Presale Report

FS Rialto 2021-FL3 Issuer, Ltd.
FS Rialto 2021-FL3 Co-Issuer, LLC

DBRS Morningstar
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DBRS Morningstar Viewpoint
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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.

Capital Structure

Description	Rating Action	Balance	Subordination	DBRS Morningstar Rating	Trend
Class A	New Rating - Provisional	$657,736,000	42.000%	AAA(sf)	Stable
Class A-S	New Rating - Provisional	$42,526,000	38.250%	AAA(sf)	Stable
Class B	New Rating - Provisional	$55,283,000	33.375%	AA(low)(sf)	Stable
Class C	New Rating - Provisional	$69,459,000	27.250%	A(low)(sf)	Stable
Class D	New Rating - Provisional	$80,799,000	20.125%	BBB(sf)	Stable
Class E	New Rating - Provisional	$22,680,000	18.125%	BBB(low)(sf)	Stable
Class F	New Rating - Provisional	$66,624,000	12.250%	BB(low)(sf)	Stable
Class G	New Rating - Provisional	$39,690,000	8.750%	B(low)(sf)	Stable
Preferred Shares	NR	$99,231,313	0.000%	NR	n/a

Notes:
1. NR = not rated.
2. All classes will be privately placed.
3. FS Rialto 2021-FL3 Holder, LLC, a subsidiary of the Seller, will retain 100% of the Class F notes and the Class G notes and the preferred shares issued on the Closing Date.

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Transaction Summary

Pool Characteristics			
Trust Amount ($)	1,134,028,313	**Participated Loan Commitment Amount ($)**	1,426,415,063
Number of Loans	26	**Average Loan Size ($)**	45,361,133
Number of Properties	68	**Top Ten Loan Concentration (%)**	54.89
Managed / Static	Managed	**Future Funding Participation Cut-off Date Balance ($)**	95,121,750
Delayed Close Collateral	Y	**Funded Companion Participation Cut-off Date Balance ($)**	197,265,000
Class E OC Trigger (%)	119.7	**Reinvestment Period[5]**	April 2024
Initial Class E OC Test (%)	122.1	**IC Ratio: Trigger (X)**	1.20
Wtd. Avg. Current Funded As-Is Appraised Issuance LTV (%)	72.5	**Wtd. Avg. DBRS Morningstar As-Is Issuance LTV (%)**	81.7
Wtd. Avg. Current Funded Stabilized Appraised LTV (%)	66.6	**Wtd. Avg. DBRS Morningstar Stabilized Balloon LTV (%)**	67.2
Wtd. Avg. Interest Rate Margin (%)	3.137	**DBRS Morningstar Wtd. Avg. Interest Rate[4] (%)**	4.632
Wtd. Avg. Remaining Term[1]	37.0	**Wtd. Avg. Remaining Term - Fully Extended**	58.0
Wtd. Avg. DBRS Morningstar As-Is DSCR[2]	0.99	**Wtd. Avg. Issuer As-Is DSCR (x)[4]**	1.71
Wtd. Avg. DBRS Morningstar Stabilized DSCR[3]	1.26	**Wtd. Avg. Issuer Stabilized DSCR (x)[4]**	2.28
Avg. DBRS Morningstar As-Is NCF Variance[2] (%)	-12.9	**Avg. DBRS Morningstar Stabilized NCF Variance[3] (%)**	-23.4

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 a 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. Through the 30 month Reinvestment Period, the Issuer may acquire from the Seller (a) commercial or multifamily real estate mortgage whole loans and (b) Participations in Participated Loans. Any Collateral Interests acquired by the Issuer after the Closing Date with Principal Proceeds (as defined herein) are referred to as Reinvestment Collateral Interests and will be subject to the Eligibility Criteria and Acquisition Criteria.

Issuer	FS Rialto 2021-FL3 Issuer, Ltd.
Co-Issuer	FS Rialto 2021-FL3 Co-Issuer, LLC
Mortgage Loan Seller	FS CREIT Finance Holdings LLC, a wholly-owned subsidiary of FS Credit REIT.
Servicer	Wells Fargo Bank, National Association
Special Servicer	Rialto Capital Advisors, LLC, an affiliate of the FS Credit REIT Sub-Advisor.
Collateral Administrator	Wells Fargo Bank, National Association
Trustee	Wilmington Trust, National Association
Placement Agent	Barclays Capital Inc., Goldman Sachs & Co. LLC, Wells Fargo Securities, LLC, and Deutsche Bank Securities Inc.
Structuring Agent	Barclays Capital Inc.
Advancing Agent	FS Credit REIT

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 considered impacts consistent with the baseline scenarios as set forth in the following report:
https://www.dbrsmorningstar.com/research/384482/baselinemacroeconomic-scenarios-application-to-credit-ratings.

Transaction Overview

The initial collateral consists of 26 short-term, floating-rate mortgage assets with an aggregate cutoff date balance of $1.1 billion secured by 68 properties. The aggregate unfunded future funding commitment of the future funding participations as of the cutoff date is approximately $95.1 million. The holder of the future funding companion participations will be FS CREIT Finance Holdings LLC (the Seller), a wholly owned subsidiary of FS Credit REIT, or an affiliate of the Seller. The holder of each future funding participation has full responsibility to fund the future funding companion participations. The collateral pool for the transaction is managed with a 30-month reinvestment period, which includes the Delayed Close Extension Period. During this period, the Collateral Manager will be permitted to acquire Reinvestment Collateral Interests, which may include Funded Companion Participations, subject to the satisfaction of the Eligibility Criteria and the Acquisition Criteria, although Funded Companion Participations may only be required to satisfy the more limited Companion Participation Acquisition Criteria. The Acquisition Criteria requires that, among other things, the Note Protection Tests are satisfied, no EOD is continuing, and Rialto Capital Management, LLC (Rialto) or one of its affiliates acts as the sub-advisor to the Collateral Manager. The Eligibility Criteria has minimum DSCR, LTV, 19.5 Herfindahl score, and property type limitations, including an 80% minimum multifamily requirement, among other items. Of the 26 loans, one (Paradise Plaza (#2), representing a total initial pool balance of 6.6%) is a delayed-close loan, unclosed as of October 14, 2021. The Issuer has 90 days after closing to acquire the delayed-close interest. If the Delayed Close Collateral Interest is not acquired within 90 days of the closing date, the Issuer can use the allocated balance of the delayed-close loan to acquire Reinvestment Collateral Interests during the Delayed Close Extension Period, which ends on the six month anniversary of the settlement date. The transaction stipulates that any acquisition of any Funded Companion Participation over $1 million and any Reinvestment Collateral Interest will need a rating agency confirmation (RAC) regardless of balance size. The loans are mostly secured by cash flowing assets, many of which are in a period of transition with plans to stabilize and improve the asset value. The transaction will have a sequential-pay structure.

Eligibility Criteria Concentration Parameters

Issuer Property Type	Issuance (%)	Limit (%)
Multifamily	83.6	80.0 (minimum)

Industrial	4.5	20.0
Office	0.0	20.0
Mixed-Use	0.0	20.0
Retail	6.6	20.0
Self-Storage	5.3	20.0
Hospitality	0.0	5.0

State Concentration	Issuance (%)	Limit (%)
Florida	27.4	40.0
Texas	21.6	40.0
Georgia	9.2	40.0
Any Other Individual State	8.3	25.0

Of the 68 properties, 58 are multifamily assets (83.6% of the mortgage asset cutoff date balance). No other property type exceeds 6.6% of the mortgage asset cutoff date balance. The loans are mostly secured by cash flowing assets, most of which are in a period of transition with plans to stabilize and improve the asset value. Eight loans are whole loans and the other 18 are participations with companion participations that have remaining future funding commitments totaling $95.1 million. The future funding for each loan is generally to be used for capex to renovate the property or build out space for new tenants. Please see the chart below for loans with future funding companion commitments and their uses. All of the loans in the pool have floating interest rates initially indexed to Libor and are IO through their fully extended loan term. To determine a stressed interest rate over the loan term, DBRS Morningstar used the one-month Libor index, which was the lower of DBRS Morningstar's stressed rates 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. When the debt service payments were measured against the DBRS Morningstar As-Is NCF, 11 loans, comprising 47.9% of the initial pool balance, had a DBRS Morningstar As-Is DSCR of 1.00x or below, a threshold indicative of default risk. However, the DBRS Morningstar Stabilized DSCR of only two loans, comprising 6.8% of the initial pool balance, was 1.00x or below, which is indicative of elevated refinance risk. The properties are often transitioning with potential upside in cash flow; however, DBRS Morningstar does not give full credit to the stabilization if there are no holdbacks or if the other loan structural features are insufficient to support such treatment. Furthermore, even if the structure is acceptable, DBRS Morningstar generally does not assume the assets will stabilize above market levels.

Rating Considerations

Strengths

- **Transaction Sponsor**: The securitization sponsor, FS Credit REIT, is an experienced commercial real estate (CRE) collateralized loan obligation (CLO) issuer and collateral manager. FS Credit REIT is externally managed by FS Real Estate Advisor, LLC, an affiliate of Franklin Square Holdings, L.P. (FS Investments) and FS Credit REIT Sub-Advisor (Rialto). Founded in 2007, FS Investments had $25 billion in total assets under management as of June 30, 2021. Rialto houses a vertically integrated operating platform and has $7.8 billion in total current assets under management.
- **Significant Risk Retention by Sponsor**: FS Rialto 2021-FL3 Holder, LLC, a subsidiary of the Seller, will acquire the Class F Notes, the Class G Notes, and the Preferred Shares, representing the most subordinate 18.1% of the transaction by principal balance.

- **Property Quality**: Four loans, comprising 20.3% of the total pool balance, are secured by properties DBRS Morningstar deemed to be Above Average in quality, with three loans, totaling 12.8% of the total pool balance, secured by properties identified as Average + in quality. Equally importantly, no loans were secured by a property DBRS Morningstar deemed to be Below Average, and only four loans, comprising 9.6% of the total pool balance, are secured by properties DBRS Morningstar deemed to be Average –.
- **Post-Pandemic Originations**: As no loans in the pool were originated prior to the onset of the coronavirus pandemic, the WA remaining fully extended term is 58 months, which gives the Sponsor enough time to execute its business plans without risk of imminent maturity. In addition, the appraisal and financial data provided are reflective of conditions after the onset of the pandemic.
- **Acquisition Financing**: Eighteen loans, representing 62.5% of the pool balance, represent acquisition financing. Acquisition financing generally requires the respective sponsor(s) to contribute material cash equity as a source of funding in conjunction with the mortgage loan, resulting in a higher sponsor cost basis in the underlying collateral, and aligns the financial interests between the Sponsor and lender.
- **Favorable Business Plan Scores**: The DBRS Morningstar Business Plan Scores (BPS) for loans DBRS Morningstar analyzed range between 1.30 and 2.38, with an average of 1.96. Higher DBRS Morningstar BPS indicate more risk in the Sponsor's business plan. DBRS Morningstar considered the anticipated lift at the properties from current performance, planned property improvements, sponsor experience, projected time horizon, and the business plan's overall complexity. Compared with similar mixed-property-type transactions, the subject has a low average BPS, which is indicative of lower risk.

Challenges

- **Transitional Properties**: DBRS Morningstar analyzed the loans to a stabilized cash flow that is, in some instances, above the in-place cash flow. It is possible that the Sponsor will not successfully execute its business plans and that the higher stabilized cash flow will not materialize during the loan term, especially with the ongoing coronavirus pandemic and its impact on the overall economy. The Sponsor's failure to execute the business plans could result in a term default or the inability to refinance the fully funded loan balance. In particular, the second largest loan in the pool, the Paradise Plaza retail property ($75 million trust balance or 6.6% of the pool balance), is reliant upon a private social club taking occupancy by early 2023 and having the financial wherewithal to complete its buildout.
    - *DBRS Morningstar sampled a large portion of the loans, representing 76.5% of the pool cutoff date balance.*
    - *DBRS Morningstar made relatively conservative stabilization assumptions and, in each instance, considered the business plans to be rational and the loan structure to be sufficient to execute such plans. In addition, DBRS Morningstar analyzes LGD based on the as-is credit metrics, assuming the loan is fully funded with no NCF or value upside.*
    - *DBRS Morningstar took a conservative approach with its analysis of Paradise Plaza and applied an additional penalty in the model, increasing the loan's expected loss.*
- Property Type Concentration: The deal is concentrated by property type with 23 loans, representing 83.6% of the mortgage loan cutoff date balance, secured by multifamily properties.
    - *Multifamily properties benefit from staggered lease rollover and generally have low expense ratios compared with other property types. While revenue is quick to decline in a downturn because of the short-term nature of the leases, it is also quick to respond when the market*

improves. Furthermore, the average expected loss of the loans secured by multifamily properties is roughly 30% lower than the average expected loss of the overall pool.

- *DBRS Morningstar sampled 76.5% of the pool, representing 71.9% of the total multifamily loan cutoff balance, thereby providing comfort for the DBRS Morningstar NCF.*

- Floating-Rate Loans: All loans have floating interest rates and are IO during the fully extended loan term. Initial loan terms range from 24 months to 60 months, creating interest rate risk.
    - *The borrowers of all 26 loans have purchased Libor rate caps that have a range of 0.5% to 3.00% to protect against a rise in interest rates over the term of the loan.*
    - *All loans are short term and, even with extension options, have a fully extended maximum loan term of five years.*
    - *Additionally, all loans have extension options, and, in order to qualify for these options, the loans must meet minimum DSCR and LTV requirements.*
- Limited Site Inspections: DBRS Morningstar conducted property tours on only 12 properties, representing 14.9% of the initial pool, 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.
    - *Recent third-party reports were provided for all loans and contained property quality commentary and photos.*

Legal and Structural Considerations

- **Libor Replacement**: The underlying mortgages for the transaction will pay the floating rate, which presents potential benchmark transition risks as the deadline approaches for the elimination of Libor. The transaction documents provide an alternative benchmark rate for the transition, which is primarily contemplated to be either Term Secured Overnight Financing Rate (SOFR) plus the applicable Alternative Rate Spread Adjustment or Compounded SOFR plus the Alternative Rate Spread Adjustment.

Loan Name	Cut-Off Date Whole Loan Amount ($)	Future Funding Amount[1] ($)	Whole Loan Amount[2] ($)	Future Funding Uses
Broadstone Oak Hills and Hawthorne House (Crossed)	85,000,000	0	85,000,000	N/A
Paradise Plaza	214,000,000	36,000,000	250,000,000	TI/LC; Earn Out
Norterra Canyon Apartments	66,000,000	2,100,000	68,100,000	Capital Improvements
Tiffany at Maitland West	62,500,000	0	62,500,000	N/A
Stacks on Main	60,100,000	2,000,000	62,100,000	Capital Improvements
Clutter NY4 Portfolio	118,265,000	0	118,265,000	N/A
Chicago Multifamily Portfolio	56,000,000	0	56,000,000	N/A
The Morgan	55,690,000	4,440,000	60,130,000	Capital Improvements
The Pepper Building	51,125,000	2,035,000	53,160,000	Capital Improvements
Florida Coastal Industrial Portfolio	51,000,000	6,500,000	57,500,000	Capital Improvements; TI/LC
The Nolen	47,500,000	0	47,500,000	N/A
Axiom HUB 121	45,000,000	0	45,000,000	N/A
BayVue Apartment Homes	44,300,000	7,900,000	52,200,000	Capital Improvements
River Crossing at Roswell	44,154,063	4,790,000	48,944,063	Capital Improvements
Duke of Omaha	43,000,000	0	43,000,000	N/A
Grace Abernathy Apartments	40,709,250	2,640,750	43,350,000	Capital Improvements
415 Premier	38,000,000	3,300,000	41,300,000	Capital Improvements
The Clare	37,300,000	5,360,000	42,660,000	Capital Improvements
Wildwood Austin	36,000,000	2,600,000	38,600,000	Capital Improvements
Tallahassee Multifamily Portfolio	29,900,000	4,600,000	34,500,000	Capital Improvements
Ironwood at Palmer Park	34,000,000	4,700,000	38,700,000	Capital Improvements
Polaris Austin Portfolio	23,750,000	1,250,000	25,000,000	Capital Improvements
Arcadia Decatur	20,000,000	0	20,000,000	N/A
Highlander Apartments	14,250,000	3,250,000	17,500,000	Capital Improvements
Cascadian Apartments	13,750,000	1,656,000	15,406,000	Capital Improvements

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

Future Funding Commitment

Loan Name	Total Future Funding ($)	Maximum Future Funding Allowed ($)	Total Future Funding Commitments Allowed (%)	Loan Closed (Y/N)
Paradise Plaza	36,000,000.00	36,000,000.00	100.0	N
Norterra Canyon Apartments	2,100,000.00	2,100,000.00	100.0	Y
Stacks on Main	2,000,000.00	2,000,000.00	100.0	Y
The Morgan	4,440,000.00	4,440,000.00	100.0	Y
The Pepper Building	2,035,000.00	2,035,000.00	100.0	Y
Florida Coastal Industrial Portfolio	6,500,000.00	6,500,000.00	100.0	Y
BayVue Apartment Homes	7,900,000.00	7,900,000.00	100.0	Y
River Crossing at Roswell	4,790,000.00	4,790,000.00	100.0	Y
Grace Abernathy Apartments	2,640,750.00	2,640,750.00	100.0	Y
415 Premier	3,300,000.00	3,300,000.00	100.0	Y
The Clare	5,360,000.00	5,360,000.00	100.0	Y
Wildwood Austin	2,600,000.00	2,600,000.00	100.0	Y
Tallahassee Multifamily Portfolio	4,600,000.00	4,600,000.00	100.0	Y
Ironwood at Palmer Park	4,700,000.00	4,700,000.00	100.0	Y
Polaris Austin Portfolio	1,250,000.00	1,250,000.00	100.0	Y
Highlander Apartments	3,250,000.00	3,250,000.00	100.0	Y
Cascadian Apartments	1,656,000.00	1,656,000.00	100.0	Y

