Offering Circular Supplement
(To Offering Circular Dated August 1, 2014)

$418,212,000
(Approximate)

Freddie Mac

Structured Pass-Through Certificates (SPCs)
Series K-S07

Offered Classes:	Classes of SPCs shown below
Underlying Classes:	Each Class of SPCs represents a pass-through interest in a separate class of securities issued by the Underlying Trust
Underlying Trust:	FREMF 2016-KS07 Mortgage Trust
Mortgages:	Fixed-rate, balloon mortgages secured by senior housing facilities offering independent living services
Underlying Originator:	Walker & Dunlop, LLC
Underlying Seller:	Freddie Mac
Underlying Depositor:	Wells Fargo Commercial Mortgage Securities, Inc.
Underlying Master Servicer:	Wells Fargo Bank, National Association
Underlying Special Servicer:	Wells Fargo Bank, National Association
Underlying Trustee:	Wilmington Trust, National Association
Underlying Certificate Administrator and Custodian:	Wells Fargo Bank, National Association
Payment Dates:	Monthly beginning in November 2016
Optional Termination:	The SPCs are subject to a 1% clean-up call right and the Underlying Trust is subject to certain liquidation rights, each as described in this Supplement
Form of SPCs:	Book-entry on DTC System
Offering Terms:	The placement agents named below are offering the SPCs in negotiated transactions at varying prices, and in accordance with the selling restrictions set forth in *Appendix A*
Closing Date:	On or about October 28, 2016

Class	Original Principal Balance or Notional Amount(1)	Class Coupon	CUSIP Number	Final Payment Date
A-1	$ 40,472,000	2.0180%	3137BS6E8	September 25, 2025
A-2	377,740,000	2.7350	3137BS6F5	September 25, 2025
X	464,680,000	(2)	3137BS6G3	September 25, 2025

(1) Approximate. May vary by up to 5%.
(2) See *Terms Sheet — Interest*.

The SPCs may not be suitable investments for you. You should not purchase SPCs unless you have carefully considered and are able to bear the associated prepayment, interest rate, yield and market risks of investing in them. *Certain Risk Considerations* on page S-2 highlights some of these risks.

You should purchase SPCs only if you have read and understood this Supplement, our Giant and Other Pass-Through Certificates Offering Circular dated August 1, 2014, as supplemented by the Offering Circular Supplements dated May 1, 2015 and December 10, 2015 (the **"Offering Circular"**) and the other documents identified under *Available Information.*

We guarantee certain principal and interest payments on the SPCs. These payments are not guaranteed by, and are not debts or obligations of, the United States or any federal agency or instrumentality other than Freddie Mac. The SPCs are not tax-exempt. Because of applicable securities law exemptions, we have not registered the SPCs with any federal or state securities commission. No securities commission has reviewed this Supplement. We have not engaged any rating agency to rate the SPCs.

Lead Manager and Sole Bookrunner

Wells Fargo Securities

Co-Managers

Citigroup **Drexel Hamilton** **J.P. Morgan** **PNC Capital Markets LLC**

October 19, 2016

CERTAIN RISK CONSIDERATIONS

Although we guarantee the payments on the SPCs, and so bear the associated credit risk, as an investor you will bear the other risks of owning mortgage securities. This section highlights some of these risks. You should also read *Risk Factors* and *Prepayment, Yield and Suitability Considerations* in the Offering Circular and *Risk Factors* in the Information Circular for further discussions of these risks.

SPCs May Not be Suitable Investments for You. The SPCs are complex securities. You should not purchase SPCs unless you are able to understand and bear the associated prepayment, basis, redemption, interest rate, yield and market risks.

Prepayments Can Reduce Your Yield. Your yield could be lower than you expect if:

- You buy A-1 or A-2 at a premium over its principal balance, or if you buy X, and prepayments on the underlying Mortgages are faster than you expect.
- You buy A-1 or A-2 at a discount to its principal balance and prepayments on the underlying Mortgages are slower than you expect.

Rapid prepayments on the Mortgages, especially those with relatively high interest rates, would reduce the yield on X, which is an Interest Only Class, and could even result in the failure of investors in that Class to recover their investment.

X is Subject to Basis Risk. X bears interest at a rate based in part on the **Weighted Average Net Mortgage Pass-Through Rate**. As a result, X is subject to basis risk, which may reduce its yield.

The SPCs are Subject to Redemption Risk. If the Underlying Trust is terminated or the SPCs are redeemed, the effect on the SPCs will be similar to a full prepayment of all the Mortgages.

The SPCs are Subject to Market Risks. You will bear all of the market risks of your investment. The market value of your SPCs will vary over time, primarily in response to changes in prevailing interest rates. If you sell your SPCs when their market value is low, you may experience significant losses. The placement agents named on the front cover (the **"Placement Agents"**) intend to deliver the SPCs on our behalf to third party purchasers; however, if the SPCs are not placed with third parties, they will be resold to us by the Placement Agents.

The SPCs Will Not Be Rated. The SPCs will not be rated by any **NRSRO** (unless an NRSRO issues an unsolicited rating), which may adversely affect the ability of an investor to purchase or retain, or otherwise impact the liquidity, market value and regulatory characteristics of, the SPCs.

TERMS SHEET

This Terms Sheet contains selected information about this Series. You should refer to the remainder of this Supplement and to the Offering Circular and the attached Information Circular for further information.

The Offering Circular defines many of the terms we use in this Supplement. The Underlying Depositor's Information Circular dated the same date as this Supplement (the **"Information Circular**"), attached to this Supplement, defines terms that appear in **bold type** on their first use and are not defined in this Supplement or the Offering Circular.

In this Supplement, we sometimes refer to Classes of SPCs only by their number and letter designations. For example, "A-1" refers to the A-1 Class of this Series.

General

Each Class of SPCs represents the entire undivided interest in a separate pass-through pool. Each pass-through pool consists of a class of securities (each, an **"Underlying Class"**) issued by the Underlying Trust. Each Underlying Class has the same designation as its corresponding Class of SPCs. Each Mortgage is a fixed-rate, multifamily balloon mortgage loan that provides for an amortization schedule that is significantly longer than its remaining term to stated maturity and a substantial payment of principal on its maturity date.

In addition to the Underlying Classes, the Underlying Trust is issuing two other classes of securities: the series 2016-KS07 class B and class R certificates.

Interest

A-1 and A-2 each will bear interest at its Class Coupon shown on the front cover.

X will bear interest at a Class Coupon equal to the interest rate of its Underlying Class, which is equal to the weighted average of its related "strip rates," as described in the Information Circular. Accordingly, the Class Coupon of X will vary from month to month. The initial Class Coupon of X is approximately 0.7776% per annum.

See *Payments — Interest* in this Supplement and *Description of the Underlying Mortgage Loans — Certain Terms and Conditions of the Underlying Mortgage Loans* and *Description of the Certificates — Distributions — Interest Distributions* in the Information Circular.

Interest Only (Notional) Class

X does not receive principal payments. To calculate interest payments, X has a notional amount equal to the sum of the then-current principal balances of Underlying Classes A-1 and A-2 and the series 2016-KS07 class B certificates.

For more specific information, see *Description of the Certificates — Distributions — Interest Distributions* in the Information Circular.

