b>	0.0
<b>Units/SF</b>	63,779	<b>Physical Occupancy Date</b>	November 2021

This loan is secured by the borrower's fee-simple interest in 99 Rhode Island, a 63,779-sf, Class B office building in San Francisco. The sponsor is acquiring the collateral with plans to rebrand the exterior, renovate common area space, and entice new tenants with ample TI/LC funding. Initial loan proceeds of \$23.2 million along with borrower equity of \$16.3 million will finance the \$37.0 million purchase price and cover transaction costs. The total cost of the business plan is projected to be \$10.4 million, which includes of \$8.4 million of TI/LC costs and \$2.0 million of capital expenditures that will be funded via an approximately 71%/29% split between lender future funding and sponsor deposits. The loan is structured with \$9.7 million of future funding to finance \$6.1 million of unfunded TI/LC facilities and \$1.4 million of unfunded capex facilities, and the sponsor will be responsible for the remaining \$2.3 million of TI/LC costs and \$685,000 of estimated capital expenditures. The loan is also structured with a \$2.3 million earnout, to be released to the borrower upon satisfaction of certain occupancy, debt yield, and LTV hurdles set forth in the loan agreement. The loan is IO throughout with an initial three-year term and two one-year extension options.

The subject is of an industrial style with large windows, high-ceilings, and loft-style floor plans. The property was previously leased by MacroMedia, Airbnb, JawBone, and Pax Labs, and will continue to be advertised as creative office space. However, its most recent tenant, Pax Labs, never took occupancy because of conflicts with the city and terminated its lease in December 2019. The subject lies within the South of Market (SOMA) office submarket of

San Francisco, situated in the Design District. Per Reis, the submarket reported an 8.5% vacancy rate in Q3 2021 and is expected to average 9.5% through 2026. The vacancy rate by vintage was higher at 15.4%. Reis reported that rents of \$64.49 psf in Q3 2021 are expected to increase 8.0% to \$69.64 psf through 2026. With a \$1.4 million future capex facility and \$685,000 of future equity contributions from the borrower, the sponsor plans to repaint the exterior, add covered flex amenity space in the parking lot, build out the rooftop amenity deck, expand building window lines on the first and third floors, and update interior finishes.

### Sponsorship

The sponsor for this transaction was incepted in 2006 and focuses on value-add and core-plus funds. The sponsor has an interest in 646 assets in the United States and Europe with a portfolio value of \$11.8 billion.

### DBRS Morningstar Analysis

#### Site Inspection Summary



Source: Appraisal.



Source: Appraisal.

DBRS Morningstar did not conduct a site inspection of the property because of the 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			
	Issuer NCF	DBRS Morningstar NCF (\$)	NCF Variance (%)
GPR (\$)	3,507,900	3,699,240	5.5
Recoveries (\$)	1,453,539	2,053,911	41.3
Other Income (\$)	0	0	0.0
Vacancy (\$)	-248,072	-862,973	247.9
<b>EGI (\$)</b>	<b>4,713,367</b>	<b>4,890,178</b>	<b>3.8</b>
Expenses (\$)	1,715,559	2,053,911	19.7
<b>NOI (\$)</b>	<b>2,997,809</b>	<b>2,836,267</b>	<b>-5.4</b>
Capex (\$)	15,945	26,289	64.9
TI/LC (\$)	95,670	130,023	35.9
<b>NCF (\$)</b>	<b>2,886,194</b>	<b>2,679,955</b>	<b>-7.1</b>

1. DBRS Morningstar TI/LC expenses is inclusive of approximately \$183,057 of earnout credit.

The DBRS Morningstar NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar Stabilized NCF for the subject was \$2,679,955 representing a -7.1% variance from the Issuer's figure of \$2,886,194. The primary drivers of the variance were vacancy, real estate taxes, and TI/LC. DBRS Morningstar concluded to a stabilized vacancy rate of 15.0%, in line with the Reis submarket by vintage, while the Issuer used a 5.0% vacancy rate. DBRS Morningstar generally based real estate taxes on the stabilized appraisal. DBRS Morningstar used initial/new/renewal TIs of \$100/\$50/\$25 based on the appraisal and gave credit to the \$6.1 million TI/LC future funding reserve.