DBRS Morningstar Credit Characteristics

DBRS Morningstar As-Is DSCR (x)	
DSCR	% of the Pool (Senior Note Balance[1])
0.00x-0.50x	4.5
0.50x-0.75x	6.6
0.75x-1.00x	36.8
1.00x-1.25x	39.2
1.25x-1.50x	12.9
1.50x-1.75x	0.0
>1.75x	0.0
Wtd. Avg. (x)	0.99

DBRS Morningstar Stabillized DSCR (x)	
DSCR	% of the Pool (Senior Note Balance[1])
0.00x-0.50x	0.0
0.50x-0.75x	0.0
0.75x-1.00x	6.8
1.00x-1.25x	46.1
1.25x-1.50x	38.4
1.50x-1.75x	6.6
>1.75x	2.1
Wtd. Avg. (x)	1.26

DBRS Morningstar As-Is Issuance LTV	
LTV	% of the Pool (Senior Note Balance[1])
0.0%-50.0%	0.0
50.0%-60.0%	0.0
60.0%-70.0%	0.0
70.0%-80.0%	51.3
80.0%-90.0%	34.7
90.0%-100.0%	9.1
100.0%-110.0%	4.9
110.0%-125.0%	0.0
>125.0%	0.0
Wtd. Avg. (%)	81.7

DBRS Morningstar Stabilized Balloon LTV	
LTV	% of the Pool (Senior Note Balance[1,2])
0.0%-50.0%	0.0
50.0%-60.0%	10.9
60.0%-70.0%	60.1
70.0%-80.0%	29.0
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. (%)	67.2

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 (%)
Broadstone Oak Hills and Hawthorne House (Crossed)	85,000,000	7.5	n/a	1.43	1.43	72.0	65.2
Paradise Plaza	75,000,000	6.6	n/a	0.71	1.55	75.9	65.3
Norterra Canyon Apartments	66,000,000	5.8	n/a	1.04	1.27	78.7	67.2
Tiffany at Maitland West	62,500,000	5.5	n/a	0.90	1.08	85.1	71.8
Stacks on Main	60,100,000	5.3	n/a	1.01	1.21	77.9	69.5
Clutter NY4 Portfolio	60,000,000	5.3	n/a	1.08	1.08	72.0	66.5
Chicago Multifamily Portfolio	56,000,000	4.9	n/a	1.23	1.41	76.9	67.6
The Morgan	55,690,000	4.9	n/a	0.91	1.14	109.6	67.8
The Pepper Building	51,125,000	4.5	n/a	0.95	1.04	82.5	70.3
Florida Coastal Industrial Portfolio	51,000,000	4.5	n/a	0.09	1.34	81.7	65.2

Property Detail

Loan Name	DBRS Morningstar Property Type	City	State	Year Built	SF/Units	Fully Funded Mortgage Loan per SF/Units ($)	Fully Funded Mortgage Maturity Balance per SF/Units ($)
Broadstone Oak Hills and Hawthorne House (Crossed)	Multifamily	San Antonio	TX	2018	606	140,264	140,264
Paradise Plaza	Retail	Miami	FL	2006-2018	286,353	873	873
Norterra Canyon Apartments	Multifamily	North Las Vegas	NV	2007	426	154,930	154,930
Tiffany at Maitland West	Multifamily	Maitland	FL	2018	315	198,413	198,413
Stacks on Main	Multifamily	Nashville	TN	2016	268	224,254	224,254
Clutter NY4 Portfolio	Self-Storage	Various	NY	Various	5,260	11,407	11,407
Chicago Multifamily Portfolio	Multifamily	Chicago	IL	Various	649	86,287	86,287
The Morgan	Multifamily	Austin	TX	1984	504	110,496	110,496
The Pepper Building	Multifamily	Philadelphia	PA	1927	184	277,853	277,853
Florida Coastal Industrial Portfolio	Industrial	Various	FL	Various	740,356	69	69

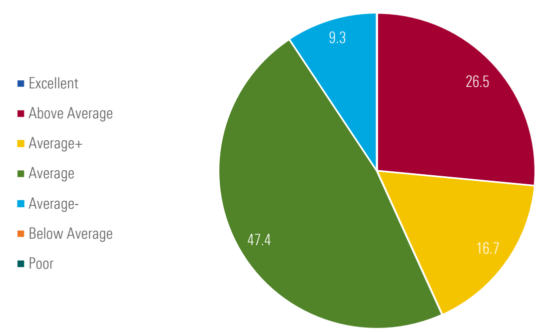
DBRS Morningstar Sample

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	Broadstone Oak Hills and Hawthorne House (Crossed)	7.5	4,989,437	-20.6	GPR ; Other Income	Average+
2	Paradise Plaza	6.6	20,676,091	-28.0	Percentage Rent; In-place base rent; Economic vacancy & credit loss	Above Average
3	Norterra Canyon Apartments	5.8	4,023,513	-14.6	GPR; Operating expenses	Average
4	Tiffany at Maitland West	5.5	3,146,701	-28.6	GPR; Total Vacancy	Above Average
5	Stacks on Main	5.3	3,271,637	-19.9	GPR	Average+
6	Clutter NY4 Portfolio	5.3	5,973,189	-31.3	GPR ; Vacancy	Average
7	Chicago Multifamily Portfolio	4.9	3,982,427	-22.8	GPR; Controllable Expenses	Average
8	The Morgan	4.9	2,939,403	-26.3	GPR	Average
9	The Pepper Building	4.5	2,602,512	-23.3	GPR	Average
10	Florida Coastal Industrial Portfolio	4.5	3,611,584	-22.1	GPR	Average-
11	The Nolen	4.2	2,573,495	-21.4	GPR	Above Average
12	Axiom HUB 121	4.0	2,487,419	-17.4	GPR	Above Average
14	River Crossing at Roswell	3.9	2,438,879	-25.0	GPR	Average
16	Grace Abernathy Apartments	3.6	1,980,394	-30.7	GPR ; Other Income	Average
17	415 Premier	3.4	2,582,394	-18.4	GPR; Total Expenses	Average
20	Tallahassee Multifamily Portfolio	2.6	2,234,207	-24.4	GPR	Average-

DBRS Morningstar Site Inspections

The DBRS Morningstar sample included 17 loans, and a site inspection was performed at 12 of the 68 properties in the pool, representing 14.9% of the pool by allocated cutoff balance. The photos and content in the site inspection summaries refer to the property and market conditions at the time of the inspection. The resulting DBRS Morningstar property quality scores are highlighted in the following chart.

DBRS Morningstar Sampled Property Quality



Source: DBRS Morningstar.

DBRS Morningstar Cash Flow Analysis

DBRS Morningstar completed a cash flow review and cash flow stability and structural review on 17 of the 26 loans, representing 76.5% of the pool by loan balance. Overall, the Issuer's cash flows were generally recent (from mid-2021) and reflective of recent conditions. For the loans not subject to NCF review, DBRS Morningstar applied NCF variances of -12.9% and -23.4% to the Issuer's As-Is and Stabilized NCFs, respectively.

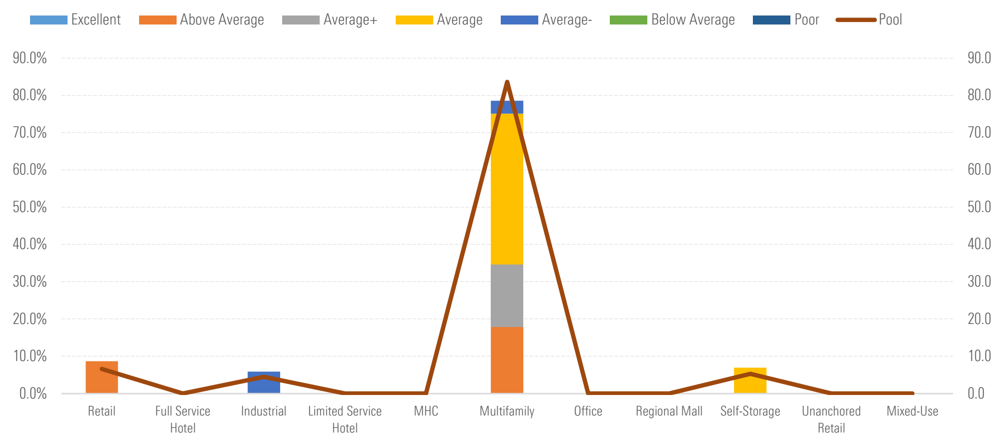
As-Is NCF

The DBRS Morningstar As-Is NCF was based on the property's current performance, without giving any credit to future upside that may be realized by the Sponsor upon execution of its business plans. The DBRS Morningstar sample had an average in-place NCF variance of -12.9% from the Issuer's NCF and ranged from -1.1% to -30.5%.

Stabilized NCF

The DBRS Morningstar Stabilized NCF was derived by generally stabilizing the properties at market rent and/or recently executed leases and market expenses that DBRS Morningstar believed were reasonably achievable based on the individual loan sponsors' business plans and structural features of the respective loan. This often involved assuming higher than in-place rental rates for multifamily properties based on the significant ongoing renovations, with rents already achieved on renovated units providing the best guidance on market rent upon renovation completion. For all assumptions, DBRS Morningstar took a somewhat conservative view compared with the market to account for execution risk around the business plans. The DBRS Morningstar sample had an average DBRS Morningstar Stabilized NCF variance of -23.4% from the Issuer's Stabilized NCF and ranged from -14.6% to -31.3%.

DBRS Morningstar Sampled Property Type



Source: DBRS Morningstar.

Model Adjustments

DBRS Morningstar applied a two-factor POD adjustment to Paradise Plaza, given the challenges surrounding its business plan with tenant build-outs and late lease commencement of the SNO (signed not occupied) tenant. As a result, the loan has an expected loss that is higher than the pool average to account for the additional risk. Please refer to page 22 for more detail on the aforementioned adjustment and Paradise Plaza.

The Broadstone Oak Hills and Hawthorne House cross-collateralized loans were modeled as a portfolio to properly account for the diversity and concentration impact on the pool. Please refer to page 18 for more detail on Broadstone Oak Hills and Hawthorne House.

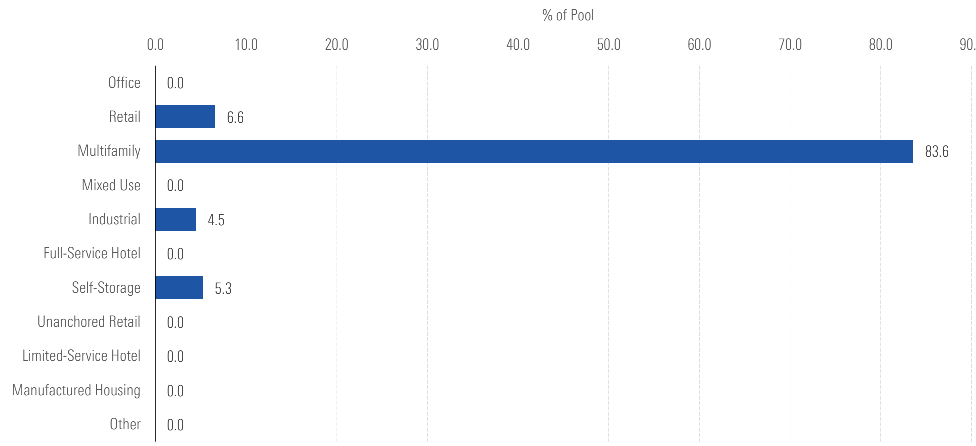
Additionally, DBRS Morningstar applied value adjustments to 12 loans, comprising 50.5% of the cutoff date pool balance. DBRS Morningstar adjusted values to reflect its view of the respective markets and the inherent risk associated with the sponsors' business plans. The resulting DBRS Morningstar LTVs and cap rates are highlighted in the following table.

DBRS Morningstar Model Adjustments

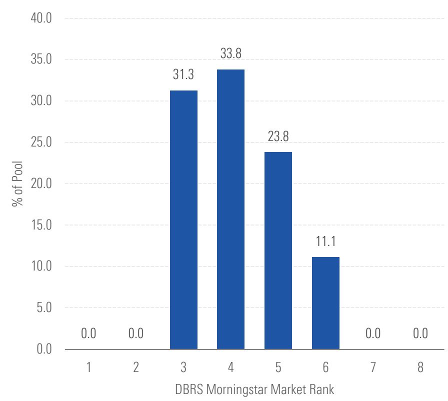
Prospectus ID	Loan	Implied As-Is Cap Rate (%)	DBRS Morningstar Adjusted Cap Rate (%)	Appraised As Is LTV (%)	DBRS Morningstar As-Is LTV (%)	Implied Stabilized Cap Rate (%)	DBRS Morningstar Adjusted Stabilized Cap Rate (%)	Appraised Stabilized LTV (%)	DBRS Morningstar Stabilized LTV (%)	Notes
3	Paradise Plaza	4.1%		65.0%		6.9%	7.5%	60.0%	65.3%	Market cap rate adjustment
4	Norterra Canyon Apartments	3.8%	4.0%	72.0%	78.7%			67.2%		Purchase price adjustment
5	Tiffany at Maitland West	3.5%	4.1%	71.9%	85.1%			71.8%		Market cap rate adjustment
9	The Morgan	3.2%	4.5%	71.2%	109.6%	4.3%	4.5%	64.5%	67.8%	Market cap rate adjustment
11	Florida Coastal Industrial Portfolio	0.4%	0.5%	68.5%	81.7%			65.2%		Purchase price adjustment
12	The Nolen	4.1%	4.3%	79.3%	81.6%			74.2%		Purchase price adjustment
13	Axiom HUB 121	3.9%	4.3%	69.0%	75.0%			65.8%		Market cap rate adjustment
16	Duke of Omaha	4.3%	4.5%	74.9%	77.8%			68.5%		Market cap rate adjustment
19	The Clare	3.3%	4.8%	57.3%	94.5%			57.3%		Purchase price adjustment
20	Wildwood Austin	4.0%	4.5%	77.9%	92.9%	4.4%	4.5%	68.7%	70.6%	Market cap rate adjustment
21	Tallahassee Multifamily Portfolio	5.6%	5.9%	75.5%	91.4%			74.4%		Purchase price adjustment
23	Polaris Austin Portfolio	4.1%	4.5%	68.2%	79.3%	4.3%	4.5%	53.0%	55.1%	Market cap rate adjustment

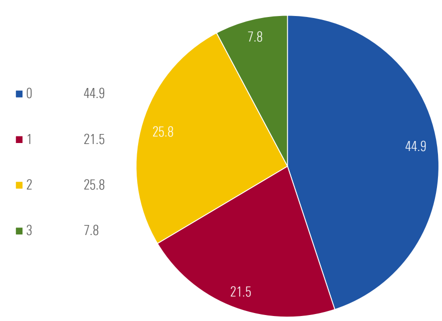
Transaction Concentrations

DBRS Morningstar Property Type



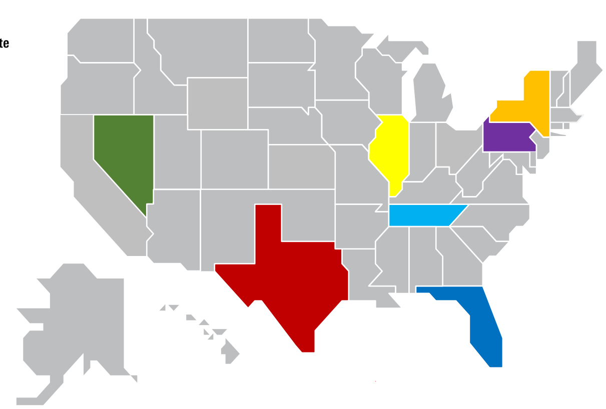
DBRS Morningstar Market Rank DBRS Morningstar MSA Group





Largest Property Location

Property Name	City	State
Broadstone Oak Hills and Hawthorne House (Crossed)	San Antonio	TX
Paradise Plaza	Miami	FL
Norterra Canyon Apartments	North Las Vegas	NV
Tiffany at Maitland West	Maitland	FL
Stacks on Main	Nashville	TN
Clutter NY4 Portfolio	Various	NY
Chicago Multifamily Portfolio	Chicago	IL
The Morgan	Austin	TX
The Pepper Building	Philadelphia	PA
Florida Coastal Industrial Portfolio	Various	FL



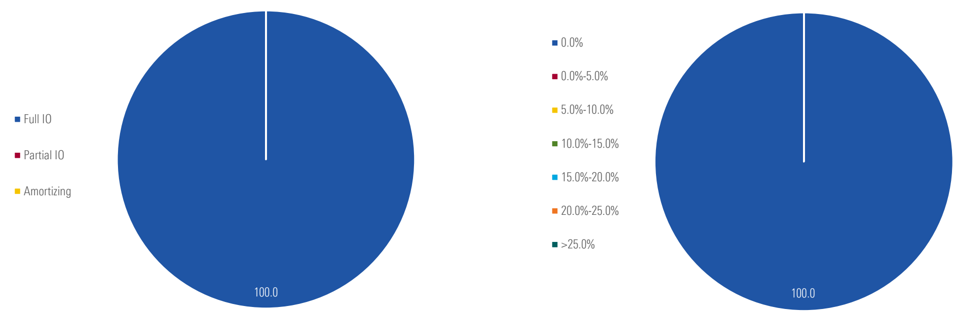
Source: DBRS Morningstar.