Principal

On each Payment Date, we pay principal on each of A-1 and A-2 in an amount equal to the principal, if any, required to be paid on that Payment Date on its corresponding Underlying Class.

See *Payments — Principal* and *Prepayment and Yield Analysis* in this Supplement and *Description of the Certificates — Distributions — Principal Distributions* in the Information Circular.

Static Prepayment Premiums and Yield Maintenance Charges

Any **Static Prepayment Premium** or **Yield Maintenance Charge** collected in respect of any of the Mortgages will be distributed to Underlying Classes A-1, A-2 and X, in the proportions described under *Description of the Certificates — Distributions — Distributions of Static Prepayment Premiums and Yield Maintenance Charges* in the Information Circular. Any such Static Prepayment Premiums or Yield Maintenance Charges distributed to Underlying Classes A-1, A-2 or X will be passed through to the corresponding Classes of SPCs.

Our guarantee does not cover the payment of any Yield Maintenance Charges, Static Prepayment Premiums or any other prepayment premiums related to the Mortgages.

Federal Income Taxes

If you own a Class of SPCs, you will be treated for federal income tax purposes as owning an undivided interest in the related Underlying Class. Each Underlying Class represents ownership in a REMIC "regular interest."

See *Certain Federal Income Tax Consequences* in this Supplement, in the Offering Circular and in the Information Circular.

Weighted Average Lives

The Information Circular shows the weighted average lives and declining principal balances for Underlying Classes A-1 and A-2 and the weighted average lives and pre-tax yields for Underlying Class X, in each case, based on the assumptions described in the Information Circular. The weighted average lives, declining principal balances and pre-tax yields, as applicable, for each Class of SPCs would be the same as those shown in the Information Circular for its corresponding Underlying Class, based on these assumptions. However, these assumptions are likely to differ from actual experience in many cases.

See *Yield and Maturity Considerations — Weighted Average Lives of the Offered Principal Balance Certificates, — Yield Sensitivity of the Class X Certificates* and *Exhibits D* and *E* in the Information Circular.

AVAILABLE INFORMATION

You should purchase SPCs only if you have read and understood:

- This Supplement.
- The Offering Circular.
- The attached Information Circular.
- The Incorporated Documents listed under *Additional Information* in the Offering Circular.

This Supplement incorporates the Offering Circular, including the Incorporated Documents, by reference. When we incorporate documents by reference, that means we are disclosing information to you by referring to those documents rather than by providing you with separate copies. The Offering Circular, including the Incorporated Documents, is considered part of this Supplement. Information that we incorporate by reference will automatically update information in this Supplement. You should rely only on the most current information provided or incorporated by reference in this Supplement.

You may read and copy any document we file with the SEC at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. The SEC also maintains a website at http://www.sec.gov that contains reports, proxy and information statements, and other information regarding companies that file electronically with the SEC.

You can obtain, without charge, copies of the Offering Circular, including the Incorporated Documents, any documents we subsequently file with the SEC, the Pass-Through Trust Agreement and current information concerning the SPCs, as well as the disclosure documents and current information for any other securities we issue, from:

Freddie Mac — Investor Inquiry
1551 Park Run Drive, Mailstop D5O
McLean, Virginia 22102-3110
Telephone: 1-800-336-3672
((571) 382-4000 within the Washington, D.C. area)
E-mail: Investor_Inquiry@freddiemac.com

We also make these documents available on our internet website at this address:

Internet Website*: www.freddiemac.com

* We are providing this internet address solely for the information of investors. We do not intend this internet address to be an active link and we are not using references to this address to incorporate additional information into this Supplement, except as specifically stated in this Supplement.

You can also obtain the documents listed above from the Placement Agent named below at:

Wells Fargo Securities, LLC
Customer Service
MAC N9303-054
608 2nd Avenue South, Suite 500
Minneapolis, Minnesota 55479
US Callers: (800) 645-3751, option 5
International Callers: (612) 667-0900, option 5
WFSCustomerService@wellsfargo.com

The Underlying Depositor has prepared the Information Circular in connection with its sale of the Underlying Classes to us. The Underlying Depositor is responsible for the accuracy and completeness of the Information Circular, and we do not make any representations that it is accurate or complete.

GENERAL INFORMATION

Pass-Through Trust Agreement

We will form a trust fund to hold the Underlying Classes and to issue the SPCs, each pursuant to the Pass-Through Certificates Master Trust Agreement dated August 1, 2014, as amended, and a Terms Supplement dated the Closing Date (together, the **"Pass-Through Trust Agreement"**). We will act as Trustee and Administrator under the Pass-Through Trust Agreement.

You should refer to the Pass-Through Trust Agreement for a complete description of your rights and obligations and those of Freddie Mac. You will acquire your SPCs subject to the terms and conditions of the Pass-Through Trust Agreement, including the Terms Supplement.

Form of SPCs

The SPCs are issued, held and transferable on the DTC System. DTC or its nominee is the Holder of each Class. As an investor in SPCs, you are not the Holder. See *Description of Pass-Through Certificates — Form, Holders and Payment Procedures* in the Offering Circular.

Denominations of SPCs

A-1 and A-2 will be issued, and may be held and transferred, in minimum original principal amounts of $1,000 and additional increments of $1. X will be issued, and may be held and transferred, in minimum original notional principal amounts of $100,000 and additional increments of $1.

Structure of Transaction

General

Each Class of SPCs represents the entire interest in a pass-through pool consisting of its corresponding Underlying Class. Each Underlying Class represents an interest in the Underlying Trust formed by the Underlying Depositor. The Underlying Trust consists primarily of the Mortgages described under *Description of the Underlying Mortgage Loans* in the Information Circular. Each Class of SPCs receives the payments of principal and/or interest required to be made on its corresponding Underlying Class.

In addition to the Underlying Classes, the Underlying Trust is issuing two other classes, which are subordinate to Underlying Classes A-1, A-2 and X to the extent described in the Information Circular. These additional classes will not be assets underlying the Classes of SPCs offered hereby. The pooling and servicing agreement for the Underlying Trust (the **"Pooling Agreement"**) governs the Underlying Classes and these additional classes.

Each Underlying Class will bear interest at the same rate, and at all times will have the same principal balance or notional amount, as its corresponding Class of SPCs. On the Closing Date, we will acquire the Underlying Classes from the Underlying Depositor. We will hold the Underlying Classes in certificated form on behalf of investors in the SPCs.

See *Description of Pass-Through Certificates — Structured Pass-Through Certificates* in the Offering Circular.

Credit Enhancement Features of the Underlying Trust

Underlying Classes A-1, A-2 and X will have a payment priority over the series 2016-KS07 class B certificates issued by the Underlying Trust to the extent described in the Information Circular. Subordination is designed to provide the holders of those Underlying Classes with protection against most losses realized when the remaining unpaid amount on a Mortgage exceeds the amount of net proceeds recovered upon the liquidation of that Mortgage. In general, this is accomplished by allocating the Realized Losses first to the series 2016-KS07 class B certificates as described in the Information Circular. See *Description of the Certificates — Distributions — Subordination* in the Information Circular.