#### **DBRS Morningstar Viewpoint**

The collateral is in the South of Market (SOMA) office submarket of San Francisco. The neighborhood primarily consists of low and mid-rise office, PDR, multifamily, and industrial buildings with street level retail uses. The proximity to downtown San Francisco and Silicon Valley have brought a significant tech-base to the subject's submarket, as reflected by the subject's previous tenancy. The collateral has been previously occupied by MacroMedia Airbnb, Jawbone, and Pax Labs, but has been vacant since December 2019. Per Reis, the office submarket had a vacancy rate of 8.5% in Q3 2021, but that jumps to 15.4% when looking at buildings of a similar vintage. At the same time, Reis reported average rents of \$64.62 psf and \$73.37 psf for the office submarket and submarket by vintage, respectively. DBRS Morningstar concluded to stabilized rents of \$58.00 psf, per the appraisal, which contemplates the more industrial nature of the collateral and the Reis estimated 302,000 sf of new product will be introduced in 2022 and 2023, resulting in an expected vacancy rate of 9.4% in 2023. While vacancy rates have been somewhat elevated, the collateral is located within a fundamentally strong market, as reflected by the DBRS Morningstar Market Rank of 8 and MSA Rank 3. Loans securitized in similar market rank and MSA groups have historically experienced lower rates of default.

The subject has been vacant since December 2019 and stands to benefit from the sizable leasing costs the sponsor has accounted for. With the loan's future funding and sponsor's contributions, the sponsor will be able to offer up to \$100 psf for first generation tenant improvements on a 10-year term. The appraisal estimated \$100 psf for the initial lease and \$50 psf for second generation new TIs, which supports the sponsor's plans.

The fully funded loan represents a high LTV of 81.9% based on the appraiser's as-is value of \$40.2 million. However, the subject has a sizable upside from the capital and support of the sponsor as reflected by a 45.0% value increase through stabilization based on the appraiser's stabilized value of \$58.3 million. The resulting DBRS Morningstar Stabilized Balloon LTV of 55.5% is low particularly for a property located within a dense urban market. While the property is currently 100.0% vacant, the sponsor estimates it will take one to two

years to execute the planned renovations and lease the property to a stabilized occupancy. However, the loan is not structured with any upfront debt service reserves elevating term default risk and subsequently led to an increased DBRS Morningstar Business Plan Score (BPS). An elevated DBRS Morningstar BPS reflects DBRS Morningstar's view of increased risk in executing the business plan and is supported by the significant drop in LTV based on the value increase to be achieved through stabilization. The property's strong DBRS Morningstar Market Rank and MSA Rank contribute significantly to the loan's expected loss being below the pool average.

# Wolf Village

## Loan Snapshot

<b>Seller</b>
A10 Capital, LLC
<b>Ownership Interest</b>
Fee
<b>Trust Balance (\$ million)</b>
13.0
<b>Fully Funded Loan PSF/Unit (\$)</b>
142,157
<b>Percentage of the Pool (%)</b>
4.1
<b>Fully Extended Loan Maturity/ARD</b>
October 2028
<b>Amortization</b>
Partial IO
<b>DBRS Morningstar As-Is DSCR (x)</b>
0.97
<b>DBRS Morningstar Stabilized DSCR (x)</b>
0.97
<b>DBRS Morningstar As-Is Issuance LTV (%)</b>
78.4
<b>DBRS Morningstar Stabilized Balloon LTV (%)</b>
73.4
<b>DBRS Morningstar Property Type</b>
Student Housing
<b>DBRS Morningstar Property Quality</b>
Average

## Debt Stack (\$ millions)

<b>Trust Balance</b>
13.0
<b>Pari Passu</b>
0.0
<b>Remaining Future Funding</b>
1.5
<b>Fully Funded Senior Mortgage Loan</b>
14.5
<b>Subordinate Debt</b>
0.0
<b>Loan Purpose</b>
Acquisition
<b>Equity Contribution/(Distribution)</b>
6.0



Source: Appraisal.