Loan Structural Features

Loan Terms: All 26 loans have floating interest rates. Original loan terms for all loans range from 24 months to 60 months. Twenty-five loans (93.4% of the initial pool) have one, two, or three 12-month extension options while only one loan has no extension options.

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

Interest Only DBRS Morningstar Expected Amortization



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

Reserve Requirement			**Borrower Structure**		
Type	# of Loans	% of Pool	Type	# of Loans	% of Pool
Tax Ongoing	25	100.0	SPE with Independent Director and Non-Consolidation Opinion	22	94.5
Insurance Ongoing	22	85.6	SPE with Independent Director Only	1	3.0
CapEx Ongoing	16	65.6	SPE with Non-Consolidation Opinion Only	0	0.0
Leasing Costs Ongoing[1]	1	59.5	SPE Only	2	2.5

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

Interest Rate Protection: All 46 loans have purchased interest rate caps over the term of the loan. If the DBRS Morningstar stressed interest rate is less than the interest rate cap purchased by the borrower, DBRS Morningstar would default to the lower rate.

Additional Debt: No loans in the pool have additional subordinate debt and none are permitted additional future debt.

Additional Debt							
Loan Name	Trust Balance ($)	Future Funding Amount ($)	Pari Passu Balance ($)	B-Note Balance ($)	Mezz/Unsecured Debt Balance ($)	Future Mezz/Unsecured Debt (Y/N)	Total Debt Balance ($)
Paradise Plaza	75,000,000.0	36,000,000.0	139,000,000.0	0.0	0.0	N	250,000,000.0
Clutter NY4 Portfolio	60,000,000.0	0.0	58,265,000.0	0.0	0.0	N	118,265,000.0

Future Funding: Seventeen loans, representing 63.1% of the initial pool balance, have a future funding component. The aggregate amount of future funding remaining is $95.1 million, with future funding amounts per loan ranging from $1.3 million to $36.0 million. The proceeds necessary to fulfill the future funding obligations will primarily be drawn from a committed warehouse line and will be initially held outside the trust but will be pari passu with the trust participations. The future funding is generally to be used for property renovations and leasing costs. It is DBRS Morningstar's opinion that the business plans are generally achievable given market conditions, recent property performance, and adequate available future funding (or upfront reserves) for planned renovations and leasing costs.

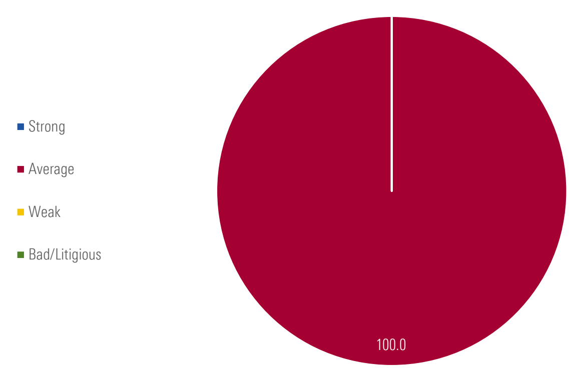
Leasehold: There are no leasehold loans in the pool.

Property Release: Five loans, comprising 24.3% of the pool balance, allow for the partial release of properties, subject to certain debt yield or prepayment conditions, among others.

Property Substitution: No loans in the pool allow for the substitution of properties.

Terrorism Insurance: All loans have terrorism insurance in place.

DBRS Morningstar Sponsor Strength



Source: DBRS Morningstar.

Broadstone Oak Hills and Hawthorne House

Loan Snapshot

Seller	FS Rialto
Ownership Interest	Fee
Trust Balance ($ million)	85.0
Loan PSF/Unit ($)	140,264
Percentage of the Pool (%)	7.5
Fully Extended Loan Maturity/ARD	August 2026
Amortization	Full IO
DBRS Morningstar As-Is DSCR (x)	1.4
DBRS Morningstar Stabilized DSCR (x)	1.4
DBRS Morningstar As-Is Issuance LTV (%)	72.0
DBRS Morningstar Stabilized Balloon LTV (%)	65.2
DBRS Morningstar Property Type	Multifamily
DBRS Morningstar Property Quality	Average+

Debt Stack ($ millions)

Trust Balance	85.0
Pari Passu	0.0
Remaining Future Funding	0.0
Mortgage Loan Including Future Funding	85.0
Loan Purpose	Acquisition
Equity Contribution/(Distribution) ($ million)	36.8

Source: Broadstone ASR.

Source: Hawthorne ASR.

Collateral Summary			
DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	2018
City, State	San Antonio, TX	**Physical Occupancy (%)**	99.2
Units/SF	606	**Physical Occupancy Date**	July 2021

This loan is secured by the borrower's fee-simple interest in Broadstone Oak Hills and Hawthorne House, two cross-collateralized multifamily properties totaling 606 units, in San Antonio. Loan proceeds of $85.0 million along with $36.8 million of borrower equity were used to purchase the properties for a total of $118.0 million and cover closing costs. The four-year initial loan term and one one-year extension option are IO throughout.

Portfolio Summary

Property	City, State	Units	Year Built	Occupancy (%)	In-Place Rent ($/unit)	Cut Off Loan Amount ($)	Cut-Off Date Loan Amount (%)
Broadstone Oak Hills	San Antonio, TX	330	2018	99.1	1,451	46,500,000	54.7
Hawthorne House	San Antonio, TX	276	2018	99.3	1,459	38,500,000	45.3
Total/WA	**San Antonio, TX**	**606**	**2018**	**99.2**	**1,455**	**85,000,000**	**100**

Constructed between 2018 and 2019, the two properties are located 1.2 miles from each other in the Far Northwest submarket of San Antonio. As of the rent roll dated July 2021, the properties were 99.2% occupied with an average rent of $1,455 per unit. The unit mix across the portfolio consists of 45 studio units, 374 one-bedroom units, and 187 two-bedroom units with average rents of $1,150 per unit, $1,322 per unit, and $1,792 per unit, respectively. Common area amenities across the properties include outdoor pools, an outdoor kitchen, clubhouses, fitness centers, business lounges, package lockers, dog parks, and detached parking garages. Both properties are located adjacent to the South Texas Medical Center, a 900-acre medical campus with more than 4,200 patient beds and more than 27,000 employees.

Additionally, the properties are two miles south of the headquarters of financial services company USAA, which employs more than 14,000 people.

Competitive Set

Property	Location	Distance from Subject (Miles)	Units	Year Built/ Renovated	Occupancy (%)	Avg. Rental Rate Per Unit ($)	Avg. Unit Size (SF)
Addison Medical Center	San Antonio, TX	1.7	217	2018	94.9	1,275	701
Chroma	San Antonio, TX	1.6	276	2018	94.3	1,302	825
Mark Huebner Oaks	San Antonio, TX	3.4	361	2016	89.0	1,535	941
Palmetto Pointe	San Antonio, TX	2.5	328	2020	97.0	1,351	886
Vue	San Antonio, TX	3.2	91	2021	n/a	1,820	895
Total/WA	**San Antonio, TX**	**Various**	**1,273**	**Various**	**93.5**	**1,413**	**857**
Broadstone Oak Hills and Hawthorne House	**San Antonio, TX**	**n/a**	**606**	**2018**	**99.2**	**1,455**	**812**

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

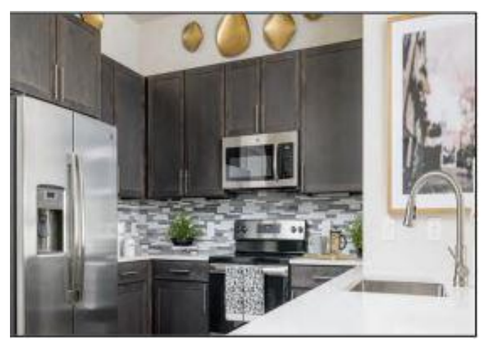
Sponsorship

The sponsors for this loan are Baruch Glaubach, Marc Fried, and Mitchell Hammer of River Rock Capital, a New York based real estate firm that specializes in the acquisition and management of multifamily properties in New Jersey and New York. It currently has more than 3,500 multifamily units under management, but this will be its first property outside of the New Jersey/New York market. The properties will be managed by Kairoi Residential, a third party management company based in San Antonio, for a contractual rate of 3.0% of EGI.

DBRS Morningstar Analysis

Site Inspection Summary

Source: Broadstone ASR.



Source: Hawthorne ASR.

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 Average +.

DBRS Morningstar NCF Summary

NCF Analysis	T-12 June 2021	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	10,453,833	11,904,264	10,576,784	-11.15
Other Income ($)	281,298	821,408	281,298	-65.75
Vacancy & Concessions ($)	-1,553,751	-773,777	-701,556	-9.33
EGI ($)	**9,181,380**	**11,951,894**	**10,156,527**	**-15.02**
Expenses ($)	4,538,540	5,546,210	5,015,590	-9.57
NOI ($)	**4,642,841**	**6,405,685**	**5,140,937**	**-19.74**
Capex ($)	121,200	121,200	151,500	25.00
NCF ($)	**4,521,641**	**6,284,485**	**4,989,437**	**-20.61**

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 $4,989,437, representing a -20.6% variance from the Issuer's stabilized NCF of $6,284,485. The main drivers of the variance are GPR and Other Income. DBRS Morningstar assumed the properties to be stabilized and estimated the GPR based on the leases in place according to the June 2021 rent roll, using averages of the in-place leases per unit type to gross up vacant space. For other income, DBRS Morningstar applied the T-12 figure reported at both properties, while the issuer concluded to the appraiser's stabilized assumption.

DBRS Morningstar Viewpoint

The properties are well located near major demand drivers that include the South Texas Medical Center and USAA headquarters that employ more than 41,000 combined. While the subjects are located in a suburban area, the density of development and amount of commercial activity nearby (among other factors) result in the area being a DBRS Morningstar Market Rank 5, which historically does not show the elevated default rate of the more lightly developed suburban DBRS Morningstar Market Ranks 3 and 4.

The portfolio has demonstrated strong occupancy in the short time since lease-up; it was 99.2% occupied as of the July 2021 rent roll, which is better than the Reis Far Northwest submarket of San Antonio vacancy rate of 4.2% while looking at properties of similar vintage, according to Q2 2021 data. The properties had been offering concessions (6.8% of GPR as of T-12 June 2021) to help maintain occupancy throughout the pandemic, and the sponsor's business plan is to burn off concessions over the next two to three years. The portfolio is achieving an average in-place rent of $1,455 per unit as of the July 2021 rent roll, which is in line with Reis submarket average rents of $1,482 per unit by vintage. DBRS Morningstar believes that the properties are stabilized and that rental rates will remain consistent with in-place rents. In addition, DBRS Morningstar views the sponsor's business plan of burning off concessions to be easily achievable, as reflected by the low DBRS Morningstar Business Plan Score of 1.40.

The fully funded mortgage loan balance of $85.0 million represents a moderately high issuance LTV of 72.0% based on the as-is appraised value of $118.0 million, which is the same as the combined purchase price of the two cross-collateralized properties. More specifically, while the appraised value of $194,719 per unit is slightly below the appraiser's average value of recent sales comparables of $196,374 per unit, the Issuer's stabilized implied cap rate sits at the low end of the appraiser's range of 4.20% to 4.75%, at 4.25%. While the loan has somewhat elevated leverage for stabilized loan standards, for bridge loan standards it is fairly low. Further, the relatively strong (by bridge loan standards) as-is and stabilized DSCR of 1.43x, low DBRS Morningstar Business Plan Score of 1.40, and Average + property quality score, result in a relatively low modeled expected loss compared with the deal average.

Paradise Plaza

Loan Snapshot

Seller	FS Rialto
Ownership Interest	Fee
Trust Balance ($ million)	75.0
Loan PSF/Unit ($)	837
Percentage of the Pool (%)	6.6
Fully Extended Loan Maturity/ARD	November 2026
Amortization	Full IO
DBRS Morningstar As-Is DSCR (x)	0.7
DBRS Morningstar Stabilized DSCR (x)	1.6
DBRS Morningstar As-Is Issuance LTV (%)	75.9
DBRS Morningstar Stabilized Balloon LTV (%)	65.3
DBRS Morningstar Property Type	Retail
DBRS Morningstar Property Quality	Above Average

Debt Stack ($ millions)

Trust Balance	75.0
Pari Passu	139.0
Remaining Future Funding	36.0
Mortgage Loan Including Future Funding	250.0
Loan Purpose	Refinance
Equity Contribution/(Distribution) ($ million)	0

Collateral Summary

DBRS Morningstar Property Type	Retail	**Year Built/Renovated**	2006-2018/2013-2021
City, State	Miami, FL	**Physical Occupancy (%)**	91.2
Units/SF	286,353	**Physical Occupancy Date**	August 2021

This delayed-close loan will be secured by the borrower’s fee-simple interest in the Paradise Plaza, a 286,252-sf retail portfolio in Miami. Initial loan proceeds of $214.0 million will be used to pay off $205.5 million of land loans on nearby Miami Design sites that the sponsor owns, but is not collateral for the subject, fund a $4.5 million interest reserve, and cover remaining closing costs. The Sponsors will be contributing $5.0 million of equity at closing of the transaction to fund a deposit reserve for SNO Tenant. This will be lenders collateral until SNO Tenant has completed their $40 million buildout and are open for business. An additional $36.0 million future funding component will be used to fund $15.0 million of the SNO tenant's $40.0 million build-out (the remaining $25.0 million will be funded by the SNO Tenant), $6.0 million for leasing costs, and a $15.0 million earnout. The whole loan will be structured with a five-year initial term and no extension options. The loan features springing cash management with a NCF sweep if the DSCR falls below 1.05x, or if the DSCR falls below 1.15x and the SNO tenant does not take occupancy by March 1, 2023. As of the date this presale was published, DBRS Morningstar had not received any loan documents or third-party reports for Paradise Plaza, but instead relied upon information provided by the issuer, including a signed and executed loan term sheet.

The collateral consists of seven buildings spread across the Miami Design District, encompassing 286,252 sf of retail, restaurant, office, and event space as well as a 924-space parking garage. The SNO tenant will become the largest tenant (26.0% of NRA) by taking over the Moore building when its lease begins in 2023. The SNO tenant will be a members-only club consisting of a restaurant and lounge, co-working space, 15 hotel rooms, and one public restaurant. No other tenant accounts for more than 5.0% of the total sf. The remaining tenants are generally high-end retailers, such as Chanel, Gucci, and Tory Burch, as well as some fine dining restaurants.

Tenant Summary

Tenant	SF	% of Total NRA	Gross Rent PSF ($)	% of Total Gross Rent	Lease Start	Lease Expiry
SNO Tenant	75,229	26.3%	$67.83	17.7%	3/2023	2/2038
Gucci	6,544	2.3%	$589.76	13.4%	11/2017	1/2028
Balenciaga	10,095	3.5%	$191.33	6.7%	10/2022	9/2032
Dior Homme	3,482	1.2%	$500.65	6.0%	12/2013	11/2022
L'Atelier del Joel Robuchon	8,835	3.1%	$106.79	3.3%	3/2019	2/2034
ZZ's Sushi Bar	5,843	2.0%	$144.73	2.9%	3/2021	3/2031
Cote	5,892	2.1%	$136.63	2.8%	2/2021	1/2036
Tory Burch	4,174	1.5%	$185.99	2.7%	10/2016	1/2027
Off White	2,998	1.0%	$246.46	2.6%	7/2020	11/2024
Christian Louboutin	4,307	1.5%	$170.98	2.5%	4/2017	4/2027
Subtotal/Wtd. Avg.	**127,399**	**44.5%**	**$137.23**	**61.0%**		
Other Tenants	133,663	46.7%	$85.30	39.5%	Various	Various
Vacant Unleased Space	25,291	8.8%	n/a	n/a	n/a	n/a
Total/Wtd. Avg.	**286,353**	**100.0%**	**$100.87**	**100.0%**		

As of August 2021, the portfolio was 91.2% leased to 64 individual tenants. The sponsor plans to lease the additional vacant suites and stabilize the portfolio at 95.0% occupancy. Several tenants at the property are still building out their spaces, including Chanel and the SNO tenant. Chanel is on track to open for business by December 1, 2021. Excluding tenants that have yet to complete build-outs and open for business, the property is currently about 68% physically occupied. Tenants representing 18% of the NRA are currently only paying rent based on a percentage of sales and not their contractual base rent. The sponsor is reportedly in active lease negotiations with one high end health and spa tenant to take 25,000 sf and six others for a total of 12,000 sf.

Sponsorship

The sponsors for this transaction are Dacra, L Catterton, and Brookfield. Dacra started acquiring property in the Miami area in the 1990s to transform the current design district. In the early 2000s, Dacra, in partnership with L Catterton and Brookfield, began to transform the submarket, which has since become a luxury mixed-use hub. The sponsors purchased the collateral for this transaction in two transactions in September 2014 and November 2015. While this transaction only includes seven buildings in the Miami Design District, the sponsors own several other properties in the immediate area, as well as multiple development parcels. Based on the information provided, DBRS Morningstar concluded the sponsor strength as Average.

DBRS Morningstar Analysis

Site Inspection Summary

DBRS Morningstar toured the exterior of the properties on September 23, 2021, at 12:00 p.m. Based on the exterior site inspection, DBRS Morningstar found the property quality to be Above Average.

The seven properties are spread out in the Miami Design District: a modern, upscale submarket known for luxury retailers, art galleries, and restaurants. The surrounding area draws significant foot traffic from local residents as well as tourists. Public art is dotted throughout the District, creating a pleasing overall esthetic for shoppers. The Institute of Contemporary Art is in the northwestern corner of the district and features renowned artwork in a very modern building. The area is just north of downtown Miami, with easy access through Hwy. 195 or Biscayne Boulevard. The immediate area is certainly a highlight for the loan and beneficial for the overall success of the collateral.