Underlying Classes A-1 and A-2, in that order, will receive all of the principal payments on the Mortgages until they are retired. Thereafter, the series 2016-KS07 class B certificates will be entitled to such principal payments. Because of losses on the Mortgages and/or default-related or other unanticipated expenses of the Underlying Trust, the principal balance of the series 2016-KS07 class B certificates could be reduced to zero at a time when both Underlying Classes A-1 and A-2 remain outstanding. Under those circumstances, any principal payments to Underlying Classes A-1 and A-2 will be made on a *pro rata* basis in accordance with the then-outstanding total principal balances of those classes. See *Description of the Certificates — Distributions — Principal Distributions* and *— Priority of Distributions* in the Information Circular.

The Underlying Classes Will Not Be Rated

None of the Underlying Classes will be rated by an NRSRO (unless an NRSRO issues an unsolicited rating). See *Risk Factors — Risks Related to the Offered Certificates — The Certificates Will Not Be Rated* in the Information Circular.

The Mortgages

The Mortgages consist of 28 fixed-rate mortgage loans, secured by 28 senior housing facilities offering independent living services at the properties. The Mortgages have an **initial mortgage pool balance** of approximately $464,680,000 as of October 1, 2016. All of the Mortgages are **Balloon Loans** with original terms to maturity of 120 months. The Mortgages were originated on August 12, 2015.

All of the Mortgages provide for an interest only period of 60 months following origination, followed by amortization for the balance of the loan term. All of the Mortgages have borrowers that are

affiliated with each other and are indirectly controlled by New Senior Investment Group, Inc. 27 of the Mortgages belong to one of 6 **Crossed Loan Groups** and are cross-collateralized by each multifamily property securing each such Mortgage in such Crossed Loan Group. All of the Mortgages are cross-defaulted with each other. See *Description of the Underlying Mortgage Loans — Certain Terms and Conditions of the Underlying Mortgage Loans — Additional Amortization Considerations* and *Description of the Underlying Mortgage Loans — Cross-Collateralized Mortgage Loans and Mortgage Loans Made to Affiliated Borrowers* and *Description of the Underlying Mortgage Loans — Certain Terms and Conditions of the Underlying Mortgage Loans — Release of Property Through Prepayment* in the Information Circular.

Description of the Underlying Mortgage Loans and *Exhibits A-1*, *A-2* and *A-3* in the Information Circular further describe the Mortgages.

PAYMENTS

Payment Dates; Record Dates

We make payments of principal and interest on the SPCs on each Payment Date, beginning in November 2016. A **"Payment Date"** is the 25th of each month or, if the 25th is not a **Business Day**, the next Business Day.

On each Payment Date, DTC credits payments to the DTC Participants that were owners of record on the close of business on the last Business Day of the related Accrual Period.

Method of Payment

The Registrar makes payments to DTC in immediately available funds. DTC credits payments to the accounts of DTC Participants in accordance with its normal procedures. Each DTC Participant, and each other financial intermediary, is responsible for remitting payments to its customers.

Interest

General

We pay interest on each Payment Date on each Class of SPCs. The Classes bear interest as described under *Terms Sheet — Interest* in this Supplement.

Accrual Period

The **"Accrual Period"** for each Payment Date is the preceding calendar month.

We calculate interest based on a 360 day year of twelve 30 day months.

Principal

We pay principal on each Payment Date on each of A-1 and A-2 to the extent principal is payable on its corresponding Underlying Class. Investors receive principal payments on a *pro rata* basis among the SPCs of their Class.

See *Terms Sheet — Principal* in this Supplement and *Description of the Certificates — Distributions — Priority of Distributions* and *— Principal Distributions* in the Information Circular.

Static Prepayment Premiums and Yield Maintenance Charges

Any **Static Prepayment Premium** or **Yield Maintenance Charge** collected in respect of any of the Mortgages will be distributed to Underlying Classes A-1, A-2 and X, in the proportions described under *Description of the Certificates — Distributions — Distributions of Static Prepayment Premiums and Yield Maintenance Charges* in the Information Circular. Any Static Prepayment Premiums or Yield Maintenance Charges distributed to Underlying Classes A-1, A-2 or X will be passed through to the corresponding Classes of SPCs.

Our guarantee does not cover the payment of any Yield Maintenance Charges, Static Prepayment Premiums or any other prepayment premiums related to the Mortgages.

Class Factors

General

We make Class Factors for the Classes of SPCs available on or prior to each Payment Date. See *Description of Pass-Through Certificates — Payments — Class Factors* in the Offering Circular. Each Class Factor's eight-digit decimal number is rounded rather than truncated.

Use of Factors

You can calculate principal and interest payments by using the Class Factors.

For example, the reduction in the balance of a Class in February will equal its original balance times the difference between its January and February Class Factors. The amount of interest to be paid on a Class in February will equal interest at its Class Coupon, accrued during the related Accrual Period, on its balance determined by its January Class Factor.

Guarantees

We guarantee to each Holder of each Class of SPCs (a) the timely payment of interest at its Class Coupon; (b) the payment of principal on A-1 and A-2, on or before the Payment Date immediately following the maturity date of each Balloon Loan (to the extent of principal on such Class of SPCs that would have been payable from such Balloon Loan); (c) the reimbursement of any Realized Losses and any **Additional Issuing Entity Expenses** allocated to each Class of SPCs; and (d) the ultimate payment of principal on A-1 and A-2 by the Final Payment Date of such Class. Our guarantee does not cover any loss of yield on X following a reduction of its notional amount due to a reduction of the principal balance of any Underlying Classes or of the series 2016-KS07 class B certificates, nor does it cover the payment of any Yield Maintenance Charges, Static Prepayment Premiums or any other prepayment premiums related to the Mortgages. See *Description of Pass-Through Certificates — Guarantees* in the Offering Circular and *Description of the Certificates — Distributions — Freddie Mac Guarantee* in the Information Circular.

Optional Termination; Redemption

The holders of a majority interest of the **Controlling Class** for the Underlying Trust (excluding Freddie Mac (as defined in the Information Circular)), the Underlying Special Servicer and the Underlying Master Servicer each will have the option, in a prescribed order, to purchase the Mortgages and other trust property and terminate the Underlying Trust on any Payment Date on which the total **Stated Principal Balance** of the Mortgages is less than 1% of the initial mortgage pool balance. In

addition, with the satisfaction of the conditions set forth in the proviso to the definition of "Sole Certificateholder" in the Information Circular and with the consent of the Underlying Master Servicer, the **Sole Certificateholder** for the Underlying Trust (excluding Freddie Mac (as defined in the Information Circular)) will have the right to exchange all of its certificates issued by the Underlying Trust (other than the series 2016-KS07 class R certificates) for all of the Mortgages and **REO Properties** remaining in the Underlying Trust, resulting in the liquidation of the Underlying Trust. See *The Pooling and Servicing Agreement — Termination* in the Information Circular.

If a termination of the Underlying Trust occurs, each Class of SPCs will receive its unpaid principal balance, if any, plus interest for the related Accrual Period. We will give notice of termination to Holders not later than the fifth Business Day of the month in which the termination will occur, and each Class Factor we publish in that month will equal zero.