Source: Appraisal.

Collateral Summary			
<b>DBRS Morningstar Property Type</b>	Multifamily	<b>Year Built/Renovated</b>	2009 & 2015
<b>City, State</b>	Pueblo, CO	<b>Physical Occupancy (%)</b>	77.0
<b>Units/SF</b>	102	<b>Physical Occupancy Date</b>	April, 2021

This loan is secured by the borrower’s fee-simple interest in Wolf Village, a 102-unit townhome-style apartment property in Pueblo, Colorado. The property has historically operated as student housing serving the adjacent Colorado State University Pueblo. Initial loan proceeds of \$13.0 million in conjunction with \$5.6 million in borrower equity will facilitate the \$18.3 million purchase of the property and cover closing costs associated with the transaction. Future funding of \$1.5 million and an additional \$330,869 in borrower equity will fund the borrower’s \$1.8 million capex budget to convert the asset into a traditional multifamily property. The five-year floating-rate loan is structured with an initial three-year IO term and amortizes over a 30-year schedule thereafter. The loan is not structured with any extension options.

The subject’s improvements were built in various phases from 2009 through 2015 and is located on a 12.31 acre site. The collateral also includes an additional 10-acres of undeveloped land. The improvements include 13 two-story townhome style buildings and one clubhouse. Common amenities currently include a tanning bed and clubhouse. Units are fully furnished and offer air conditioning, a complete appliance package, dishwashers, garbage disposals, in-unit washers/dryers, and vaulted ceilings. The property offers 384 surface parking spaces representing 3.76 spaces per unit. The borrower has budgeted \$1.83 million (\$17,950/unit) to transition the property from a student housing asset to a conventional multifamily apartment. The borrower will improve the asset with granite countertops, stainless steel appliances, new vinyl plank flooring, new cabinet paint, and the

addition of a fitness center at the clubhouse. The borrower will also implement a ratio utility billing system (RUBS) program. Units will be renovated as leases expire, and the renovation plan is expected to take three years to complete.

<b>Competitive Set</b>						
Property	Location	Units	Year Built/Renovated	Occupancy (%)	Avg. Rent Per Unit (\$)	Avg. Unit Size (sf)
Villas Park West II Apartments	Pueblo, CO	112	2009	98.8	1,376	876
Villas Park West I Apartments	Pueblo, CO	148	2004	98.8	1,244	849
The Landings at Eagle Ridge	Pueblo, CO	236	2008	96.0	1,240	946
Outlook Ridge	Pueblo, CO	184	2012	93.0	1,261	963
North Ridge Heights Townhomes	Pueblo, CO	78	1995	94.9	1,470	1,140
Shadow Mountain Apartments	Colorado Springs, CO	144	2002	92.4	1,666	1,025
<b>Total/WA Comp. Set</b>	<b>Various, State</b>	<b>902</b>	<b>Various</b>	<b>95.5</b>	<b>1,350</b>	<b>954</b>
<b>Wolf Village Apartments</b>	<b>Pueblo, CO</b>	<b>102</b>	<b>2009 &amp; 2015</b>	<b>77.0</b>	<b>1,750</b>	<b>1,220</b>

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

The appraisal identified five competitive properties within Pueblo, Colorado, and one competitive property in Colorado Springs, approximately 48 miles north of the subject. The subject's in-place average rent of \$1,750 per unit is well above the competitive set average of \$1,350 per unit and the 77.0% in place occupancy is below the competitive set average of 95.5%. The subject's figures represent the asset operating as a student housing property serving Colorado State University Pueblo.