The physical condition of the properties was impressive as each store presents a unique exterior design and is excellently maintained. The retailers Gucci and Chanel are on opposite corners of the main street running through the Design District and both appeared to be undergoing renovation. The two-story Chanel building is one of the largest retail locations in the area and was undergoing major interior and exterior renovations. Chanel has yet to take occupancy as it is still building out its space. The Gucci store was open at the time of inspection, but artists were painting a large mural on the outside of the building, a common trend seen on other stores in the District. DBRS Morningstar was not able to tour the future SNO tenant space but it appeared that major construction for this tenant had not begun. The architecture and exterior design of the five-story Warby Parker building was the most impressive in the area and the store received significant foot traffic during the time of the inspection. Warby Parker occupies just the first and second floor of this building, which appeared to have a large rooftop lounge, with the remaining floors used for parking.

DBRS Morningstar was only able to make an unguided tour of the exterior so it was unable to acquire on-site information regarding the status of the business plan. However, based on the exterior inspection, it is clear that the location is excellent and the physical conditions of the properties are well maintained with designs unique to the Miami Design District.

DBRS Morningstar NCF Summary

NCF Analysis				
	T-12 May 2021	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	14,011,630	24,841,480	24,192,720	-2.6
Recoveries ($)	3,543,934	8,416,588	7,916,912	-5.9
Other Income ($)	1,519,591	8,153,038	4,538,920	-44.3
Vacancy ($)	0	-2,070,555	-3,554,327	71.7
EGI ($)	**19,075,155**	**39,340,550**	**33,094,224**	**-15.9**
Expenses ($)	9,432,054	9,994,358	10,815,724	8.2
NOI ($)	**9,643,101**	**29,346,192**	**22,278,499**	**-24.1**
Capex ($)	0	71,588	57,271	-20.0
TI/LC ($)	0	572,706	1,545,137	169.8
NCF ($)	**9,643,101**	**28,701,898**	**20,676,091**	**-28.0**

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 $20,676,091, representing a -28.0% variance from the Issuer's Stabilized NCF.

The primary drivers of the variance were percentage rent, vacancy, and tenant improvements. DBRS Morningstar accepts the current percentage rent listed in the August 2021 rent roll, and the issuer is including the estimated sales figure from one of the tenants upon stabilization. A stabilized vacancy of 10.0% was applied, based on third-party market analysis and the size of the TI/LC reserve. TI/LC figures were generally based on recent comparable properties that DBRS Morningstar analyzed.

DBRS Morningstar Viewpoint

The portfolio benefits most from its location in the Miami Design District. This growing retail center includes some of the most luxurious stores, restaurants, and art galleries in the country. Additionally, the collateral falls into DBRS Morningstar Market Rank 6 and MSA Group 2, both indicative of a decreased POD. The area receives ample foot traffic from wealthy Miami residents and draws significant attention from tourists as well.

In addition to the strong submarket, the sponsors for this transaction played a key role in the Miami Design District's inception. Dacra, one of the three sponsors, began to acquire and develop real estate in the district in the early 1980s after decades of experience in the larger Miami real estate market. In a partnership with L Catterton and Brookfield Asset Management, Dacra began to sculpt what eventually became the Miami Design District as it is known today. The sponsors also own several properties in the district outside of the collateral for this transaction, including several development parcels. The combination of the District's reputation for high-end retailers and the sponsors' significant experience in the area should bode well for the success of the business plan.

While the sponsors' experience and the portfolio's location are strong, there are issues with tenancy at the property. Chanel and SNO Tenant, the two largest tenants at the property, have yet to occupy their spaces. Chanel is still building its store and is expected to take occupancy in the coming months. However, the optimistic sales projections for Chanel and many other tenants included in the Issuer's

NCF analysis may be challenging to accomplish with the volatile status of retail in the general real estate market. And while the Miami Design District offers a growing number of luxury retailers and restaurants, it will continue to compete with other high-end retail properties within Miami. Several of the retailers at Paradise Plaza also have locations at Bal Harbour, Aventura Mall, and South Beach.

The SNO tenant presents the greatest risk for the property not reaching stabilization but the loan is structured in an attempt to mitigate this. Firstly, the SNO tenant paid an upfront nonrefundable $5 million security deposit that sits in a lender-controlled account. Secondly, the lender will only advance the $15 million future funding amount for the SNO tenant build-out subject to strict criteria. However, SNO tenant still needs to fund $25 million of the estimated $40 million ($532 psf) buildout of its space. DBRS Morningstar was not given any information regarding the tenant’s financial wherewithal to fund its share of the improvements. The SNO tenant is among the growing number of next-generation private social clubs opening in major U.S. cities. The SNO tenant currently operates one club in a major US city that charges initiation fees of $1,650 to $5,000 and monthly fees of $125 to $250, depending on the age of the member. DBRS Morningstar’s research on private social clubs indicates these membership dues are in the range of similar clubs. This compares favorably with some of the better known private clubs in Miami that charge six-figure initiation fees and much higher annual dues. The SNO tenant's current location also has reciprocal agreements with other clubs in the U.S. and other countries. The sixth-largest tenant by rent at the property, ZZ’s Sushi, is a private membership restaurant club where new members must be nominated by existing members. The number of exclusive social clubs competing for new members in Miami continues to grow, and the long-term supply-demand dynamics have yet to prove out new clubs. Nevertheless, the coronavirus pandemic seems to have increased the demand for such clubs.

Given the challenges with tenant buildouts and late lease commencements, DBRS Morningstar has applied a business plan score of 2.20, slightly above deal average. This is primarily a factor of the large jump from the in-place cash flow to the stabilized cash flow, which represents a 120.4% increase based on the DBSR Morningstar NCF analysis. Retail properties with extensive transitional business plans typically have higher loan level expected losses and this portfolio is no exception. For this reason, as well as the tenant’s specialty use , DBRS Morningstar increased the implied cap rate for the stabilized value, resulting in a DBRS Morningstar stabilized LTV of 65.3%, which still produces a value of $1,336 psf. DBRS Morningstar also doubled the resulting POD in its model. As a result, the loan has an expected loss that is higher than the pool average to account for the additional risk. However, the collateral resides in one of the strongest retail sectors in the country and the sponsor has more than 20 years of experience with retail properties in this submarket. DBRS Morningstar believes that the loan’s elevated expected loss is justified but the location and sponsorship will likely prove essential to the success of this loan.

Norterra Canyon Apartments

Loan Snapshot

Seller	FS Rialto
Ownership Interest	Fee
Trust Balance ($ million)	66.0
Loan PSF/Unit ($)	154930
Percentage of the Pool (%)	5.8
Fully Extended Loan Maturity/ARD	May 2026
Amortization	Full IO
DBRS Morningstar As-Is DSCR (x)	1.0
DBRS Morningstar Stabilized DSCR (x)	1.3
DBRS Morningstar As-Is Issuance LTV (%)	78.7
DBRS Morningstar Stabilized Balloon LTV (%)	67.2
DBRS Morningstar Property Type	Multifamily
DBRS Morningstar Property Quality	Average

Debt Stack ($ millions)

Trust Balance	66.0
Pari Passu	58.3
Remaining Future Funding	2.1
Mortgage Loan Including Future Funding	126.4
Loan Purpose	Acquisition
Equity Contribution/(Distribution) ($ million)	22.8

Source: ASR.


Source: ASR.

Collateral Summary

DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	2007/n/a
City, State	North Las Vegas, NV	**Physical Occupancy (%)**	94.4
Units/SF	426	**Physical Occupancy Date**	April 2021

This loan is secured by the borrower's fee-simple interest in Norterra Canyon Apartments, a 426-unit Class A apartment complex in North Las Vegas, Nevada. Initial loan proceeds of $66 million, along with $22.8 million of sponsor equity and $2.1 million in future funding has been used to facilitate the $86.5 million purchase, fund $2.2 million in closing costs, and fund $2.1 million in future planned capital improvements. The three-year initial loan and two one-year extension options are IO throughout.

Unit Mix

Unit Type	Units	Avg. Unit Size (sf)	Average In place Monthly Rent/Month ($)
One Bedroom/One Bathroom	180	902	1,105
Two Bedroom/Two Bathroom	108	1,208	1,305
Three Bedroom/Two Bathroom	138	1,200	1,379

Source: April 2021 Rent Roll.

The collateral consists of 25 three-story residential building comprised of 180 one-bedroom units, 108 two-bedroom units, and 138 three-bedroom units with average unit sizes of 902 sf, 1,208 sf, and 1,200 sf, respectively. Common area amenities include 850 parking spaces, a clubhouse, a business center, a tenant lounge area with big-screen TVs, a game room, a fitness center, a dedicated indoor locker room for Amazon HUB packages, two pools, two spas with cabanas, a children's playground, a dog park, and a putting green. As of the April 2021 rent roll, the property was 94.4% occupied with an average rent of $1,244 per month. The sponsor's business plan is to invest approximately $2.1 million in capital improvements, $1.9 million of which is earmarked towards unit interior upgrades and with approximately

$250,000 earmarked towards exterior, grounds, and common-area improvements. The sponsor intends to spend $5,000 per unit to upgrade 346 unrenovated units and $1,500 per unit to upgrade 80 partially renovated units. Interior improvements are expected to consist of vinyl floor and carpeting, stainless-steel appliances, new cabinets, lighting upgrades, and backsplash.

Sponsorship

The sponsor and the guarantor for this loan are Doreen Mermelstein and Chaim Freeman. The sponsors collectively own 5,003 multifamily units across six states, including Nevada. The sponsors' combined real estate owned is valued at approximately $489 million. The management of the subject property will be handled by Buff Management, which is a sponsor-affiliated company that manages 11 properties, four of which are in Las Vegas or Reno, Nevada.

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 Average.

DBRS Morningstar NCF Summary

NCF Analysis

	2018	2019	T-12 January 2021	Appraisal Stabilized	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	4,527,345	5,593,366	5,889,091	6,747,833	6,747,833	6,414,576	-4.94
Other Income ($)	410,394	649,568	574,200	700,512	700,512	574,200	-18.03
Vacancy & Concessions ($)	-304,800	-307,321	-961,222	-441,763	-441,763	-477,682	8.13
EGI ($)	**4,632,938**	**5,935,614**	**5,502,069**	**7,006,582**	**7,006,582**	**6,511,094**	**-7.07**
Expenses ($)	1,146,174	1,611,017	2,169,580	2,330,834	2,190,858	2,381,081	8.68
NOI ($)	**3,486,764**	**4,324,596**	**3,332,489**	**4,675,748**	**4,815,724**	**4,130,013**	**-14.24**
Capex ($)	127,800	127,800	127,800	112,986	106,500	106,500	0.00
NCF ($)	**3,358,964**	**4,196,796**	**3,204,689**	**4,562,762**	**4,709,224**	**4,023,513**	**-14.56**

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 $4,023,513, representing a -14.6% variance from the Issuer's stabilized NCF of $4,709,224. The primary drivers of the variance include GPR and operating expenses. To determine the stabilized GPR, DBRS Morningstar utilized the April 2021 rent roll and grossed up vacant units at in-place rents of similar unit types, with $150 renovation premium credit applied. The Issuer assumed a GPR based on the appraisal stabilized estimate. DBRS Morningstar assumed operating expenses to be based on the appraisal stabilized estimate, which resulted in a total expense ratio of 36.6%, which was generally in line with recent securitization comps within North Las Vegas. The Issuer utilized in place inflated by 2% per year, resulting in a much lower 31.3% expense ratio.

DBRS Morningstar Viewpoint

The collateral is a 2007 vintage, 426-unit multifamily community in North Las Vegas, Nevada. The subject's location is approximately nine miles from the Las Vegas CBD. The surrounding area is suburban in nature with some vacant land available for development. The subject location has a DBRS Morningstar Market Rank of 3 and MSA Group 0. Loans secured by properties in such areas have historically demonstrated elevated losses compared with loans secured by assets in more densely populated and more financially liquid markets. Additionally, the economy of Las Vegas is primarily driven by casinos and entertainment, which can be heavily negatively affected in the event of an economic downturn. However, the subject is proximate to other area demand drivers, including industrial and warehouse. The subject benefits from is proximate location to a 2.4 million sf Amazon fulfillment center, as well as a 714,000 sf Sephora distribution center, both of which have recently opened. Other area employers include 84 Lumber, Bath and Body Works, Fanatics, and TJ Maxx, all located within a five-mile radius of the subject.

The borrower's business plan is to increase rents by implementing capital improvements to unit interiors and exteriors over the next two years and refinance the loan with longer term financing after stabilization. Additionally, it is encouraging that the borrower is signaling commitment to the property by contributing $22.8 million of equity to the transaction. DBRS Morningstar believes that the business plan is achievable given the sponsor experience and wherewithal within the market and the property type. Additionally, there is proof of concept based on renovation premiums of approximately $91 per unit achieved by the seller on a small subset of renovated units, with a much smaller capital improvement budget per unit. DBRS Morningstar believes the property is well-positioned to stay competitive given its quality amenities, including a clubhouse, a business center, a tenant lounge area with big-screen TVs, a game room, a fitness center, a dedicated indoor locker room for Amazon HUB packages, two pools, two spas with cabanas, a children's playground, a dog park, and a putting green.

DBRS Morningstar adjusted the loan's as-is cap rate to 4.0% based on the subject's purchase price, which is higher than the Issuer's implied cap rate of 3.8%. Based on the cap rate adjustment, the resulting DBRS Morningstar As-Is and Stabilized LTVs were 78.7% and 67.2%, respectively. The modelled expected loss is near the pool average.

Tiffany at Maitland West

Loan Snapshot

Seller
FS Rialto
Ownership Interest
Fee
Trust Balance ($ million)
62.5
Loan PSF/Unit ($)
198412.6984
Percentage of the Pool (%)
5.5
Fully Extended Loan Maturity/ARD
August 2026
Amortization
Full IO
DBRS Morningstar As-Is DSCR (x)
0.9
DBRS Morningstar Stabilized DSCR (x)
1.1
DBRS Morningstar As-Is Issuance LTV (%)
85.1
DBRS Morningstar Stabilized Balloon LTV (%)
71.8
DBRS Morningstar Property Type
Multifamily
DBRS Morningstar Property Quality
Above Average

Debt Stack ($ millions)

Trust Balance
62.5
Pari Passu
0.0
Remaining Future Funding
0.0
Mortgage Loan Including Future Funding
62.5
Loan Purpose
Refinance
Equity Contribution/(Distribution) ($ million)
0

Source: ASR.


Source: ASR.

Collateral Summary			
DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	2018
City, State	Maitland, FL	**Physical Occupancy (%)**	88.3
Units/SF	315	**Physical Occupancy Date**	June 2021

This loan is secured by the borrower's fee-simple interest in Tiffany at Maitland West, a 315-unit Class A low-rise apartment complex in Maitland, Florida. Initial loan proceeds of $62.5 million will be used to refinance $51.7 million of existing debt, return $9.1 million of equity to the borrower, and cover $1.2 million of closing costs. The sponsor developed the property in 2018 for a total cost basis of $66.8 million. The three-year initial loan and two one-year extension options are IO throughout.

The collateral consists of a four-story, 315-unit residential building with average unit sizes of 930 sf. Common area amenities at the property include a clubhouse, a spa, a fitness center, a Starbucks Coffee Bar, a resort-style outdoor pool, a business center/conference room, a billiards lounge, grilling areas, and climate controlled storage. As of the June 2021 rent roll, the property was 88.3% occupied with an average rent of $1,570 per month. The sponsor's business plan, which was slightly delayed due to more than 3,000 units being delivered to the submarket since 2018, is to lease the property up to market occupancy while burning off concessions.

Unit Mix and Rents - Tiffany at Maitland West

Unit Type	Units	Avg. Unit Size (sf)	Rent/Month ($)
One Bedroom	169	742	1,382
Two Bedroom	127	1,115	1,736
Three Bedroom	19	1,364	2,136
Total/WA	**315**	**930**	**1,580**

Source: June 2021 Rent Roll.

Competitive Set

Property	Location	Distance from Subject (Miles)	Units	Year Built/ Renovated	Occupancy (%)	Avg. Rental Rate Per Unit ($)	Avg. Unit Size (SF)
Bainbridge at Lake Shadow	Orlando, FL	2.2	300	2019	87.0	1,752	1,096
The Parker at Maitland Station	Maitland, FL	3.9	293	2018	97.0	1,544	943
IMT Maitland Pointe	Altamonte Springs, FL	1.4	382	2017	97.0	1,485	941
Nine12 Gateway	Altamonte Springs, FL	1.5	249	2016	98.0	1,630	1,008
The Courtney at Lake Shadow	Orlando, FL	2	244	2015	97.0	1,549	980
The Adeline	Maitland, FL	3.9	237	2018	92.0	1,708	925
Total/WA	**Various, FL**	**Various**	**1705**	**Various**	**94.7**	**1,603**	**982**
Tiffany at Maitland West	**Maitland, FL**	**n/a**	**315**	**2018**	**88.3**	**1,580**	**930**

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

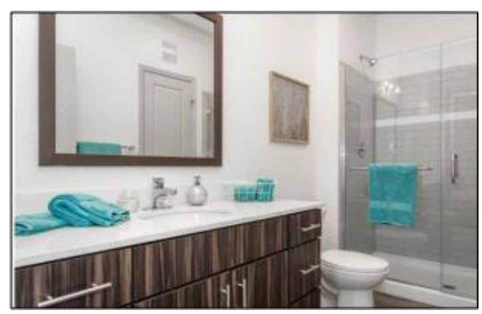
Sponsorship

The sponsors for this loan are Michael and David Niederst of Nied Capital, a privately held real estate company that invests in multifamily assets throughout Central Florida. The company has $1.3 billion of assets under management and has owned, managed, developed, and redeveloped more than 15,000 multifamily units since 2002 with a current portfolio containing eight properties of 2,180 units in Central Florida. The subject property will be managed by a sponsor-affiliated company for a contractual rate of 2.75% of EGI.