In addition, we will have the right to redeem the outstanding SPCs on any Payment Date when the aggregate remaining principal balance of A-1 and A-2 would be less than 1% of their aggregate original principal balance. We will give notice of any exercise of this right to Holders 30 to 60 days before the redemption date. We will pay a redemption price equal to the unpaid principal balance, if any, of each Class redeemed plus interest for the related Accrual Period.

PREPAYMENT AND YIELD ANALYSIS

Mortgage Prepayments

The rates of principal payments on the Classes will depend primarily on the rates of principal payments, including prepayments, on the related Mortgages. Each Mortgage may be prepaid, subject to certain restrictions and requirements, including a prepayment consideration period during which voluntary principal prepayments must be accompanied by the greater of a Static Prepayment Premium and a Yield Maintenance Charge, followed by a prepayment consideration period during which voluntary principal prepayments are restricted by requiring that any voluntary principal prepayment made be accompanied by a Static Prepayment Premium, followed by an open prepayment period prior to maturity during which voluntary principal prepayments may be made without payment of any prepayment consideration.

Mortgage prepayment rates may fluctuate continuously and, in some market conditions, substantially.

See *Prepayment, Yield and Suitability Considerations — Prepayments* in the Offering Circular for a discussion of mortgage prepayment considerations and risks. *Risk Factors, Description of the Underlying Mortgage Loans* and *Yield and Maturity Considerations* in the Information Circular discuss prepayment considerations for the Underlying Classes.

Yield

As an investor in SPCs, your yield will depend on:

- Your purchase price.
- The rate of principal payments on the underlying Mortgages.
- Whether an optional termination of the Underlying Trust occurs or the SPCs are redeemed.
- The actual characteristics of the underlying Mortgages.

- In the case of X, the extent to which its Class Coupon formula results in reductions or increases in its Class Coupon.
- The delay between each Accrual Period and the related Payment Date.

See *Prepayment, Yield and Suitability Considerations — Yields* in the Offering Circular for a discussion of yield considerations and risks.

Suitability

The SPCs may not be suitable investments for you. See *Prepayment, Yield and Suitability Considerations — Suitability* in the Offering Circular for a discussion of suitability considerations and risks.

FINAL PAYMENT DATES

The Final Payment Date for each Class of SPCs is the latest date by which it will be paid in full and will retire. The Final Payment Dates generally reflect the maturity dates of the Mortgages and assume, among other things, no prepayments or defaults on the Mortgages. The actual retirement of each Class may occur earlier than its Final Payment Date.

CERTAIN FEDERAL INCOME TAX CONSEQUENCES

General

The following is a general discussion of federal income tax consequences of the purchase, ownership and disposition of the Classes of SPCs. It does not address all federal income tax consequences that may apply to particular categories of investors, some of which may be subject to special rules. The tax laws and other authorities for this discussion are subject to change or differing interpretations, and any change or interpretation could apply retroactively. You should consult your tax advisor to determine the federal, state, local and any other tax consequences that may be relevant to you.

Neither the SPCs nor the income derived from them is exempt from federal income, estate or gift taxes under the Code by virtue of the status of Freddie Mac as a government-sponsored enterprise. Neither the Code nor the Freddie Mac Act contains an exemption from taxation of the SPCs or the income derived from them by any state, any possession of the United States or any local taxing authority.

Classification of Investment Arrangement

The arrangement under which each Class of SPCs is created and sold and the related pass-through pool is administered will be classified as a grantor trust under subpart E, part I of subchapter J of the Code. As an investor in SPCs, you will be treated for federal income tax purposes as the owner of a *pro rata* undivided interest in the related Underlying Class.

Status of Classes

Upon the issuance of the Underlying Classes, Cadwalader, Wickersham & Taft LLP, counsel for the Underlying Depositor, will deliver its opinion generally to the effect that, assuming compliance with all the provisions of the Pooling Agreement and certain other documents:

- Specified portions of the assets of the Underlying Trust will qualify as multiple REMICs under the Code.
- Each Underlying Class will represent ownership of a "regular interest" in one of those REMICs.

Accordingly, an investor in a Class of SPCs will be treated as owning a REMIC regular interest.

For information regarding the federal income tax consequences of investing in an Underlying Class, see *Certain Federal Income Tax Consequences* in the Information Circular.

Information Reporting

Within a reasonable time after the end of each calendar year, we will furnish or make available to each Holder of each Class of SPCs such information as Freddie Mac deems necessary or desirable to assist beneficial owners in preparing their federal income tax returns, or to enable each Holder to make such information available to beneficial owners or financial intermediaries for which the Holder holds such SPCs as nominee.

Foreign Account Tax Compliance Act

Investors should be aware that FATCA-related administrative guidance announced on September 18, 2015 delays withholding of U.S. federal income tax at a rate of 30% with respect to payments of gross proceeds from the sale or disposition of an SPC or an underlying Mortgage received by a non-U.S. entity until after December 31, 2018. Investors should consult their tax advisors regarding the potential application and impact of the FATCA withholding rules based on their particular circumstances.

LEGAL INVESTMENT CONSIDERATIONS

You should consult your legal advisor to determine whether the SPCs are a legal investment for you and whether you can use the SPCs as collateral for borrowings. See *Legal Investment Considerations* in the Offering Circular.

ACCOUNTING CONSIDERATIONS

You should consult your accountant for advice on the appropriate accounting treatment for your SPCs. See *Accounting Considerations* in the Offering Circular.

ERISA CONSIDERATIONS

Fiduciaries of employee benefit plans should review *ERISA Considerations* in the Offering Circular.

PLAN OF DISTRIBUTION

Under an agreement with the Placement Agents, they have agreed to purchase all of the SPCs not placed with third parties for resale to us.

Our agreement with the Placement Agents provides that we will indemnify them against certain liabilities.

LEGAL MATTERS

Our General Counsel or one of our Deputy General Counsels will render an opinion on the legality of the SPCs. Cadwalader, Wickersham & Taft LLP is representing the Underlying Depositor and the Placement Agents on legal matters concerning the SPCs. That firm is also rendering certain legal services to us with respect to the SPCs.

Appendix A

Selling Restrictions

NOTICE TO RESIDENTS OF THE REPUBLIC OF KOREA

THIS OFFERING CIRCULAR SUPPLEMENT IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, A PUBLIC OFFERING OF SECURITIES IN KOREA. NEITHER FREDDIE MAC NOR ANY OF ITS AGENTS MAKE ANY REPRESENTATION WITH RESPECT TO THE ELIGIBILITY OF ANY RECIPIENTS OF THIS OFFERING CIRCULAR SUPPLEMENT TO ACQUIRE THE SPCs UNDER THE LAWS OF KOREA, INCLUDING, BUT WITHOUT LIMITATION, THE FOREIGN EXCHANGE TRANSACTION LAW AND REGULATIONS THEREUNDER (THE "FETL"). THE SPCs HAVE NOT BEEN REGISTERED WITH THE FINANCIAL SERVICES COMMISSION OF KOREA FOR PUBLIC OFFERING IN KOREA, AND NONE OF THE SPCs MAY BE OFFERED, SOLD OR DELIVERED, DIRECTLY OR INDIRECTLY, OR OFFERED OR SOLD TO ANY PERSON FOR RE-OFFERING OR RESALE, DIRECTLY OR INDIRECTLY IN KOREA OR TO ANY RESIDENT OF KOREA EXCEPT PURSUANT TO THE FINANCIAL INVESTMENT SERVICES AND CAPITAL MARKETS ACT AND THE DECREES AND REGULATIONS THEREUNDER (THE "FSCMA"), THE FETL AND ANY OTHER APPLICABLE LAWS, REGULATIONS AND MINISTERIAL GUIDELINES IN KOREA.