### Sponsorship

The sponsor for this transaction is a real estate investment company headquartered in Fort Collins, Colorado, specializing in value-add acquisitions. The group targets acquisitions in high growth markets in Colorado, Utah, and Arizona, and its portfolio includes multi-family, hospitality, office, retail, and mixed-use assets. Founded in 2005, the firm has developed or acquired nearly \$500 million in transaction volume.

## DBRS Morningstar Analysis

### Site Inspection Summary



Source: Appraisal.



Source: Appraisal.

DBRS Morningstar did not conduct interior or exterior tours of the property because of health and safety constraints associated with the ongoing coronavirus pandemic. Based on photos and assessments from third-party reports, DBRS Morningstar determined the property quality to be Average.

### DBRS Morningstar NCF Summary

NCF Analysis					
	2020	T-12 April 2021	Issuer NCF	DBRS Morningstar NCF (\$)	NCF Variance (%)
GPR (\$)	1,647,406	1,633,594	2,034,000	1,864,440	-8.3
Other Income (\$)	48,791	51,068	295,000	90,392	-69.4
Vacancy & Concessions (\$)	0	0	-232,900	-195,483	-16.1
<b>EGI (\$)</b>	<b>1,696,197</b>	<b>1,684,662</b>	<b>2,096,100</b>	<b>1,759,349</b>	<b>-16.1</b>
Expenses (\$)	741,995	770,498	866,233	805,320	-7.0
<b>NOI (\$)</b>	<b>954,202</b>	<b>914,163</b>	<b>1,229,867</b>	<b>954,029</b>	<b>-22.4</b>
Capex (\$)	0	0	25,500	25,500	0.0
<b>NCF (\$)</b>	<b>954,202</b>	<b>914,163</b>	<b>1,204,367</b>	<b>928,529</b>	<b>-22.9</b>

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 represents a -22.9% variance from the Issuer's Stabilized NCF. The primary drivers of the NCF variance were GPR and other income.

DBRS Morningstar's stabilized GPR was based on the appraiser's competitive set average rent per unit on a psf basis. By contrast, the issuer concluded to GPR based on the appraiser's stabilized rent per unit estimates. DBRS Morningstar concluded to other income based on the appraiser's competitive set average per unit. The issuer concluded to other income based on the appraiser's estimate, which was generally based on the borrower's stabilized budget.

**DBRS Morningstar Viewpoint**

The sponsor's business plan is to convert a student housing property near Colorado State University Pueblo into a conventional multifamily complex using \$1.8 million (\$17,950/unit) in future capex funding. The business plan is generally achievable given the strong market metrics and Pueblo's steady population growth. Risks include the desirability of living adjacent to a college campus and the location on the edge of the city. The market comparables also present a mixed picture of the achievability of the projected rents.

The collateral is located in the northeast corner of Pueblo, Colorado, within a DBRS Morningstar Market Rank of 2 indicating a more tertiary location. The property is immediately surrounded by Colorado State University Pueblo which borders the subject to the west and north. South of the subject is State CO-47 which provides direct access to I-25, downtown Pueblo, and several business parks to the east. To the north and east of the subject is undeveloped land. The subject's location is along the northeastern edge of the Pueblo area and, with the exception of the adjacent university, there is minimal commercial development immediately surrounding the property. The closest commercial development is located 2.5 miles west of the property at the junction of CO-47 and I-25. Downtown Pueblo is approximately 4.5 miles southwest of the property.

Despite the lack of proximate demand drivers surrounding the subject, its transition to a conventional multifamily is supported by a tight apartment market within Pueblo. Per Reis, the Pueblo multifamily market boasts a high 97.6% occupancy rate as of September 2021. The market's occupancy rate is forecast to further improve, through the loan's final maturity in 2026, to 98%. According to the sponsor, 600 acres of vacant land directly east of the subject was recently sold to two residential developers. The two developers are expected to construct a total of 131 new homes as part of their first development phases. This initial development of for-sale housing is not expected to compete with the subject.