DBRS Morningstar Analysis

Site Inspection Summary

Source: ASR.



Source: ASR.

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	2019	2020	T-12 April 2021	Appraisal Stabilized	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	6,152,608	6,148,393	6,098,221	6,357,300	6,784,523	6,087,141	-10.28
Other Income ($)	337,938	499,534	547,454	546,525	700,779	641,312	-8.49
Vacancy & Concessions ($)	-3,352,694	-2,503,749	-2,090,622	-409,729	-407,071	-656,871	61.37
EGI ($)	**3,137,852**	**4,144,178**	**4,555,053**	**6,494,096**	**7,078,231**	**6,071,582**	**-14.22**
Expenses ($)	2,308,279	2,442,891	2,457,836	2,526,349	2,591,537	2,842,666	9.69
NOI ($)	**829,573**	**1,701,287**	**2,097,217**	**3,967,747**	**4,486,694**	**3,228,916**	**-28.03**
Capex ($)	82,215	82,215	82,215	47,250	82,215	82,215	0.00
NCF ($)	**747,358**	**1,619,072**	**2,015,002**	**3,920,497**	**4,404,479**	**3,146,701**	**-28.56**

The DBRS Morningstar Stabilized NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar Stabilized NCF was $3,146,701, representing a -28.6% variance from the Issuer's stabilized NCF of $4,404,479. The primary drivers of the variance include GPR, vacancy, and operating expenses. DBRS Morningstar utilized the June 2021 rent roll and grossed up vacant units at in-place rents of similar unit types to determine GPR. The Issuer inflated rents from the June 2021 rent roll by 3.0% a year over a three year time frame. For vacancy, DBRS Morningstar applied an 9.0% rate based on Reis Q2 2021 information for the Maitland/ Winter Park multifamily submarket of Orlando. The Issuer concluded to a 5.0% vacancy rate. For operating expenses, DBRS Morningstar inflated T-12 expenses by 3.0% to achieve a total expense ratio of 46.8% while the Issuer utilized the appraiser's stabilized expenses, resulting in a 36.6% expense ratio.

DBRS Morningstar Viewpoint

The sponsor developed the property from the ground up in 2018 for a total cost basis of $66.8 million ($212,190 per unit) which includes $48.0 million of construction costs, $17.4 million of soft costs, and $1.5 million of closing costs. The subject is located in a DBRS Morningstar Market Rank of 4 and MSA Group 0, which represent suburban markets and have historically shown higher rates of defaults and losses. Demographics surrounding the property continue to remain positive. For 2020, an estimated 103,673 households are within a five-mile area, with an average estimated household income of $84,831. Immediate employment demand drivers in the subject's area include Adventist Health System/Florida Hospital and Valencia College. Downtown Orlando is seven miles away, while Disney World Resort is 25 miles away. The subject lies just south of Maitland Boulevard, the main east/west thoroughfare that connects to I-4, which leads to Orlando to the south.

The sponsor's business plan is to stabilize occupancy and burn off concessions at the property. DBRS Morningstar believes that there is minimal business plan risk given the property's relatively strong leasing pace from 69.0% occupied in YE 2020, 75.0% occupied for T-12 ending April 2021, and 88.0% occupied as of the June 2021 rent roll. DBRS Morningstar believes the property is well-positioned in its market to lease-up over the fully extended loan term given its quality amenities, including a resort-style pool, spa, fitness center, business center/conference room, billiards lounge, and Starbucks Coffee Bar.

This is reflected by the low DBRS Morningstar Business Plan Score of 1.30, which is well below deal average of 1.96.

Based on the June 2021 rent roll. The property demonstrated an average rental rate of $1,580, which is slightly below the average rent of properties with a similar vintage withing the Maitland/Winter Park submarket of $1,619 per unit, according to Reis Q2 2021 data. While this suggests the subject has some room for rent growth in its respective submarket, DBRS Morningstar believes that rental rates will likely remain consistent with in-place rents. The appraiser noted that current and future supply in the subject's market is a risk to occupancy and rent. Reis estimates that the submarket inventory rose 14% in 2020, while effective rents dropped 1.6%. However, Reis also estimates that asking rents in the Maitland/Winter Park submarket will grow by 33% over the next five years, while vacancy will remain elevated and drop to 8.3% by 2026.

DBRS Morningstar adjusted the loan's cap rate to 4.5% based on the appraiser's cap rate conclusion, which is up from the Issuer's implied cap rate of 3.5%. Based on the cap rate adjustment, the resulting DBRS Morningstar As-Is and Stabilized LTVs were 85.1% and 71.8%, respectively. As a result of the high DBRS Morningstar As-Is LTV the modeled expected loss is above the pool average.

Stacks on Main

Loan Snapshot

Seller
FS Rialto
Ownership Interest
Fee
Trust Balance ($ million)
60.1
Loan PSF/Unit ($)
224253.7313
Percentage of the Pool (%)
5.3
Fully Extended Loan Maturity/ARD
August 2026
Amortization
Full IO
DBRS Morningstar As-Is DSCR (x)
1.0
DBRS Morningstar Stabilized DSCR (x)
1.2
DBRS Morningstar As-Is Issuance LTV (%)
77.9
DBRS Morningstar Stabilized Balloon LTV (%)
69.5
DBRS Morningstar Property Type
Multifamily
DBRS Morningstar Property Quality
Average+

Debt Stack ($ millions)

Trust Balance
60.1
Pari Passu
0.0
Remaining Future Funding
2.0
Mortgage Loan Including Future Funding
62.1
Loan Purpose
Acquisition
Equity Contribution/(Distribution) ($ million)
20.9

Source: ASR.

Source: ASR.

Collateral Summary			
DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	2016
City, State	Nashville, TN	**Physical Occupancy (%)**	97.8
Units/sf	268	**Physical Occupancy Date**	6/30/2021

This loan is secured by the borrower's fee interest in Stacks on Main, a 268-unit midrise apartment complex in the East Nashville neighborhood of Nashville, Tennessee. Built in 2017, the residential component of the property was 97.8% physically occupied as of August 2021. The initial loan of $60.1 million along with $20.9 million of sponsor equity was used to purchase the property for $79.0 million and cover closing costs of $1.6 million. The loan allows for future funding of $2.0 million, which will be used to renovate the lobby, pool, fitness center, and other amenities. The five-year fully extended loan term consists of the initial three-year period and two one-year extension options. The loan is IO through the fully extended loan term.

Unit Mix and Rents - Stacks on Main			
Unit Type	Units	Avg. Unit Size (sf)	Rent/Month ($)
Studio	32	530	1391
1 Bedroom	164	700	1517
2 Bedroom	72	1,016	2,088
Total/WA	**268**	**765**	**1,652**

The property offers one bed-room and two bedroom floor plans. Interior units feature plank flooring, 10- to 12-foot volume ceilings, quartz and granite countertops, espresso finish cabinetry, washer and dryer units, 1 GB Google Fiber connections and Google Nests, and private balconies or patios in select units. The property's unit size is 765 sf, which is below the appraiser's competitive set range of 783 sf to 901 sf per unit and the appraiser's competitive set WA unit size of 821 sf by unit mix and number of units. While average unit sizes at the property are lower than the appraiser's comparables, the property does not offer three-bedroom units and the subject units feature high ceilings, which give the units a spacious feeling. Common amenities include a saltwater pool and sundeck, firepit area, rooftop deck with city view, dog park, private parking garage, 24-hour fitness center and yoga room, clubhouse with HDTV and a performing stage, a music room, and on-site bike storage and a bike repair room.

Sponsorship

The sponsor for the transaction, Nazare Capital Management (Nazare), is a private family office based in New York City. The chief principal and founder of Nazare is Adam Neuman, the founder and former of CEO WeWork. Nazare was established in 2014 and manages multiple investment strategies including commercial real estate, venture capital, liquid markets, and private debt financing. The nonrecourse carveout, Nazare Asset Management, L.P., must maintain a minimum net worth equal to $45.0 million and minimum liquidity of $4.5 million throughout the loan term. DBRS Morningstar assessed the sponsor strength as Average in its model.

Pegasus Residential, a third-party management company, manages the property for a contractual fee equal to 3.0% of EGI. Pegasus was founded in 2019 and currently manages over 35,000 units across the United States, specializing in luxury multifamily management in a variety of markets. Pegasus has experience with managing Class A-C multifamily properties in both suburban and urban markets, assisting with property lease-ups and repositionings.

DBRS Morningstar Analysis

Site Inspection Summary

Source: Appraisal.

Source: Appraisal.

DBRS Morningstar did not conduct a site inspection of the property because of health and safety constraints associated with the ongoing coronavirus pandemic. Based on photos, virtual tours on the property website, 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	T-12 May 2021	Appraisal Stabilized	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	5,503,009	5,557,484	5,593,654	6,196,496	6,196,496	5,670,672	-8.49
Other Income ($)	367,499	354,968	351,790	387,918	387,918	351,790	-9.31

Vacancy & Concessions ($)	-967,852	-1,077,217	-1,446,784	-488,439	-340,807	-467,098	37.06
EGI ($)	**4,902,655**	**4,835,235**	**4,498,660**	**6,095,975**	**6,243,607**	**5,555,364**	**-11.02**
Expenses ($)	2,145,507	2,430,444	2,263,395	2,212,877	2,093,048	2,216,727	5.91
NOI ($)	**2,757,148**	**2,404,791**	**2,235,265**	**3,883,098**	**4,150,559**	**3,338,637**	**-19.56**
Capex ($)	67,000	67,000	67,000	67,000	67,000	67,000	0.00
NCF ($)	**2,690,148**	**2,337,791**	**2,168,265**	**3,816,098**	**4,083,559**	**3,271,637**	**-19.88**

The DBRS Morningstar Stabilized NCF is based on the DBRS Morningstar *North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar Stabilized NCF was $3,271,637, a variance of -19.9% from the Issuer's NCF of $4,083,559.

The primary drivers of the variance was GPR. While the issuer assumed a GPR of $1,926 per unit based on the appraiser's Year 3 stabilized estimate, DBRS Morningstar concluded to a GPR of $1,763 based on the appraiser's current market rent. The DBRS Morningstar GPR is less than the straight-live average rental rate per unit of $1,799 and the WA rental rate of $1,883 per unit broken out by recent rental leases per unit type category.

DBRS Morningstar Viewpoint

The subject is a 268-unit midrise multifamily property built in 2016 in the East Nashville neighborhood, a rapidly growing neighborhood of Nashville, Tennessee. The property well located just 1.5 miles east of downtown Nashville, which is equal to about a five-minute drive. With the rapid growth of Nashville over the past decade, the short commute time from this property to the downtown area is an attractive amenity given the increase in traffic amongst Nashville's primary commuter highways. Major employment drivers, including both Oracle's new 1.2 million sf hub and Amazon's 1.4 million sf expansion, are within a five-minute drive of the subject.

The sponsor's business plan is to burn off lease-up concessions at the property, increase rental rates and invest $2.0 million to renovate certain amenities at the property. The property's concessions represented 9.3% of the GPR for the T-12 period ending May 2021, but the concessions have had a positive impact on the property's occupancy rate, as evidenced by the 97.8% occupancy rate as of the June 2021 rent roll compared with the occupancy rate of 87.6% for the T-12 period ending May 2021. The property's WA rental rate as of the August 2021 rent roll of $1,652 per unit is below the appraiser's current market rental rate per unit of $1,763 per unit. The straight-line average rental rate per unit of $1,799 for 14 leases signed with move-in dates from August 30, 2021, through October 20, 2021, indicate the sponsor has been able to increase rental rate at the property following the July 2021 acquisition without yet implementing the renovation plan.

The sponsor still plans to implement a $2.0 million renovation, equal to $7,643 per unit, to upgrade common amenities such as the fitness center and pool and the lobby. The sponsor's business plan should help increase rental rates at the property above the current in-place rental of $1,658 per unit. While none of the renovation money is allocated to interior units, the property's apartments have 10-foot to 12-foot ceilings and quartz and granite countertops; additionally, select units have private balconies and patios, which are attractive features for Class A apartments in the submarket, and which are in line with the quality and build out of recently constructed Class A apartment units within Nashville. While the amenities are not considered dated, given the property was built in 2016, the sponsor hopes to be able to draw similar rental rates relative to the more recently constructed Class A apartments in the submarket that feature high-end and best-in-class amenities. The sponsor's business plan seems reasonable given the steady growth of Nashville population, the subject's proximity to downtown Nashville, the recently executed prerenovation leases achieving over a $100 premium compared with the June 2021 rent roll, and the property's interior-unit quality being competitive with recently constructed Class A multifamily properties in the submarket. DBRS Morningstar considers the property to be Average (+) based on the property's current quality of interior units and amenities, without consideration to the future business plan renovations.

The sponsor's equity contribution of $20.1 million to the transaction is significant, as it represents 24.4% of the total sources for the acquisition. Still ,the loan exhibits an expected loss higher than the pool average. While Nashville is a growing market with multiple demand drivers, the property is located in an area of the city with a DBRS Morningstar Market Rank of 3 and its MSA Group of 0, both of which generally indicate higher-than-average rates of defaults and losses. Based on the loan's as-is appraised value of $79.75 million, the loan exhibits a high DBRS Morningstar Issuance LTV of 77.9%, which drops to a more moderate stabilized LTV of 69.5%when looking at the stabilized appraised value of $89.3 million.

Clutter NY4 Portfolio

Loan Snapshot

Seller
FS Rialto
Ownership Interest
Fee
Trust Balance ($ million)
60.0
Loan PSF/Unit ($)
11407
Percentage of the Pool (%)
5.3
Fully Extended Loan Maturity/ARD
September 2026
Amortization
Full IO
DBRS Morningstar As-Is DSCR (x)
1.1
DBRS Morningstar Stabilized DSCR (x)
1.1
DBRS Morningstar As-Is Issuance LTV (%)
72.0
DBRS Morningstar Stabilized Balloon LTV (%)
66.5
DBRS Morningstar Property Type
Self Storage
DBRS Morningstar Property Quality
Average

Debt Stack ($ millions)

Trust Balance
60.0
Pari Passu
0.0
Remaining Future Funding
0.0
Mortgage Loan Including Future Funding
60.0
Loan Purpose
Refinance
Equity Contribution/(Distribution) ($ million)
(5.3)

Source: Clutter LIC.


Source: Clutter LIC.

Collateral Summary			
DBRS Morningstar Property Type	Self Storage	Year Built/Renovated	2012-2019
City, State	Various, NY	Physical Occupancy (%)	89.6
Units/SF	5,260	Physical Occupancy Date	April 2021

The loan is secured by the borrower's fee-simple interest in the Clutter NYC Portfolio, a 5,263-unit self-storage portfolio spread across four properties in New York. The whole loan of $118.3 million, along with $15,000 of borrower equity, was used to refinance debt of $109.5 million, return $5.3 million of equity, cover closing costs of $2.9 million and fund reserves. The five-year loan has an initial term of three years, with two one-year extension options, and the loan is IO for the fully extended term. The in-place and stabilized appraised values of $164.3 million and $182.5 million reflect an in-place and maturity LTV of 72.0% and 64.8%, respectively. The loan was previously securitized in the CLNC 2019-FL1 and BRSP 2021-FL1 transactions and was brought into the deal after closing.

Portfolio Summary

Property	Cut-Off Date Loan Amount ($)	% of Loan Amount	City, State	Property Type	Units	% of NRA	Year Built/Renovated	Occupancy (%)
Clutter - Yonkers	49,929,529	32.0	Yonkers, NY	Self Storage	1,797	34.1	2012	96.4
Clutter - Long Island City	29,468,134	31.6	Long Island City, NY	Self Storage	1,204	22.9	2013	92.8
Clutter - Brooklyn	20,315,052	22.0	Brooklyn, NY	Self Storage	1,320	25.1	2016/2017	79.5
Clutter - White Plains	18,552,285	14.5	White Plains, NY	Self Storage	942	17.9	1970/2019	86.7
Total/WA	**118,265,000**	**100.0**	**Various, NY**	**Self Storage**	**5,263**	**100.0**	**2016**	**89.6**

The properties were built between 2012 and 2016, with the Brooklyn and White Plains properties having been renovated in 2017 and 2019, respectively. The portfolio had a WA occupancy of 89.6% as of April 2021. The four properties offer between 942 and 1,797 self-storage units each, with the Clutter Long Island City (LIC) property offering 11,880 sf of office and cell tower space that is 100% occupied. The properties all include ample signage and a sea-green exterior painted design for superior branding. Climate-controlled units, easy-access loading/unloading areas, 24/7 security, and on-site management are included at all properties.

The sponsor’s business plan was to supplement its current storage and delivery offerings with a traditional self-storage option for those customers that need daily or weekly access to their units. Since the acquisition, the sponsor rebranded the properties and increased rental volume by 40% year over year as of May 2020. The portfolio’s occupancy increased to above 90.0% as of August 2021 from 82.0% in January 2020.