NOTICE TO RESIDENTS OF THE PEOPLE'S REPUBLIC OF CHINA

THE SPCs WILL NOT BE OFFERED OR SOLD IN THE PEOPLE'S REPUBLIC OF CHINA (EXCLUDING HONG KONG, MACAU AND TAIWAN, THE "PRC") AS PART OF THE INITIAL DISTRIBUTION OF THE SPCs BUT MAY BE AVAILABLE FOR PURCHASE BY INVESTORS RESIDENT IN THE PRC FROM OUTSIDE THE PRC.

THIS OFFERING CIRCULAR SUPPLEMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY SECURITIES IN THE PRC TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE THE OFFER OR SOLICITATION IN THE PRC.

THE PRC DOES NOT REPRESENT THAT THIS OFFERING CIRCULAR SUPPLEMENT MAY BE LAWFULLY DISTRIBUTED, OR THAT ANY SPCs MAY BE LAWFULLY OFFERED, IN COMPLIANCE WITH ANY APPLICABLE REGISTRATION OR OTHER REQUIREMENTS IN THE PRC, OR PURSUANT TO AN EXEMPTION AVAILABLE THEREUNDER, OR ASSUME ANY RESPONSIBILITY FOR FACILITATING ANY SUCH DISTRIBUTION OR OFFERING. IN PARTICULAR, NO ACTION HAS BEEN TAKEN BY THE PRC WHICH WOULD PERMIT A PUBLIC OFFERING OF ANY SPCs OR THE DISTRIBUTION OF THIS OFFERING CIRCULAR SUPPLEMENT IN THE PRC. ACCORDINGLY, THE SPCs ARE NOT BEING OFFERED OR SOLD WITHIN THE PRC BY MEANS OF THIS OFFERING CIRCULAR SUPPLEMENT OR ANY OTHER DOCUMENT. NEITHER THIS OFFERING CIRCULAR SUPPLEMENT NOR ANY ADVERTISEMENT OR OTHER OFFERING MATERIAL MAY BE DISTRIBUTED OR PUBLISHED IN THE PRC, EXCEPT UNDER CIRCUMSTANCES THAT WILL RESULT IN COMPLIANCE WITH ANY APPLICABLE LAWS AND REGULATIONS.

JAPAN

THE SPCs HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE FINANCIAL INSTRUMENTS EXCHANGE ACT OF JAPAN (LAW NO. 25 OF 1948, AS AMENDED (THE "FIEL")), AND EACH INITIAL PURCHASER HAS AGREED THAT IT WILL NOT OFFER OR SELL ANY SPCs, DIRECTLY OR INDIRECTLY, IN JAPAN OR TO, OR FOR THE BENEFIT OF, ANY JAPANESE PERSON, OR TO OTHERS FOR RE-OFFERING OR RESALE, DIRECTLY OR INDIRECTLY, IN JAPAN OR TO ANY JAPANESE PERSON, EXCEPT PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF, AND OTHERWISE IN COMPLIANCE WITH, THE FIEL AND ANY OTHER APPLICABLE LAWS AND REGULATIONS. FOR THE PURPOSES OF THIS PARAGRAPH, "JAPANESE PERSON" SHALL MEAN ANY PERSON RESIDENT IN JAPAN, INCLUDING ANY CORPORATION OR OTHER ENTITY ORGANIZED UNDER THE LAWS AND REGULATIONS OF JAPAN.

HONG KONG

THE SPCs ARE NOT BEING OFFERED OR SOLD AND WILL NOT BE OFFERED OR SOLD IN HONG KONG, BY MEANS OF ANY DOCUMENT (EXCEPT FOR SPCs WHICH ARE A "STRUCTURED PRODUCT" AS DEFINED IN THE SECURITIES AND FUTURES ORDINANCE (CAP. 571) (THE "SFO") OF HONG KONG) OTHER THAN (A) TO "PROFESSIONAL INVESTORS" AS DEFINED IN THE SFO AND ANY RULES MADE UNDER THE SFO; OR (B) IN OTHER CIRCUMSTANCES WHICH DO NOT RESULT IN THE DOCUMENT BEING A "PROSPECTUS" AS DEFINED IN THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE (CAP. 32) (THE "C(WUMP)O") OF HONG KONG OR WHICH DO NOT CONSTITUTE AN OFFER TO THE PUBLIC WITHIN THE MEANING OF THE C(WUMP)O. NO ADVERTISEMENT, INVITATION OR DOCUMENT RELATING TO THE SPCs HAS BEEN ISSUED OR WILL BE ISSUED, WHETHER IN HONG KONG OR ELSEWHERE, WHICH IS DIRECTED AT, OR THE CONTENTS OF WHICH ARE LIKELY TO BE ACCESSED OR READ BY, THE PUBLIC OF HONG KONG (EXCEPT IF PERMITTED TO DO SO UNDER THE SECURITIES LAWS OF HONG KONG) OTHER THAN WITH RESPECT TO SPCs WHICH ARE OR ARE INTENDED TO BE DISPOSED OF ONLY TO PERSONS OUTSIDE HONG KONG OR ONLY TO "PROFESSIONAL INVESTORS" AS DEFINED IN THE SFO AND ANY RULES MADE UNDER THE SFO.

(THIS PAGE INTENTIONALLY LEFT BLANK)

$418,212,000
(Approximate)

Multifamily Mortgage Pass-Through Certificates, Series 2016-KS07

FREMF 2016-KS07 Mortgage Trust
issuing entity

Wells Fargo Commercial Mortgage Securities, Inc.
depositor

Federal Home Loan Mortgage Corporation
mortgage loan seller and guarantor

We, Wells Fargo Commercial Mortgage Securities, Inc., intend to establish a trust to act as an issuing entity, which we refer to in this information circular as the "issuing entity." The primary assets of the issuing entity will consist of 28 mortgage loans secured by 28 mortgaged real properties that are senior housing facilities offering independent living services at the mortgaged real properties. The mortgage loans included in the issuing entity were originated on August 12, 2015 and had original terms to maturity of 120 months. The issuing entity will issue five classes of certificates, three of which, referred to in this information circular as the "offered certificates," are being offered by this information circular, as listed below. The issuing entity will pay interest and/or principal monthly, commencing in November 2016. The offered certificates represent obligations of the issuing entity only (and, solely with respect to certain payments of interest and principal pursuant to a guarantee of the offered certificates described in this information circular, Freddie Mac), and do not represent obligations of or interests in us or any of our affiliates. We do not intend to list the offered certificates on any national securities exchange or any automated quotation system of any registered securities association.

This information circular was prepared solely in connection with the offering and sale of the offered certificates to Freddie Mac.

Investing in the offered certificates involves risks. See "Risk Factors" beginning on page 36 of this information circular.