As part of the conversion, the sponsor will implement a RUBS program, add a fitness center to the clubhouse, and improve unit interiors with granite countertops, stainless steel appliances, new vinyl plank flooring, and new painted cabinets.

Despite strong occupancy forecasts, DBRS Morningstar believes the revenue upside proposed by the issuer is not well supported by the subject's competitive set. Post renovation, the subject's common amenity set will generally be inferior to the competitive properties identified in the appraisal. Most notably lacking a pool, sport court/playground, and balcony/ patio space which are all common among the appraiser's competitive set. Despite this, the issuer's concluded GPR, on a psf basis, was 9.2% above the competitive set's average rental rate of \$1.25 psf. Similarly, the borrower's estimated increase in other income, resulting from the proposed implementation of a RUBS program, was not well supported by market data either. Thus, DBRS Morningstar haircut the stabilized GPR and

other income figures down to the competitive set averages on a psf and per unit basis, respectively. The result is a low DBRS Morningstar Stabilized DSCR of 0.97x.

The loan has an elevated 78.4% issuance LTV and low DBRS Morningstar Stabilized DSCR of 0.97x. Both metrics indicate a level of leverage that is above average historical default rates. The subject's location within a DBRS Morningstar Market Rank of 2 represents a location that has also seen higher historical default rates. Despite the loan's negative credit metrics, the modeled expected loss is slightly below the pool average given the asset will be converted to traditional multifamily, a property type with low historical default rates.

**Transaction Structural Features****Pre-Approved Future Funding Companion Participation**

A pre-approved future funding companion participation is a future funding companion participation that is pre-approved for acquisition.

**Pre-Identified Additional Underlying Asset**

A pre-identified additional underlying asset refers to a mortgage asset that is pre-approved for acquisition during the pre-funding period. The pre-funding period is the period ending on the 90th day following the Closing Date.

**Post-Closing Underlying Assets**

The Issuer may cause all or a portion of proceeds deposited at closing and permitted principal proceeds to be deposited into the reserve account to be used to acquire a pre-identified additional underlying asset during the Pre-Funding Period or pre-approved future funding companion participations over the life of the transaction. Each post-closing underlying asset will be required to satisfy certain Reinvestment Conditions. To the extent funds are not used for purchasing a pre-identified additional underlying asset or funding pre-approved future funding companion participations during the pre-funding period (the period ending on the 90th day following the Closing Date), the remaining funds may (1) be held to purchase pre-approved future funding companion participations, (2) be distributed to holders of the Senior Notes on a pro rata basis based on the then-outstanding Note Principal Amount of each such class and in reduction of the note Principal Amount of each such class of notes, and/or (3) be distributed to note holders as principal proceeds subject to the priority of payments. At closing, there was one \$15.2 million pre-identified additional underlying asset, in addition to approximately \$83.2 million of preapproved future funding companion participations.

**Deferrable Notes**

Any interest due on Class C, Class D, Class E, Class F, and Class G notes that is not paid as a result of the priority of payments will be deferred and failure to pay such interest will not be an EOD. Deferred interest will be added to the outstanding principal balance of such class of notes and will accrue interest.

**Advancing and Backup Advancing**

The servicer will be required to advance certain scheduled interest payment shortfalls on the mortgage assets to the extent that interest proceeds collected are insufficient to cover interest due on the Class A or Class B notes and the advanced interest is deemed to be recoverable. If the servicer fails to make a required interest advance, the trustee will be required to advance scheduled interest payment shortfalls. Neither the servicer nor the trustee will be responsible for advancing future funding obligations or principal payments.