Sponsorship

The sponsor for this transaction is Clutter Inc. (Clutter), a technology-enabled, on-demand storage platform. Customers have access to their belongings without leaving their homes by using Clutter’s technology platform. The company manages secured pickup, storage, and delivery of all items. Founded in 2015, the organization is headquartered in Culver City, California, and the company currently operates in 10 MSAs, including New York, Los Angeles, Chicago, San Francisco, and Philadelphia. The organization is backed by some of the largest venture capital firms in the country, which have invested more than $300 million of equity capital in the company since 2013.

DBRS Morningstar Analysis

Site Inspection Summary

DBRS Morningstar toured the exterior and interior of Clutter LIC on September 23, 2021 at 11:00 a.m. and Clutter East Flatbush at 4:00 p.m. Based on the inspection, DBRS Morningstar found the portfolio’s property quality to be Average.

Source: Clutter Brooklyn.


Source: Clutter Brooklyn.

Clutter East Flatbush

The newly built East Flatbush Clutter Self-Storage property is located in a working-class residential neighborhood in Brooklyn, New York. Surrounding land uses include single-family homes, small retail centers, and automobile repair shops no taller than one or two stories. Transport to the subject will most likely be through private or rented vehicles as subway lines do not reach this area. Alternative public transportation is provided by a handful of bus lines that have stops within a few minutes' walk of the property. Kings Highway, a major transportation artery with direct connection to the Belt Parkway, is within a two-minute drive. The property is on the corner of Foster Avenue and E 56th Street, spanning nearly the entire block. To note, U-Haul, a competing self-storage facility, is located within 0.5 miles from the property.

The subject's exterior design was eye catching with excellent sign visibility. Entrance to the storage facility is inside the loading dock, which is located on E 56th Street. The loading dock is large, with capacity for six to seven cars, and has two elevators to the subterranean storage units. The carpeted lobby area includes retail space with neatly organized merchandise. The welcome desk featured two attentive receptionists that sat behind a black counter. The facilities looked well maintained, clean, and fairly new.

DBRS Morningstar did not receive a management tour but took the opportunity to walk through the subterranean storage area housing the larger storage units and the ground-level storage area with smaller storage and overhead units. The units are climate controlled with motion sensor lighting in the interior corridors and keypad entry access and range in size from five feet by five feet to 10 feet by 25 feet with height clearances up to 11 inches.

Clutter LIC

Clutter LIC is located in Long Island City, Queens, about one city block from Queens Plaza. Over the past decade, this area has received tremendous investment and undergone redevelopment that has transformed this part of Queens from a mostly industrialized, working-class neighborhood into one of the most expensive and modern landscapes in New York City. Surrounding land uses include high-rise luxury residential buildings, high-end retail shops, and restaurants. There are numerous transportation options, including subway stations, bus lines, and direct vehicular access into and out of Manhattan through the Ed Koch Queens Borough Bridge.

The building exterior is decorated with Clutter's signature sea-green color and has excellent sign visibility along Northern Boulevard. The top of the building is obstructed by an above-ground subway line, the building itself is about 12 levels high. The main entrance is located on Northern Boulevard next to the ramp leading to the parking lot. Similar to the Clutter Flatbush property, a retail space with organized merchandise leads to the front desk. At the time of inspection, DBRS Morningstar noted several guests lining up for service.

DBRS Morningstar toured interior storage units ranging in size from five feet by five feet to 10 feet by 15 feet located on different levels, all of which were accessed by a large elevator with key pad entry passcodes. For security reasons, every tenant has individual key pad codes. Storage units inspected were clean and spacious with ceiling clearances ranging from three inches to 10 inches. Similar to Clutter East Flatbush, interior corridors were lined with motion sensor lighting and storage units are climate controlled. The employee noted that the space used to belong to a competing self-storage business but was recently acquired. Also available on site are automobile and motorcycle parking spaces for rent.

DBRS Morningstar NCF Summary

NCF Analysis

	2019	2020	T-12 June 2021	Appraisal Stabilized	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	10,025,098	10,532,637	10,213,781	12,459,037	12,459,037	10,258,151	-17.66
Other Income ($)	1,076,546	1,223,231	1,168,634	1,264,378	1,264,378	1,168,796	-7.56
Vacancy & Concessions ($)	-1,842,297	-2,160,947	-1,238,933	-1,037,059	-1,037,059	-1,421,026	37.02
EGI ($)	**9,259,347**	**9,594,921**	**10,143,482**	**12,686,356**	**12,686,356**	**10,005,921**	**-21.13**
Expenses ($)	3,522,726	3,775,154	3,761,581	3,952,999	3,952,924	3,959,364	0.16
NOI ($)	**5,736,571**	**5,819,766**	**6,381,901**	**8,733,357**	**8,733,432**	**6,046,556**	**-30.77**
Capex ($)	31,578	31,578	31,578	36,202	34,909	73,367	110.17
NCF ($)	**5,704,993**	**5,788,188**	**6,350,323**	**8,697,155**	**8,698,523**	**5,973,189**	**-31.33**

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 $5,973,189, representing a -31.3% variance from the Issuer's Stabilized NCF. The primary drivers of the variance are GPR and vacancy. DBRS Morningstar concluded a stabilized GPR based on the August 2021 rent roll with vacant space grossed up at the average in-place rental rate. DBRS Morningstar used a blended vacancy rate of 13.25% compared with the Issuer's stabilized vacancy rate of 6.65%.

DBRS Morningstar Viewpoint

The sponsor's business plan, while potentially slowed during the coronavirus-related shutdowns in the New York City area, did progress throughout 2020 and into 2021, with occupancy rates increasing to 92% in August 2021 from 85% in December 2019, thus demonstrating the ongoing demand for self-storage space in the New York City area, even in the face of pandemic-induced shutdowns. Self-storage remains one of the better-performing asset classes, exhibiting consistently low default rates. Clutter benefits from having a technology platform that provides some unique advantages for customers when compared with other traditional self-storage operators, especially in densely populated areas. Still, the extent of the demand for this additional level of service remains unclear and the DBRS Morningstar NCF haircut of 31.3% reflects some of that uncertainty.

DBRS Morningstar analyzed the subject with a Market Rank 5 and in MSA Group 3, two positive indicators of a decreased POD. All four properties are well spread across the New York MSA, which is one of the strongest markets in the country. The properties sit in different neighborhoods, decreasing the likelihood of market cannibalization.

Three out of the four properties in this self-storage portfolio were all built within the last 10 years, and two underwent capital renovations within the last five years. The sponsor rebranded the properties upon acquisition with ample signage and a unique exterior painted design to help market and expand the Clutter brand. The portfolio benefits from the recent property vintages and unique branding.

The sponsor for the transaction is a large self-storage company with impressive financial backing from some of the strongest venture capital firms in the country. The company currently operates in some of the largest markets in the country, including New York, Los Angeles, Chicago, San Francisco, and Philadelphia.

Chicago Multifamily Portfolio

Loan Snapshot

Seller
FS Rialto
Ownership Interest
Fee
Trust Balance ($ million)
56.0
Loan PSF/Unit ($)
86287
Percentage of the Pool (%)
4.9
Fully Extended Loan Maturity/ARD
July 2026
Amortization
Full IO
DBRS Morningstar As-Is DSCR (x)
1.2
DBRS Morningstar Stabilized DSCR (x)
1.4
DBRS Morningstar As-Is Issuance LTV (%)
76.9
DBRS Morningstar Stabilized Balloon LTV (%)
67.6
DBRS Morningstar Property Type
Multifamily
DBRS Morningstar Property Quality
Average

Debt Stack ($ millions)

Trust Balance
56.0
Pari Passu
0.0
Remaining Future Funding
0.0
Mortgage Loan Including Future Funding
56.0
Loan Purpose
Refinance
Equity Contribution/(Distribution) ($ million)
(7.5)

Collateral Summary			
DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	Various
City, State	Chicago, IL	**Physical Occupancy (%)**	91.8
Units/SF	649	**Physical Occupancy Date**	June 2021

The loan is secured by the borrower's feesimple interest in the Chicago Multifamily Portfolio, a 33-building portfolio of low-rise apartment buildings encompassing a combined 649 units located throughout neighborhoods in the south and southwest portions of the city of Chicago. The whole loan of $56.0 million was used to refinance existing senior and mezzanine debt totaling approximately $53.0 million, fund a deferred maintenance reserve of $131,636, and cover closing costs and prepayment penalties totaling approximately $2.9 million. The five-year loan has an initial term of two years, with three one year extension options, and the loan is IO for the fully extended term. The in-place and stabilized appraised values of $72.8 million and $82.8 million reflect an in-place and maturity LTV of 76.9% and 67.6%, respectively.

Portfolio Summary

Property	Cut-Off Date Loan Amount	% of Loan Amount	City, State	Property Type	Units	% of NRA	Year Built/ Renovated	Occupancy (%)
7200 South Coles Avenue	5,037,221	9.0	Chicago, IL	Multifamily	60	9.2	1958	91.7%
6210 South Kimbark Avenue	3,970,711	7.1	Chicago, IL	Multifamily	52	8.0	1929	100.0%
4240-48 South Michigan Avenue	3,526,055	6.3	Chicago, IL	Multifamily	42	6.5	1921	90.5%
4230-38 South Michigan Avenue	3,526,055	6.3	Chicago, IL	Multifamily	42	6.5	1921	90.5%
4344 South Ellis Avenue	3,358,148	6.0	Chicago, IL	Multifamily	40	6.2	1926	87.5%
Subtotal/Wtd. Avg.	**19,418,189**	**34.7**	**Chicago, IL**	**Multifamily**	**236**	**36.4**	**Various**	**92.4%**
Other Properties	36,581,811	65.3	Chicago, IL	Multifamily	413	63.6	Various	91.5%
Total/Wtd. Avg.	**56,000,000**	**100.0**	**Chicago, IL**	**Multifamily**	**649**	**100.0**	**Various**	**91.8%**

The year-built dates for the collateral properties vary widely between 1884 and 1970; however, the majority of the buildings were constructed in the first half of the 20th century, primarily in the 1920s and 1930s. The portfolio had a weighted average occupancy of 91.8% as of June 2021. Eleven of the of the 33 properties have a commercial component at the ground floor, totaling approximately 42,000 sf of leasable space across 25 commercial units. The commercial units were 71.6% occupied as of June 2021.

The properties are concentrated in three Chicago neighborhoods/submarkets, including Midway (23 properties/325 units, 52% of appraised value), Bronzeville (6 properties/179 units, 27% of appraised value), and South Shore (4 properties/145 units, 21% of appraised value). The sponsor acquired the portfolio properties between 2017 and 2019 and has subsequently invested $6.0 million to renovate approximately two-thirds of the apartment units, equating to more than $14,000 spent per renovated unit. This resulted in rental rate premiums between 20% and 30% above the non-renovated units, according to the sponsor. As of June 2021, the in-place rents across the portfolio averaged $926 per unit ($1.07/sf), which represents a discount to the portfolio average asking rents of $965 per unit, according to the appraisal.

The sponsor's business plan entails renovating the remining one-third of the portfolio units (approximately 200 units) through excess cash flow, at a renovation budget of approximately $4,000 per unit ($760,000), to convert short-term and month-to-month leases to traditional 12-month leases. The sponsor's resulting stabilized budget assumes GPR per unit at the appraiser's concluded market rent average of $1,037, representing a rental premium of 13.0% across the portfolio at stabilization.

Sponsorship

The sponsor for this transaction is David Pezzola, founder and CEO of Icarus Investment Group (IIG). IIG is a Chicago-based multifamily investment firm that has acquired 1,522 multifamily units (1,400 in Chicago, 80 in Detroit, and 42 in Indianapolis) since its formation in 2012. Mr. Pezzola, along with investment partner, Salvatore Zizza, will serve as co-guarantors for the loan. Mr. Zizza is founder of Zizza & Associates, and has invested in approximately 14,000 apartment units in multiple markets, primarily in states along the east coast. The combined net worth and liquidity of the guarantors was $96.3 million as of YE2020, which is in excess of the net worth and liquidity requirements per the loan covenants of $56 million and $5.6 million, respectively.

Property management will be provided by Atlas Asset Management (Atlas), an affiliate of the sponsor. Atlas is a Chicago based multifamily property management company with more than 1,400 units managed in Chicago and Detroit.

DBRS Morningstar Analysis

Site Inspection Summary

DBRS Morningstar toured the exterior of five of the 33 portfolio properties on September 30, 2021, between noon and 2:00 p.m. Based on the inspection, DBRS Morningstar found the property quality to be Average.

The five portfolio properties inspected were located in Chicago's Woodlawn (South Shore group) and Bronzeville neighborhoods, between six and eight miles south of the CBD. The portfolio properties inspected included the 7200 South Coles Avenue, 6210 South Kimbark Avenue, 4240-48 South Michigan Avenue, 4230-38 South Michigan Avenue, and 4344 South Ellis Avenue properties. The inspected properties were all generally of similar vintage (1920s) and each consisted of between 40 and 50 60 units in three- and four-story brick-exterior walk-up apartment buildings. The exterior of each property appeared to be well-maintained, and one of the buildings was undergoing brick facade renovations at the time of inspection. There was clear and visible signage identifying the property management/leasing company at each property, as well as exterior security gate access at the sidewalk level.

The local areas are relatively infill residential neighborhoods; however, DBRS Morningstar observed certain pockets containing some boarded up buildings and vacant lots. The surrounding areas primarily consist of single-family homes and some multifamily development, the latter of which is in similar condition and vintage to the properties. Access to the areas is facilitated by South Stony Island Street, I-90, South Lake Shore Drive, and 67th Street Metra Station. Several CTA bus lines are also within walking distance from the subject properties. Additional area demand drivers include the La Rabida Children's

Hospital, Jackson Park, South Shore Cultural Center, and Mount Carmel High School . Furthermore, The University of Chicago is also proximate to the subject properties and is a big demand driver for the areas.

DBRS Morningstar NCF Summary

NCF Analysis	2019	2020	T-12 April 2021	Appraisal Stabilized	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	4,896,809	5,625,697	6,656,413	8,071,210	8,071,210	7,479,853	-7.33
Other Income ($)	114,221	141,907	148,639	504,654	504,654	407,076	-19.34
Vacancy & Concessions ($)	0	0	-434,905	-484,273	-484,273	-468,530	-3.25
EGI ($)	**5,011,030**	**5,767,604**	**6,370,147**	**8,091,591**	**8,091,591**	**7,418,399**	**-8.32**
Expenses ($)	2,450,890	2,121,418	2,121,418	3,203,174	2,735,023	3,232,071	18.17
NOI ($)	**2,560,140**	**3,646,186**	**4,248,729**	**4,888,417**	**5,356,568**	**4,186,328**	**-21.85**
Capex ($)	194,700	194,700	194,700	129,800	195,000	203,900	4.56
NCF ($)	**2,365,440**	**3,451,486**	**4,054,029**	**4,758,617**	**5,161,568**	**3,982,427**	**-22.84**

The DBRS Morningstar Stabilized NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar Stabilized NCF was $3,982,427, representing a -22.8% variance from the Issuer's Stabilized NCF. The primary drivers of the variance are gross potential rent (GPR) and operating expenses. DBRS Morningstar concluded to a stabilized GPR based on the June 2021 rent roll with rental premium credit applied only to the 200 unrenovated units at the appraiser's average stabilized market rent, compared with the issuer accepting premiums across the entire portfolio. This results in the DBRS Morningstar stabilized GPR increasing by 3.7%, which is below the issuer's projected GPR increase of 11.9% at stabilization. DBRS Morningstar include an operating expense plug of $325 per unit in order to achieve controllable expenses (R&M, payroll, and G&A) of $1,900 per unit at stabilization. The resulting overall portfolio expense ratio of 43.6% is well supported by comparable properties within the Chicago market that have been securitized.

DBRS Morningstar Viewpoint

The portfolio consists of 33 low-rise, class B/C apartment buildings in dense and well-established working class neighborhoods on the south and southwest sides of Chicago. The primarily pre-World War II vintage properties are generally well-located relative to public transit options and major arterial roads and highways. Given the older vintage of the collateral, rents across the portfolio are generally at or below the low end of their submarket averages. The subject portfolio properties are located in a weighted average DBRS Morningstar Market Rank of 4 and an MSA Group 1, which represent markets that have historically shown relatively higher rates of defaults and losses. However, the subject benefits from proximity to area demand drivers such as the University of Chicago for the Bronzeville and South Shore properties and Midway International Airport for the Midway portfolio properties.

The Sponsor acquired the portfolio properties between 2017 and 2019 and has renovated 63% of the units as of loan closing. The Sponsor's business plan is to renovate the remaining 200 units by investing $760,000 ($4,000 per unit) through excess cash flow and convert tenants that have extended on a month-to-month basis during the pandemic (45% of rent roll at closing) to 12-month leases. DBRS

Morningstar believes that the business plan is risky, given the 2.38 business plan score, which is above the deal average of 1.96, but achievable given the sponsor experience and wherewithal within the market and the property type. Additionally, there is proof of concept based on premiums of approximately 28% per unit achieved by the sponsor based on renovations completed post acquisition. The fully funded mortgage loan balance of $56.0 million represents a moderately high issuance LTV of 76.9% based on the as-is appraised value of $72.8 million. With that said, the as-is appraised value of $112,173 per unit is slightly below the appraiser's average value of adjusted recent sales comparables of $114,187 per unit. Furthermore, as a result of the aforementioned risks, the loan has an expected loss that is higher than the pool average to account for the additional risk.