Offered Classes	Total Initial Principal Balance or Notional Amount	Initial Pass-Through Rate	Assumed Final Distribution Date
Class A-1	$ 40,472,000	2.0180%	September 25, 2025
Class A-2	$ 377,740,000	2.7350%	September 25, 2025
Class X	$ 464,680,000	0.7776%*	September 25, 2025

* Approximate.

Delivery of the offered certificates will be made on or about October 28, 2016. Credit enhancement will be provided by (i) the subordination of certain classes of certificates to certain other classes of such certificates as described in this information circular under "Summary of Information Circular—The Offered Certificates—Subordination," "—Priority of Distributions" and "Description of the Certificates—Distributions—Subordination" and (ii) the guarantee of the offered certificates by Freddie Mac as described under "Summary of Information Circular—The Offered Certificates—Freddie Mac Guarantee," and "Description of the Certificates—Distributions—Freddie Mac Guarantee" in this information circular.

The issuing entity will be relying on an exclusion or exemption from the definition of "investment company" under the Investment Company Act of 1940, as amended (the "Investment Company Act"), contained in Section 3(c)(5) of the Investment Company Act or Rule 3a-7 under the Investment Company Act, although there may be additional exclusions or exemptions available to the issuing entity. The issuing entity is being structured so as not to constitute a "covered fund" for purposes of the Volcker Rule under the Dodd-Frank Act (both as defined in this information circular).

It is a condition to the issuance of the offered certificates that they be purchased and guaranteed by Freddie Mac as described in this information circular. The obligations of Freddie Mac under its guarantee of the offered certificates are obligations of Freddie Mac only. **Freddie Mac will not guarantee any class of certificates other than the offered certificates.** The offered certificates are not guaranteed by the United States of America ("United States") and do not constitute debts or obligations of the United States or any agency or instrumentality of the United States other than Freddie Mac. Income on the offered certificates has no exemption under federal law from federal, state or local taxation.

Information Circular Dated October 19, 2016

FREMF 2016-KS07 Mortgage Trust

Multifamily Mortgage Pass-Through Certificates Series 2016-KS07

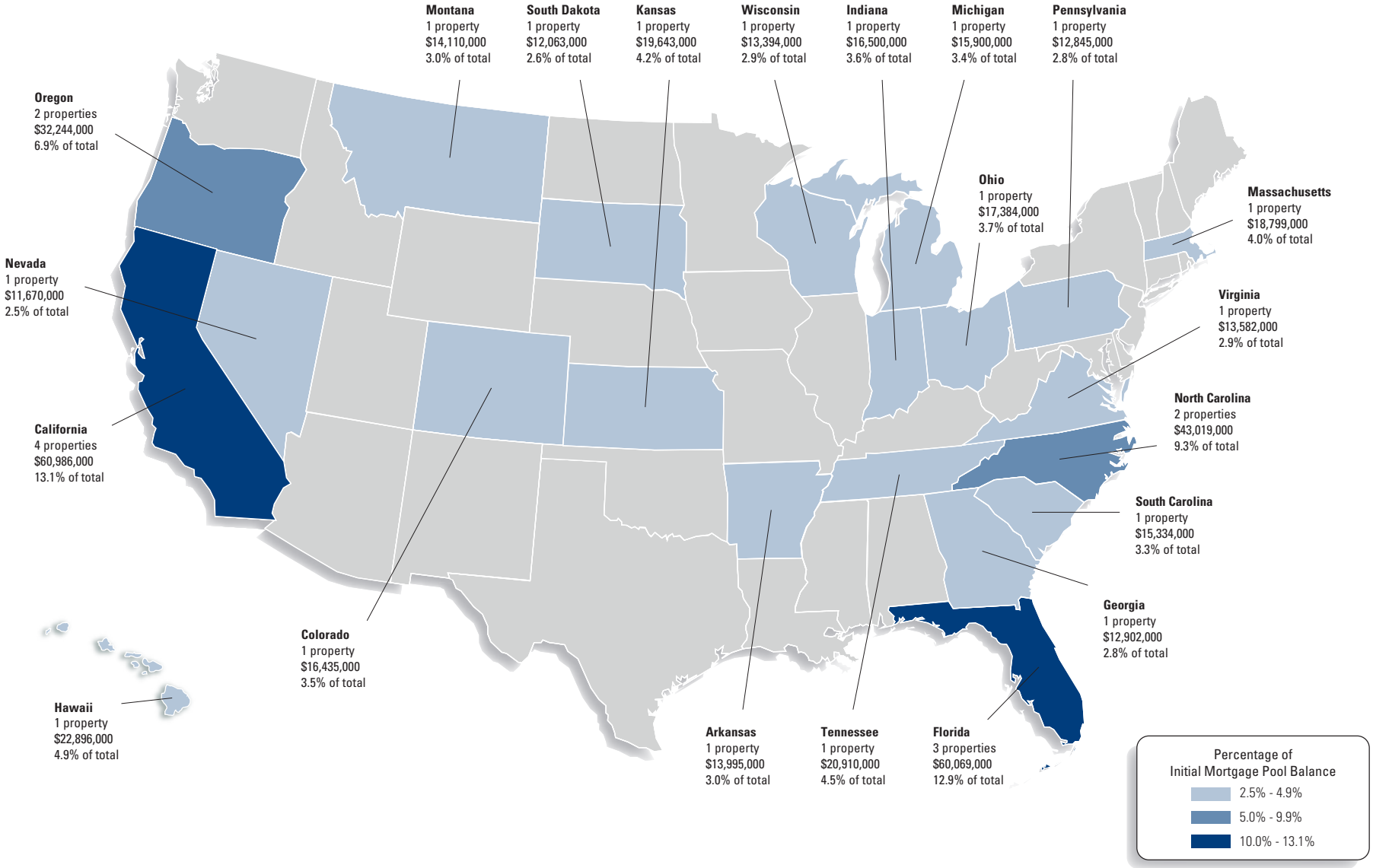


TABLE OF CONTENTS

Information Circular

Exhibits to Information Circular

You should rely only on the information contained in this document or to which we have referred you. We have not authorized anyone to provide you with information that is different. This document may only be used where it is legal to sell these securities. The information in this document may only be accurate on the date of this document.

IMPORTANT NOTICE REGARDING THE CERTIFICATES

NONE OF THE DEPOSITOR, THE DEPOSITOR'S AFFILIATES, FREDDIE MAC OR ANY OTHER PERSON INTENDS TO RETAIN A 5% NET ECONOMIC INTEREST WITH RESPECT TO THE CERTIFICATES IN ANY OF THE FORMS PRESCRIBED BY ARTICLE 405(1) OF EUROPEAN UNION REGULATION 575/2013 OR BY ANY OTHER EUROPEAN UNION LEGISLATION THAT REQUIRES THAT THERE BE SUCH A RETENTION AS A CONDITION TO AN INVESTMENT IN THE CERTIFICATES BY A EUROPEAN INVESTOR SUBJECT TO SUCH LEGISLATION. FOR ADDITIONAL INFORMATION IN THIS REGARD, SEE "RISK FACTORS—RISKS RELATED TO THE OFFERED CERTIFICATES—LEGAL AND REGULATORY PROVISIONS AFFECTING INVESTORS COULD ADVERSELY AFFECT THE LIQUIDITY OF YOUR INVESTMENT" IN THIS INFORMATION CIRCULAR.