**Control Eligible Notes and Directing Noteholder**

The Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes, and the Class G Notes are considered control-eligible notes. The most subordinate class of control-eligible notes, so long as the balance of the Class in question is greater than or equal to at least 25% of the initial balance of such class, can appoint the Directing Noteholder during a Subordinate Control Period (other than, to the extent provided in the related co-lender agreement, any AB underlying asset unless an AB control appraisal period exists with regard to the related subordinate companion interest). It is anticipated that the Depositor will appoint A10 Capital to serve as the initial Directing Noteholder. A Subordinate Control Period will exist until the current balance of the Class C Notes is less than 25% of the initial Class C Notes balance.

**Noncall Period**

The period commencing on the closing date and ending on earlier of (1) the first payment date occurring on which the aggregate outstanding principal balance of the underlying assets is less than 20% of the aggregate outstanding principal balance of the underlying assets as of the closing date and (2) the payment date occurring in December 2023.

**Rating Agency Confirmations**

Certain events within the transaction require the Issuer to obtain a rating agency no-downgrade confirmation from the rating agencies regarding such action. 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 a rating agency no downgrade confirmation for acquisitions of Pre-Approved Future Funding Companion Participations.

**Standard Sequential-Pay Waterfall**

The transaction is a sequential-pay structure with repayment of principal allocated first to the Class A Notes until paid in full and then to the next-most senior class until repaid in full and so on. Interest proceeds are allocated first to pay interest due on the Class A Notes and then to the next-most senior class and so on.

**Note Protection Tests**

The transaction includes a Par Value Test equal to 120% and Interest Coverage Test equal to 120%. If either test is not satisfied, the interest proceeds that would otherwise be available to the holders of the Class F Notes and the Class G Notes will be distributed as principal to first pay down the Class A Notes and then to the next-most senior class until the Note Protection Tests have been satisfied.

**Appraisal Reduction**

The special servicer shall attempt to obtain the appraisal to be used to calculate the applicable Appraisal Reduction Amount within 60 days of an appraisal trigger event. The

Special Servicer shall use reasonable efforts to ensure that there is at all times an appraisal or updated appraisal of the related mortgaged property conducted within the preceding nine-month period.

**Methodologies**

The following are the methodologies DBRS Morningstar applied to assign ratings to this transaction. These methodologies can be found on [www.dbrsmorningstar.com](http://www.dbrsmorningstar.com) under the heading Methodologies & Criteria. Alternatively, please contact [info@dbrsmorningstar.com](mailto:info@dbrsmorningstar.com) or contact the primary analysts whose information is listed in this report.

- *North American CMBS Multi-Borrower Rating Methodology*
- *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*
- *Rating North American CMBS Interest-Only Certificates*
- *Interest Rate Stresses for U.S. Structured Finance Transactions*

**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 December 15, 2021. Subsequent information may result in material changes to the rating assigned herein and/or the contents of this report.

## Glossary

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

## Definitions

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### Capital Expenditure (Capex)

Costs incurred in the improvement of a property that will have a life of more than one year.

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### 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.

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### DBRS Morningstar Term DSCR

A measure that divides the DBRS Morningstar stabilized NCF by the actual debt service payment

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### 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.

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### Effective Gross Income (EGI)

Rental revenue minus vacancies plus miscellaneous income.

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### Issuer UW

Issuer underwritten from Annex A or servicer reports.

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### Loan-to-Value (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.

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### Net Cash Flow (NCF)

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

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### 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.

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### Net Operating Income (NOI)

The revenues 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.

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### 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.

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### 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.

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### Tenant Improvements (TIs)

The expense to physically improve the property or space, such as new improvements or remodeling, paid by the borrower.

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### Weighted Average (WA)

Calculation is weighted by the size of each mortgage in the pool.

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### Weighted-Average Coupon (WAC)

The average coupon or interest payment on a set of mortgages, weighted by the size of each mortgage in the pool.

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