The Morgan

Loan Snapshot

Seller
FS Rialto
Ownership Interest
Fee
Trust Balance ($ million)
55.7
Loan PSF/Unit ($)
110496
Percentage of the Pool (%)
4.9
Fully Extended Loan Maturity/ARD
August 2026
Amortization
Full IO
DBRS Morningstar As-Is DSCR (x)
0.9
DBRS Morningstar Stabilized DSCR (x)
1.1
DBRS Morningstar As-Is Issuance LTV (%)
109.6
DBRS Morningstar Stabilized Balloon LTV (%)
67.8
DBRS Morningstar Property Type
Multifamily
DBRS Morningstar Property Quality
Average

Debt Stack ($ millions)

Trust Balance
55.7
Pari Passu
0.0
Remaining Future Funding
4.4
Mortgage Loan Including Future Funding
60.1
Loan Purpose
Acquisition
Equity Contribution/(Distribution) ($ million)
25.3

Source: ASR.

Source: ASR.

Collateral Summary			
DBRS Morningstar Property Type	Mutlifamily	**Year Built/Renovated**	1984 / 2021
City, State	Austin, TX	**Physical Occupancy (%)**	95.8
Units/sf	504	**Physical Occupancy Date**	6/30/2021

This loan is secured by the borrower's fee-simple interest in The Morgan, a 504-unit Class B garden style apartment complex built in 1984 and located in Austin, Texas. Loan proceeds of $60.1 million consisting of $55.7 million of initial funding and $4.4 million of future funding, in addition to $25.3 million of borrower equity, were used to acquire the asset for a purchase price of $76.5 million, finance future capital expenditures of $4.4 million, fund a marginal amount of upfront capital expenditures, and cover $3.5 million of closing costs.

The property's as-is and stabilized appraised values of $78.2 million and $93.2 million represent as-is and stabilized LTVs of 76.9% and 64.5%, respectively. The floating-rate loan has an initial term of four-years, with one 12-month extension option subject to extension requirements, and is fully IO over the loan term.

Recently renovated in 2021, the property consists of 24 three-story residential buildings. As of the rent roll dated June 2021, the property was 95.8% occupied with an average rental rate of $1,027 per unit. Additionally, as of June 2021, 234 total units at the property had been renovated, with those units receiving a WA $97 per month rental premium. The unit mix at the property consists of 376 one-bedroom units (averaging 643 sf), and 128 two-bedroom units (averaging 994 sf). Common area amenities include two swimming pools, a grilling area, and a resident's lounge. Unit amenities include in-unit washers/dryers, private balconies and patios, and central air conditioning. Select unit features include vaulted ceilings, built-in bookshelves, wheelchair access, fireplaces, and oversize closets. Renovated units have new appliances, faux-wood flooring, and laminate countertops.

Competitive Set

Property	Location	Distance from Subject (miles)	Units	Year Built/Renovated	Occupancy (%)	Avg. Rental Rate Per Unit ($) 1 Bed	Avg. Rental Rate Per Unit ($) 2 Bed
Arbors of Wells Branch	Austin, TX	0.5	212	1986	97.8	1003	1310
The Lakes at Renaissance Park	Austin, TX	1.3	308	1986 / 2005	97.0	1035	1323
The Amethyst	Austin, TX	1	260	1996	92.0	1324	1812
Beck at Wells Branch	Austin, TX	1.3	576	1999	97.0	1275	1715
Cottages at Wells Branch	Austin, TX	2.4	167	1984 / 2014	99.0	1153	1518
Total/WA Comp. Set	**Austin, TX**	**Various**	**1,523**	**Various**	**96.5**	**1184**	**1574**
The Morgan	**Austin, TX**	**n/a**	**504**	**1984 / 2021**	**95.8**	**1030**	**1396**

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

Sponsorship

The sponsor for this loan is a joint venture between Citymark Capital, Archway Equities, and CAF Capital Partners. Citymark Capital is a private investment firm headquartered in Cleveland that focuses on value-add acquisition projects in the multifamily space. Archway Equities is a private real estate investment group with operations based in Beverly Hills, California, that primarily invests in multifamily and medical office properties. CAF Capital Partners is a Dallas-based private equity real estate firm that specializes in acquiring properties in Texas and across the Southwest United States. CAF Capital Partners has acquired $4 billion worth of properties and manages over 26,000 multifamily units in the aforementioned locations. The property will be managed by CAF Management, LLC., a borrower-affiliated company, for a contractual rate equal to 3.0%.

DBRS Morningstar Analysis

Site Inspection Summary

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 Average.

Source: ASR.

Source: ASR.

DBRS Morningstar NCF Summary

NCF Analysis	2019	2020	T-12 June 2021	Appraisal Stabilized	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	6,495,223	6,549,597	6,285,572	7,787,725	7,787,725	7,205,412	-7.48
Other Income ($)	495,852	512,098	619,851	987,878	987,878	649,173	-34.29
Vacancy & Concessions ($)	-1,414,725	-1,365,531	-991,453	-428,325	-428,325	-543,179	26.81
EGI ($)	**5,576,350**	**5,696,164**	**5,913,971**	**8,347,278**	**8,347,278**	**7,311,406**	**-12.41**
Expenses ($)	3,101,525	3,474,128	3,732,748	4,258,554	4,207,497	4,246,003	0.92
NOI ($)	**2,474,825**	**2,222,036**	**2,181,223**	**4,088,724**	**4,139,781**	**3,065,403**	**-25.95**
Capex ($)	0	0	0	126,000	151,200	126,000	-16.67
NCF ($)	**2,474,825**	**2,222,036**	**2,181,223**	**3,962,724**	**3,988,581**	**2,939,403**	**-26.30**

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 $2,939,403, representing a -26.3% variance from the issuer's stabilized NCF of $3,988,581. The primary drivers of the variance are GPR and Other Income. DBRS Morningstar utilized the June 2021 rent roll and based our GPR estimate on both recent leases for non-renovated classic units and the appraiser market rental rate conclusions for renovated units, whereas the issuer based their GPR figure on the appraiser's as-stabilized estimate. DBRS Morningstar based Other Income on the T-12 level ended June 30, 2021 except for the RUBS component of Other Income, which we assumed to be higher than the T-12 level to account for higher utilities. In contrast, the issuer based their Other Income figure on the appraiser's as-stabilized estimate.

DBRS Morningstar Viewpoint

The collateral is a Class B, garden style multifamily property with 504 units in Austin, Texas. Austin has a strong economy, and the appraiser notes that it will improve and estimates that the overall demand for real estate will increase. The property is well located near major demand drivers that include Dell Computer Corp. and the University of Texas at Austin, which combine to employ more than 35,000 people.

The subject's average rents of $1,027 per unit per month are slightly lower that the asking rents per properties built in the same vintage band and moderately lower than the submarket's asking rental rate of $1,222 based on Q2 2021 Reis data. DBRS Morningstar believes that there is room for the subject's asking rents to grow if the sponsor can execute on its business plan, which calls for investing a total of $4.7 million ($9,299 per unit) in capital expenditures, consisting of $2.3 million to renovate unit interiors of the remaining 270 unrenovated units and $2.2 million to renovate exteriors and implement other upgrades. Given a favorable five-year construction/absorption ratio forecast of approximately 1.0, a consistent decline in the submarket vacancy rate from 6.3% to 5.2% during the same five-year period forecast, and an increase in asking rents from $1,108 to $1,561 during that time, DBRS Morningstar believes the property has an opportunity to capture higher rents. This is reflected in the moderately low DBRS Morningstar Business Plan Score of 2.03

The loan has an average credit profile and exhibits an expected loss below the deal average. Although the property is in a location with a DBRS Morningstar Market Rank of 4, which is generally indicative of more suburban locations and relatively higher rates of default and losses, this negative is offset by the property being situated in a MSA Group of 2, which generally indicates lower-than-average rates of defaults and losses. The Issuance and Balloon LTVs of 76.9% are also moderately high. This risk is somewhat mitigated by the sponsor’s infusion of equity of nearly $23.1 million to effectuate the acquisition of the property. In addition, the property has an Average property quality score and high in-place occupancy.

The Pepper Building

Loan Snapshot

Seller
FS Rialto
Ownership Interest
Fee
Trust Balance ($ million)
51.1
Loan PSF/Unit ($)
277853
Percentage of the Pool (%)
4.5
Fully Extended Loan Maturity/ARD
August 2026
Amortization
Full IO
DBRS Morningstar As-Is DSCR (x)
1.0
DBRS Morningstar Stabilized DSCR (x)
1.0
DBRS Morningstar As-Is Issuance LTV (%)
82.5
DBRS Morningstar Stabilized Balloon LTV (%)
70.3
DBRS Morningstar Property Type
Multifamily
DBRS Morningstar Property Quality
Average

Debt Stack ($ millions)

Trust Balance
51.1
Pari Passu
0.0
Remaining Future Funding
2.0
Mortgage Loan Including Future Funding
53.2
Loan Purpose
Acquisition
Equity Contribution/(Distribution) ($ million)
15.8

Source: ASR.

Source: Appraisal.

Collateral Summary			
Collateral Summary			
DBRS Morningstar Property Type	Multifamily	**Year Built/Renovated**	1927/2011
City, State	Philadelphia, PA	**Physical Occupancy (%)**	96.7

This loan is secured by the borrower's fee-simple interest in the Pepper Building, a 184-unit Class A high-rise apartment complex built in 1927 and located in Philadelphia. Loan proceeds of $53.1 million consisted of $51.1 million of initial funding and $2.0 million of future funding, in addition to $15.8 million of borrower equity, will be used to acquire the asset for a purchase price of $63.2 million, finance future capital expenditures of $2.0 million, and cover $3.5 million of closing costs. The property's as-is and stabilized appraised values of $64.4 million and $75.6 million represent as-is and stabilized LTVs of 82.5% and 70.3%, respectively. Additionally, the three-year, floating-rate loan is structured with two 12-month extension options subject to extension requirements and is fully IO over the loan term.

The property is an elevator-served eleven-story residential building. Although the collateral is relatively old, the appraiser has concluded that the property is in excellent condition and reportedly was last renovated in 2011. The unit mix at the Property consists of 165 one-bedroom units (averaging 797 sf), and 19 two-bedroom units (averaging 982 sf). Common area amenities include a fitness center, a business center, a tenant lounge area with big screen TVs, a courtyard with grilling stations, bike storage, and a 24 hour concierge, while unit amenities include in-unit washers/dryers and a view of the city.

Competitive Set

Property	Location	Distance from Subject (miles)	Units	Year Built/ Renovated	Occupancy (%)	Avg. Rental Rate Per Unit ($) 1 BR	Avg. Rental Rate Per Unit ($) 2 BR	Avg. Unit Size (sf) 1 BR	Avg. Unit Size (sf) 2 BR
1919 Market Street	Philadelphia, PA	0.4	276	2016	90.0	1,977	3,686	519	1,138
200 Washington Square	Philadelphia, PA	1.2	276	2004	97.0	2,850	4,613	1,000	1,600
2116 Chestnut Street	Philadelphia, PA	0.5	321	2013	94.0	2,052	3,902	751	1,262
2200 Benjamin Franklin Parkway	Philadelphia, PA	2.2	940	1959	94.0	1,465	4,259	511	1,390
315 North 12th Street	Philadelphia, PA	1.0	152	1925	94.0	2,500	2,795	950	1,100
777 S Broad	Philadelphia, PA	0.7	146	2010	97.0	2,305	3,000	832	1,090
Total/Wtd. Avg. Comp. Set	**Philadelphia, PA**	**Various**	**2,111**	**Various**	**94.1**	**1,935**	**3,984**	**666**	**1,323**
The Pepper Building	**Philadelphia, PA**	**n/a**	**184**	**1927/2011**	**96.7**	**1,924**	**2,650**	**806**	**996**

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

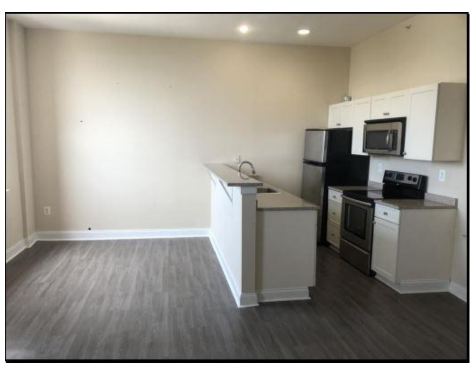
Sponsorship

The sponsor for this loan is Korman Residential Properties, Inc., a real estate investment firm that specializes in investing, managing, and developing multifamily properties in the Greater Philadelphia Metropolitan area. The principals of the sponsor, John Korman and James Korman, have more than 71 years of combined experience in real estate investing and adequate net worth and liquidity. The sponsor owns seven multifamily properties (1,309 units total) across Pennsylvania, Delaware, and New Jersey that have an aggregate value of approximately $256 million.

The property is self-managed by the sponsor, Korman Residential Properties, for a fee of 3% of EGI.

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 Average.

DBRS Morningstar NCF Summary

NCF Analysis

	2019	2020	T-12 May 2020	Appraisal Stabilized	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	4,015,720	4,110,262	4,249,389	5,362,248	5,362,248	4,739,976	-11.60
Other Income ($)	412,965	428,856	438,213	435,131	466,528	438,213	-6.07
Vacancy & Concessions ($)	-67,828	-110,041	-236,159	-268,112	-268,112	-468,907	74.89
EGI ($)	**4,360,858**	**4,429,078**	**4,451,443**	**5,529,267**	**5,560,664**	**4,709,282**	**-15.31**
Expenses ($)	1,642,988	1,629,088	1,614,844	2,116,482	2,117,424	2,057,826	-2.81
NOI ($)	**2,717,870**	**2,799,989**	**2,836,599**	**3,412,785**	**3,443,240**	**2,651,456**	**-23.00**
Capex ($)	0	0	0	43,921	48,944	48,944	0.00
NCF ($)	**2,717,870**	**2,799,989**	**2,836,599**	**3,368,864**	**3,394,296**	**2,602,512**	**-23.33**

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 $2,602,512, representing a -23.3% variance from the issuer's stabilized NCF of $3,394,296. The primary driver of the variance is GPR. DBRS Morningstar utilized the June 2021 rent roll and applied the average renovated rental rate to all units to determine the property's GPR, whereas the issuer based their GPR value on the appraiser's as-stabilized estimate.

DBRS Morningstar Viewpoint

The Philadelphia MSA benefits from having a lower cost of living than neighboring cities such as Boston, New York, and Washington. The MSA is also home to many financial centers, educational institutions, and healthcare centers, further increasing the MSA's desirability. More specifically, the collateral is in the southwest section of Philadelphia's Center City submarket, advantageously located near the CBD, various retail establishments (such as restaurants and boutiques), and cultural institutions (such as art galleries and theaters). In addition, the collateral is near major employers such as Comcast Corporation and Jefferson University Hospital and benefits from favorable public transport and local highway networks that connect the submarket to employment centers and give access to neighborhood services, further increasing the property's appeal.

DBRS Morningstar estimates that the subject's average in-place rents are $1,934 per unit, which, according to the appraisal, are lower than average asking rents for all classes of multifamily properties in the market at $2,057 per unit and the average rental rate for Class A properties of $2,302 per unit as of Q1 2021. DBRS Morningstar believes that there is room for the subject's asking rents to grow if the sponsor can execute on its business plan, which calls for investing $2.1 million ($11,060 per unit) in capital expenditures mainly to renovate the property's interiors and exteriors. The sponsor plans to lightly renovate the 68 units already upgraded by the seller at a cost of approximately $2,000 per unit, while more intensively renovating the remaining 116 units at a cost of approximately $16,000 per unit. The average rent premium currently being achieved is just over $150 per month, and DBRS Morningstar believes this is achievable on the to-be-renovated units based on the funding available. Although the property will have to compete with new properties being introduced to the market, and a vacancy rate that's expected to worsen to 7.9% over Reis' five-year forecast, the subject will represent a value option in the market as an older product that will not command premium rents. Further asking rents in the market are forecast to increase dramatically to $3,010 from $2,303 from Q2 2021, which should offset potential vacancy issues.

The loan exhibits an expected loss slightly below the pool average, largely due to the beneficial DBRS Market Rank of 6 based on its urban location. Such benefit outweighs the relatively high As-Is LTV of 82.5% and balloon As-Stabilized LTV of 70.3%. The loan also benefits from the sponsor’s infusion of equity of nearly $14.6 million to effectuate the acquisition of the property. While the going-in equity contribution is substantial, the debt yield based on the DBRS Morningstar Stabilized NCF is quite low at 4.9% and reflects the need for material market rent growth in order to obtain permanent financing without a further equity contribution.

Florida Coastal Industrial Portfolio

Loan Snapshot

Seller	FS Rialto
Ownership Interest	Fee
Trust Balance ($ million)	51.0
Loan PSF/Unit ($)	69
Percentage of the Pool (%)	4.5
Fully Extended Loan Maturity/ARD	September 2026
Amortization	Full IO
DBRS Morningstar As-Is DSCR (x)	0.1
DBRS Morningstar Stabilized DSCR (x)	1.3
DBRS Morningstar As-Is Issuance LTV (%)	81.7
DBRS Morningstar Stabilized Balloon LTV (%)	65.2
DBRS Morningstar Property Type	Industrial
DBRS Morningstar Property Quality	Average-

Debt Stack ($ millions)

Trust Balance	51.0
Pari Passu	0.0
Remaining Future Funding	6.5
Mortgage Loan Including Future Funding	57.5
Loan Purpose	Acquisition
Equity Contribution/(Distribution) ($ million)	26.4

Collateral Summary			
DBRS Morningstar Property Type	Industrial	**Year Built/Renovated**	1959-1987
City, State	Various, FL	**Physical Occupancy (%)**	34.0
Units/SF	740,356	**Physical Occupancy Date**	n/a

The loan is secured by the borrower's fee-simple interest in Florida Coastal Industrial Portfolio, a 740,356-sf industrial portfolio in Miami and Tampa Bay, Florida. Initial loan proceeds of $51.0 million, along with $23.6 million of sponsor equity, was used to purchase the collateral for nearly $70.4 million, fund a $1.3 million interest reserve, and cover remaining closing costs. The loan is structured with an additional $6.5 million future funding component that will be used in conjunction with $2.8 million from the sponsor to complete $5.9 million in capital improvements and fund a $3.4 million TI/LC reserve. The whole loan is structured with an initial three-year term and two one-year extension options. The as-is and stabilized appraised values of $74.4 million and $88.2 million, respectively, reflect as-is and stabilized LTVs of 81.7% and 65.2%.