IMPORTANT NOTICE ABOUT INFORMATION PRESENTED IN THIS INFORMATION CIRCULAR

THE PLACEMENT AGENTS DESCRIBED IN THIS INFORMATION CIRCULAR MAY FROM TIME TO TIME PERFORM INVESTMENT BANKING SERVICES FOR, OR SOLICIT INVESTMENT BANKING BUSINESS FROM, ANY COMPANY NAMED IN THIS INFORMATION CIRCULAR. THE PLACEMENT AGENTS AND/OR THEIR RESPECTIVE EMPLOYEES MAY FROM TIME TO TIME HAVE A LONG OR SHORT POSITION IN ANY SECURITY OR CONTRACT DISCUSSED IN THIS INFORMATION CIRCULAR.

THE INFORMATION CONTAINED IN THIS INFORMATION CIRCULAR SUPERSEDES ANY PREVIOUS SUCH INFORMATION DELIVERED TO ANY INVESTOR.

We provide information to you about the offered certificates in this information circular, which describes the specific terms of the offered certificates.

You should read this information circular in full to obtain material information concerning the offered certificates.

This information circular includes cross-references to sections in this information circular where you can find further related discussions. The Table of Contents in this information circular identifies the pages where these sections are located.

When deciding whether to invest in any of the offered certificates, you should only rely on the information contained in this information circular or as provided in "Description of the Mortgage Loan Seller and Guarantor—Freddie Mac Conservatorship" and "—Litigation Involving Mortgage Loan Seller and Guarantor" in this information circular. We have not authorized any dealer, salesman or other person to give any information or to make any representation that is different. In addition, information in this information circular is current only as of the date on its cover. By delivery of this information circular, we are not offering to sell any securities, and are not soliciting an offer to buy any securities, in any state or other jurisdiction where the offer and sale is not permitted.

SUMMARY OF INFORMATION CIRCULAR

This summary highlights selected information from this information circular and does not contain all of the information that you need to consider in making your investment decision. To understand all of the terms of the offered certificates, carefully read this information circular. This summary provides an overview of certain information to aid your understanding and is qualified by the full description presented in this information circular.

Transaction Overview

The offered certificates will be part of a series of multifamily mortgage pass-through certificates designated as the Series 2016-KS07 Multifamily Mortgage Pass-Through Certificates. The certificates will consist of five classes. The table below identifies and specifies various characteristics for those classes other than the class R certificates.

Class[1]	Total Initial Principal Balance or Notional Amount	Approximate % of Total Initial Principal Balance	Approximate Initial Credit Support	Pass-Through Rate Description	Initial Pass-Through Rate	Assumed Weighted Average Life (Years) [2] [3]	Assumed Principal Window [2] [4]	Assumed Final Distribution Date[2] [5]
Offered Certificates:								
A-1	$ 40,472,000	8.710%	10.000%[6]	Fixed	2.0180%	6.49	48 – 107	September 25, 2025
A-2	$ 377,740,000	81.290%	10.000%[6]	Fixed	2.7350%	8.91	107 – 107	September 25, 2025
X	$ 464,680,000	N/A	N/A	Variable IO	0.7776%[7]	8.70	N/A	September 25, 2025
Non-Offered Certificates:								
B	$ 46,468,000	10.000%	0.000%	WAC	4.2791%[7]	8.91	107 – 107	September 25, 2025

(1) The class R certificates are not represented in this table and are not being offered by this information circular. The class R certificates will not have a principal balance, notional amount or pass-through rate.

(2) As to any given class of certificates shown in this table, the assumed weighted average life, the assumed principal window and the Assumed Final Distribution Date have been calculated based on the Modeling Assumptions, including, among other things, that—

(i) there are no voluntary or involuntary prepayments with respect to the underlying mortgage loans,

(ii) there are no delinquencies, modifications or losses with respect to the underlying mortgage loans,

(iii) there are no modifications, extensions, waivers or amendments affecting the monthly debt service or balloon payments by borrowers on the underlying mortgage loans, and

(iv) the certificates are not redeemed prior to their Assumed Final Distribution Date pursuant to the clean-up call described under the heading "—The Offered Certificates—Optional Termination" below.

(3) As to the class A-1, A-2 and B certificates, the assumed weighted average life is the average amount of time in years between the assumed settlement date for the certificates and the payment of each dollar of principal on that class. As to the class X certificates, the assumed weighted average life is the average amount of time in years between the assumed settlement date for that class of certificates and the application of each dollar to be applied in reduction of the notional amount of that class of certificates.

(4) As to the class A-1, A-2 and B certificates, the assumed principal window is the period during which holders of that class are expected to receive distributions of principal.

(5) As to the class A-1, A-2 and B certificates, the Assumed Final Distribution Date is the distribution date on which the last distribution of principal and interest is assumed to be made on that class. As to the class X certificates, the Assumed Final Distribution Date is the distribution date on which the last reduction to the notional amount is expected to occur.

(6) The approximate initial credit support is the approximate initial credit support for the aggregate initial principal balance of the class A-1 and A-2 certificates.

(7) The initial pass-through rates with respect to the class B and X certificates are approximate.

In reviewing the foregoing table, please note that:

- Only the class A-1, A-2 and X certificates are offered by this information circular.
- The class A-1, A-2 and B certificates will have principal balances (collectively, the "Principal Balance Certificates"). The class X certificates constitute the "interest-only certificates."

- The initial principal balance or notional amount of any class shown in the table may be larger or smaller depending on, among other things, the actual initial mortgage pool balance. The initial mortgage pool balance may be 5% more or less than the amount shown in the table on page 35 of this information circular. The initial mortgage pool balance refers to the aggregate outstanding principal balance of the underlying mortgage loans as of their respective due dates in October 2016, after application of all payments of principal due with respect to the underlying mortgage loans on or before those due dates, whether or not received.

- Each class of certificates shown on the table will bear interest and such interest will accrue based on the assumption that each year is 360 days long and consists of 12 months each consisting of 30 days (a "30/360 Basis").

- Each class of certificates identified in the table as having a "Fixed" pass-through rate has a fixed pass-through rate that will remain constant at the initial pass-through rate shown for that class in that table.

- Each class of certificates identified in the table as having a "WAC" pass-through rate has a *per annum* rate equal to the excess, if any, of (i) the Weighted Average Net Mortgage Pass-Through Rate for the related distribution date over (ii) the CREFC® Intellectual Property Royalty License Fee Rate (*provided,* that in no event may such pass-through rate be less than zero).

- For purposes of calculating the accrual of interest as of any date of determination, the class X certificates will have a notional amount that is equal to the then total outstanding principal balance of the Principal Balance Certificates.