The portfolio comprises five industrial properties, built between 1959 and 1987, spread across Miami and Tampa Bay (41.0% of the NRA is in Miami and 59% is in Tampa Bay). The Miami properties include three contiguous warehouses totaling 306,322 sf. The Miami properties are 68.0% leased to two tenants, one of whom is a seller affiliate. These properties have 22- and 24-foot clear heights, 21 total dock doors, and one drive-in ramp. The Tampa Bay properties include 434,034 sf of warehouse space that is 10.0% leased to the seller-affiliated tenant. The buildings have 24- and 27-foot clear heights, 60 dock doors, and two drive-in ramps. The collateral in Tampa Bay also includes a 13.2-acre parcel entitled for 180,000 sf of industrial development. Both the Miami and Tampa Bay properties have six-month leasebacks from the seller affiliate Seaboard.

Tenant Summary						
Tenant	SF	% of Total NRA	DBRS Morningstar Base Rent PSF ($)	% of Total DBRS Morningstar Base Rent	Lease Expiry	Investment Grade? (Y/N)
Archive America	196,200	26.5	5.03	63.9	3/12/2024	N
Beacon Roofing	55,358	7.5	10.05	36.1	4/30/2026	N
Subtotal/WA	251,558	34.0	6.13	100.0	Various	N
Other Tenants	-	0.0	0.0	0.0	n/a	n/a
Vacant Space	488,798	66.0	n/a	n/a	n/a	n/a
Total/WA	740,356	100.0	2.08	100.0	Various	n/a

The sponsor purchased the portfolio from an owner-occupier who executed a short-term sale leaseback. The $6.5 million of future funding, along with $2.8 million of funding from the sponsor, will be used to complete $5.9 million in capital improvements and fund a $3.4 million TI/LC reserve to lease up the properties.

Sponsorship

HighBrook Investors, a real estate private equity firm, will be the sponsor for this transaction. The firm specializes in acquisition and management of commercial property investments throughout the U.S. and Europe. Founded in 2010, the company has raised $1.4 billion in capital commitments. The sponsor has experience with value-add industrial properties, having completed a 200,000-sf warehouse project in Maryland with an internal rate of return at 20% and another 384,000-sf project in Minnesota with an internal rate of return at 27.0%. HighBrook Property Fund IV, the guarantor for this transaction, is required to maintain a net worth and liquidity of $25.5 million and $5.1 million, respectively. The portfolio will be managed by Foundry Commercial, a third-party property manager that manages and/ or provides leasing services for 55 million sf of commercial space.

DBRS Morningstar Analysis

Site Inspection Summary

DBRS Morningstar toured the exterior of the Miami properties on September 23, 2021, at 11:00 a.m. Based on the exterior inspection, DBRS Morningstar found the property quality to be Average-.

The three contiguous Miami properties are 9.1 miles northwest of the Miami CBD and 3.0 miles northeast of the Miami International Airport. The properties are in the heart of a large industrial submarket, with several adjacent warehouses, distribution centers, and storage facilities. The surrounding area receives minimal foot traffic outside of the employees and delivery personnel that frequent that area for business. The roads, sidewalks, and public fixtures in the immediate area were in poor condition. While the area does not appear to be in the best shape, it is a good location for an industrial property, given its proximity to other industrial businesses.

DBRS Morningstar was not able to meet with management or tour the interior of the properties, which are surrounded by a large barbed-wire, chain-link fence. While these security measures provide a necessary protection for the properties and tenants, DBRS Morningstar was only able to gather information regarding the exterior condition of the properties. The exteriors appeared to be in need of repair and esthetic improvements. Several surrounding industrial properties appear to be of more recent construction or renovation. The parking lot showed large visible cracks and overgrown landscaping covered many of the parking spaces.

DBRS Morningstar concluded the property quality as Average-, based on third-party documents provided by the Issuer, as well as the exterior inspection. While the physical condition of the properties is in need of improvement, the location seems to be appropriate for an industrial property and its prospective tenants.

DBRS Morningstar NCF Summary

NCF Analysis				
	Appraisal Stabilized	Issuer Stabilized NCF	DBRS Morningstar Stabilized NCF ($)	NCF Variance (%)
GPR ($)	5,284,537	5,284,537	4,590,191	-13.1
Recoveries ($)	1,736,703	1,736,703	1,564,368	-9.9
Other Income ($)	0	0	0	n/a
Vacancy ($)	-371,005	-371,005	-339,751	-8.4
EGI ($)	**6,650,235**	**6,650,235**	**5,814,808**	**-12.6**
Expenses ($)	1,802,763	1,791,054	1,765,991	-1.4
NOI ($)	**4,847,472**	**4,859,181**	**4,048,817**	**-16.7**
Capex ($)	78,506	222,107	273,932	23.3
TI/LC ($)	0	0	163,301	n/a
NCF ($)	**4,768,966**	**4,637,074**	**3,611,584**	**-22.1**

The DBRS Morningstar Stabilized NCF is based on the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. The resulting DBRS Morningstar Stabilized NCF was $3,611,584, representing a -22.1% variance from the Issuer's Stabilized NCF.

The primary drivers of the variance were gross potential rent, reimbursements, and TIs. DBRS Morningstar concluded a gross potential rent and stabilized reimbursement figures using the appraiser's market assumptions for each space type. The appraisal was also used to determine stabilized tenant improvement figures for each space type, which generally ranged from $1.50 to $2.00 psf on new leases and $0.50 psf on renewal leases.

DBRS Morningstar Viewpoint

The sponsor recently acquired the property and will implement a business plan to renovate the properties and improve occupancy. The properties are currently 34.0% occupied by only two tenants, both of whom are seller affiliates that remain at the properties and are part of a sale-lease back strategy. The below average occupancy is reflected in the DBRS Morningstar As-Is DSCR of 0.09x. The low occupancy figure and DSCR result in an increased POD.

The exterior condition of the properties is in need of improvement. Based on the exterior site inspection, DBRS Morningstar found the properties' quality to be Average-, resulting in an credit-negative model adjustment. While the properties are located in a popular industrial section, they are in need of repair to compete in the submarket.

While the properties are not currently performing at market levels, the sponsor will use $6.5 million of future funding and $2.8 million of sponsor funding to complete a $5.9 million capital improvement plan and fund $3.4 million of TI/LC reserves to attract prospective tenants. The $3.4 million TI/LC reserve will be sufficient to lease the property to market levels. DBRS Morningstar concluded a stabilized vacancy of 5.5%, given the significant TI/LC reserve and the strong submarket vacancy figures. As of Q2 2021, Reis reported a submarket vacancy rate of 4.7%, and an additional Reis competitive set of 11 comparable properties shows an average vacancy rate of 2.8%. It is clear that demand for industrial space in the local area is strong.

The portfolio benefits from a DBRS Morningstar Market Rank of 5 and MSA Group 2, both of which are indicative of a strong location and result in a decreased probability of default. After performing the site inspection, it was clear that the surrounding area is a local industrial hub, with many large manufacturing and distribution companies.

Overall, the properties are currently struggling with physical condition and occupancy. However, the sponsor's business plan, along with ample funding from both the lender and the sponsor, should be successful, given the sponsor's experience with industrial properties and the strong local market. This is reflected in a moderate DBRS Morningstar Business Plan Score of 2.28.

Transaction Structural Features

Delayed Close Collateral Interest: Paradise Plaza (#2), representing 6.6% of the initial pool balance, has not closed as of October 14, 2021, and may not close prior to the closing of this securitization. On or about the Closing Date, proceeds from the sale of the Notes and the Preferred Shares will be used to purchase the Closed Collateral Interests and to fund approximately $75,000,000 into the Unused Proceeds Account, which is expected to be used to acquire the Delayed Close Collateral Interest. If the Delayed Close Collateral Interest does not close on or prior to the 90th day following the Closing Date or the date on which the Collateral Manager determines that the Delayed Close Collateral Interest will not be acquired by the Issuer (Purchase Termination Date), the Collateral Manager may direct that all or a portion of the amounts in the Unused Proceeds Account be used to acquire reinvestment Collateral Interests during the Delayed Close Extension Period (the period beginning on the Purchase Termination Date and ending on and including the six-month anniversary of the Closing Date). At the end of the Delayed Close Extension Period, any portion of the Unused Proceeds Transfer Amount that has not been used to acquire Reinvestment Collateral Interests will be allocated as follows: (1) first, an amount up to and including $5,000,000 (such amount, the Unused Proceeds Retained Amount), at the direction of the Collateral Manager, to remain in the Reinvestment Account and (2) second, applied as Principal Proceeds to pay principal on each class of Notes pro rata based on the initial principal balance of each class of Notes. DBRS Morningstar believes that subordination from the current levels to the adjusted levels in each scenario appropriately accounts for the possible deterioration in both credit quality and diversity profile if one or more of the loans do not close prior to purchase termination date.

Credit Risk Retention: Under U.S. Credit Risk Retention Rules, FS Credit REIT will be responsible for compliance with the U.S. credit risk retention requirements and intends to satisfy such requirements through the purchase and retention by a majority-owned affiliate of an eligible horizontal residual interest. As of the Closing Date, FS Rialto 2021-FL3 Holder, LLC, a majority-owned affiliate of the Sponsor, will acquire the Preferred Shares, representing not less than 5% of the fair value of the securities.

Deferrable Floating-Rate Notes: The Class C, D, E, F, and G Notes will be considered deferrable notes. With respect to the deferrable notes, to the extent that interest proceeds are not sufficient on a given payment date to pay accrued interest, interest will not be due and payable on the payment date and will instead be deferred. DBRS Morningstar's assigned ratings contemplate the timely payment of distributable interest and, in the case of the deferrable notes, the ultimate recovery of deferred interest (inclusive of interest payable thereon at the applicable rate to the extent permitted by law). Deferred interest will be added to the principal balance of the deferrable notes and will be payable on the first payment date on which funds are permitted. DBRS Morningstar's ratings contemplate timely payments of distributable interest and ultimate recovery of deferred interest inclusive of interest payable on deferred interest at the applicable note rate to the extent permitted by law. Thus, DBRS Morningstar will assign its Interest in Arrears designation to the Deferred Interest Classes in months when classes are subject to deferred interest.

Future Funding Participations: Seventeen of the Closing Date Collateral Interests, representing approximately 63.1% of the Aggregate Collateral Interest Cut-off Date Balance, are participation interests in Participated Loans that have related Future Funding Participations with an aggregate, unfunded future funding commitment of approximately $95,121,750 as of the Cut-off Date.

As of the Closing Date, each Future Funding Participation will be held by the Seller or an affiliate of the Seller. With respect to each Future Funding Participation, the holder of such participation will have the sole obligation to make future advances under the related Participation Agreement. Once funded, such participation may be transferred in accordance with the terms of the related Participation Agreement and the Issuer may, but is not obligated to, acquire such funded participation interest as a Reinvestment Collateral Interest. Pursuant to each Participation Agreement, the Future Funding Holder as the holder of the related Future Funding Participation (or a permitted transferee pursuant to the terms of the related Participation Agreement) and, for so long as the Future Funding Holder or another affiliate of FS Credit REIT is obligated to make future advances under such Participation Agreement, FS Credit REIT will be required to indemnify the Issuer and, if applicable, the holder of any other related Companion Participation against any losses, claims, damages, costs, expense, and liabilities in connection with, arising out of, or as a result of, the failure of the holder of such Future Funding Participation to make future advances when required under the related Participated Loan.

On the Closing Date, FS Credit REIT, in its capacity as the Future Funding Indemnitor, will be required to certify that it has Segregated Liquidity at least equal to the Largest One Quarter Future Advance Estimate. Thereafter, so long as any Future Funding Participation is held by the Seller or an affiliate thereof and any future advance obligations remain outstanding under such Future Funding Participations, the Future Funding Indemnitor will be required to certify quarterly that the Future Funding Indemnitor has Segregated Liquidity at least equal to the greater of (1) the Largest One Quarter Future Advance Estimate or (2) the controlling Two Quarter Future Advance estimate for the immediately following two calendar quarters.

Reinvestment: The transaction includes a 30-month Reinvestment Period commencing on the Closing Date and ending on (and including) the earliest of (1) the end of the Due Period related to the Payment Date in April 2024, (2) the end of the Due Period related to the Payment Date on which all of the Notes are redeemed, and (3) the date on which principal of and accrued and unpaid interest on all of the Notes is accelerated following the occurrence and continuation of an EOD. During this period, the Collateral Manager may direct the reinvestment of principal proceeds into Reinvestment Collateral Interests (which may include Funded Companion Participations), subject to the satisfaction of the Eligibility Criteria and the Acquisition Criteria. Funded companion participations may only be required to satisfy the more limited companion participation acquisition criteria. Among other things, the Eligibility Criteria provides that a No Downgrade Confirmation has been received from DBRS Morningstar with respect to the acquisition of such Reinvestment Collateral Interests, except that such confirmation will not be required with respect to the acquisition of a Funded Companion Participation if the principal balance of the Funded Companion Participation being acquired is less than $1,000,000. The Acquisition Criteria, among

other things, requires that (1) the Note Protection Tests are satisfied, (2) no EOD is continuing, and (3) Rialto or one of its affiliates acts as the subadvisor to the Collateral Manager.
Loan-Level Benchmark Replacement Conforming Changes: With respect to any Commercial Real Estate Loan, any technical, administrative or operational changes (including, but not limited to, changes to the definition of "interest accrual period" under the applicable Loan Documents setting an applicable determination date for the Loan-Level Benchmark Replacement, reference time, the timing and frequency of determining rates, the method for determining the Loan-Level Benchmark Replacement and other administrative matters) that the Collateral Manager determines, in its sole discretion, may be appropriate to reflect the adoption of such Loan-Level Benchmark Replacement or to eliminate a mismatch between the Benchmark Replacement and the Benchmark Replacement Adjustment on the Notes and the Loan-Level Benchmark Replacement and the spread adjustment (if any) applicable to a Commercial Real Estate Loan. The effectuation of any Loan-Level Benchmark Replacement Conforming Changes by the Servicer at the direction of the Collateral Manager will not be subject to the Servicing Standard, but will be subject to the Collateral Management Standard.

Advancing and Backup Advancing: The Advancing Agent, FS Credit REIT, will be required to advance certain delinquent scheduled interest payments, as applicable, to the extent that the Master Servicer or Trustee deems such advances to be recoverable. The Advancing Agent will be required to make interest advances with respect to interest shortfalls on the Class A, A-S, and B Notes, respectively. If the Advancing Agent fails to make a required Interest Advance, the backup advancing agent, Wells Fargo Bank, N.A. (rated AA with a Negative trend by DBRS Morningstar), will be required to make such Interest Advance, subject to a determination of recoverability. Neither party is responsible for advancing future funding obligations or principal payments.

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

Note Protection Tests: The transaction features senior note protection tests in the form of an interest coverage (IC) test and a par value or overcollateralization (OC) test. If the IC or OC tests are not satisfied on any measurement date, interest proceeds that would otherwise be used to pay interest on the Class F Notes and the Class G Notes and pay dividends to the Preferred Shares and make certain other payments on the following Payment Date must instead be used to pay principal of first, the Class A

Notes; second, the Class B Notes; third, the Class C Notes; fourth, the Class D Notes; and fifth, the Class E Notes, in each case, to the extent necessary to cause the Note Protection Tests to be satisfied. If interest proceeds are not sufficient to rebalance the vehicle and satisfy both the IC and the OC tests or pay down the applicable classes, and the Issuer will not be permitted to use principal proceeds for Reinvestment Mortgage Assets. The OC Test will be satisfied if the Par Value Ratio (as defined in the Offering Memorandum) is equal to or greater than 119.7%. The IC Test will be satisfied if the Interest Coverage Ratio (as defined in the Offering Memorandum) is equal to or greater than 120.0%.

No-Downgrade Confirmation: Certain events within the transaction require the Issuer to obtain No Downgrade Confirmation. 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 such confirmation for acquisitions of companion participations of $1.0 million or less.

Preferred Shares: The Preferred Shares are equity in the Issuer and will not be secured by any of the mortgage loans or the other collateral securing the offered notes. The Preferred Shares are subordinate to all classes of Notes in all respects.

Methodologies

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

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

Surveillance

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

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

This report is based on information as of October TK, 2021. Subsequent information may result in material changes to the rating assigned herein and/or the contents of this report.

Glossary

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

Definitions

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

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

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

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

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

Issuer UW
Issuer underwritten from Annex A or servicer reports.

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

Net Cash Flow (NCF)
The 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.

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

Net Operating Income (NOI)
The 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.

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

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

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

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

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

About DBRS Morningstar

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

We rate more than 3,000 issuers and nearly 60,000 securities worldwide, providing independent credit ratings for financial institutions, corporate and sovereign entities, and structured finance products and instruments. Market innovators choose to work with us because of our agility, transparency, and tech-forward approach.

DBRS Morningstar is empowering investor success as the go-to source for independent credit ratings. And we are bringing transparency, responsiveness, and leading-edge technology to the industry.

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