- The pass-through rate for the class X certificates for any Interest Accrual Period will equal the weighted average of the Class X Strip Rates (weighted based on the relative sizes of their respective components). The "Class X Strip Rates" means, for the purposes of calculating the pass-through rate for the class X certificates, the rates *per annum* at which interest accrues from time to time on the three components of the total notional amount of the class X certificates outstanding immediately prior to the related distribution date. For each class of Principal Balance Certificates, the class X certificates will have a component that will have a notional amount equal to the then current principal balance of that class of certificates. For purposes of calculating the pass-through rate for the class X certificates for each Interest Accrual Period, (a) the applicable Class X Strip Rate with respect to the components related to the class A-1 and A-2 certificates, respectively, will be a rate *per annum* equal to the excess, if any, of (i) the Weighted Average Net Mortgage Pass-Through Rate for the related distribution date minus the Guarantee Fee Rate, over (ii) the pass-through rate for the class A-1 or A-2 certificates, as applicable; and (b) the applicable Class X Strip Rate with respect to the component related to the class B certificates will be a rate *per annum* equal to the excess, if any, of (i) the Weighted Average Net Mortgage Pass-Through Rate for such distribution date minus the CREFC® Intellectual Property Royalty License Fee Rate over (ii) the pass-through rate for the class B certificates. In no event may any Class X Strip Rate be less than zero.

- "Net Mortgage Pass-Through Rate" means, with respect to any underlying mortgage loan that accrues interest on a 30/360 Basis, for any distribution date, a rate *per annum* equal to either (i) the Original Net Mortgage Interest Rate for such underlying mortgage loan or (ii) if the mortgage interest rate for such underlying mortgage loan is increased in connection with a subsequent modification of such underlying mortgage loan after the Cut-off Date (but, for the avoidance of doubt, not if the mortgage interest rate is decreased), the Net Mortgage Interest Rate for such underlying mortgage loan; and with respect to any underlying mortgage loan that accrues interest on an Actual/360 Basis for any distribution date, a rate *per annum* equal to 12 times a fraction, expressed as a percentage (a) the numerator of which fraction is, subject to adjustment as described below in this definition, an amount of interest equal to the product of (1) the number of days in the related interest accrual period for such underlying mortgage loan with respect to the due date for such underlying mortgage loan that occurs during the Collection Period related to such distribution date, multiplied by (2) the Stated Principal Balance of that underlying mortgage loan immediately preceding that distribution date, multiplied by (3) 1/360, multiplied by either (4)(A) the Original Net Mortgage Interest Rate for such underlying mortgage loan or (B) if the mortgage interest rate for such underlying mortgage loan is increased in connection with a subsequent modification of such

underlying mortgage loan after the Cut-off Date (but, for the avoidance of doubt, not if the mortgage interest rate is decreased), the Net Mortgage Interest Rate for such underlying mortgage loan, and (b) the denominator of which is the Stated Principal Balance of that underlying mortgage loan immediately preceding that distribution date.

However, if the subject distribution date occurs during January, except during a leap year, or February (unless in either case, such distribution date is the final distribution date), then, in the case of any underlying mortgage loan that accrues interest on an Actual/360 Basis, the Net Mortgage Pass-Through Rate will be decreased to reflect any interest reserve amount with respect to the underlying mortgage loan that is transferred from the distribution account to the interest reserve account during that month. Furthermore, if the subject distribution date occurs during March (or February, if the final distribution date occurs in such month), then in the case of any underlying mortgage loan that accrues interest on an Actual/360 Basis, the Net Mortgage Pass-Through Rate will be increased to reflect any interest reserve amount(s) with respect to the underlying mortgage loan that are transferred from the interest reserve account to the distribution account during that month for distribution on such distribution date.

- "Net Mortgage Interest Rate" means, with respect to any underlying mortgage loan, the related mortgage interest rate then in effect reduced by the sum of the annual rates at which the master servicer surveillance fee (if any), the special servicer surveillance fee (if any), the master servicing fee, the sub-servicing fee, the certificate administrator fee and the trustee fee are calculated.

- "Original Net Mortgage Interest Rate" means, with respect to any underlying mortgage loan, the Net Mortgage Interest Rate in effect for such underlying mortgage loan as of the Cut-off Date (or, in the case of any underlying mortgage loan substituted in replacement of another underlying mortgage loan pursuant to or as contemplated by the mortgage loan purchase agreement, as of the date of substitution).

- "Weighted Average Net Mortgage Pass-Through Rate" means, for each distribution date, the weighted average of the respective Net Mortgage Pass-Through Rates with respect to all of the underlying mortgage loans for that distribution date, weighted on the basis of their respective Stated Principal Balances immediately prior to that distribution date.

See "Description of the Certificates—Distributions—Calculation of Pass-Through Rates" in this information circular.

The document that will govern the issuance of the certificates, the creation of the related issuing entity and the servicing and administration of the underlying mortgage loans will be a pooling and servicing agreement to be dated as of October 1, 2016 (the "Pooling and Servicing Agreement") among us, as depositor, Wells Fargo Bank, National Association, as master servicer and as special servicer, Wilmington Trust, National Association, as trustee, Wells Fargo Bank, National Association, as certificate administrator and custodian, and Freddie Mac.

The certificates will evidence the entire beneficial ownership of the issuing entity that we intend to establish. The primary assets of that issuing entity will be a segregated pool of multifamily mortgage loans, all of which are secured by independent living facilities. The underlying mortgage loans will provide for monthly debt service payments and, except as described under "—The Underlying Mortgage Loans" below, will have fixed mortgage interest rates in the absence of default. We will acquire the underlying mortgage loans, for deposit in the issuing entity, from the mortgage loan seller. As of the applicable due dates in October 2016 for the underlying mortgage loans (which will be October 1, 2016, subject, in some cases, to a next succeeding business day convention), which we refer to in this information circular as the "Cut-off Date," the underlying mortgage loans will have the general characteristics discussed under the heading "—The Underlying Mortgage Loans" below.

Relevant Parties/Entities

Issuing Entity	FREMF 2016-KS07 Mortgage Trust, a New York common law trust, will be formed on the Closing Date pursuant to the Pooling and Servicing Agreement. See "Description of the Issuing Entity" in this information circular.
Mortgage Loan Seller	Freddie Mac, a corporate instrumentality of the United States created and existing under Title III of the Emergency Home Finance Act of 1970, as amended (the "Freddie Mac Act"), or any successor to it, will act as the mortgage loan seller. Freddie Mac will also act as the Guarantor of the offered certificates and the servicing consultant with respect to the underlying mortgage loans. Freddie Mac maintains an office at 8200 Jones Branch Drive, McLean, Virginia 22102. See "Description of the Mortgage Loan Seller and Guarantor" in this information circular.
Depositor	Wells Fargo Commercial Mortgage Securities, Inc., a North Carolina corporation, will create the issuing entity and transfer the underlying mortgage loans to it. We are an affiliate of Wells Fargo Bank, National Association, which is expected to act as the master servicer, the special servicer, the certificate administrator, the custodian, the certificate registrar and the Affiliate Borrower Loan Directing Certificateholder, and of Wells Fargo Securities, LLC, which will be the initial purchaser of the class B certificates and is one of the placement agents for the SPCs. Our principal executive office is located at 375 Park Avenue, 2nd Floor, New York, New York 10152. All references to "we," "us" and "our" in this information circular are intended to mean Wells Fargo Commercial Mortgage Securities, Inc. See "Description of the Depositor" in this information circular.
Originator	Each underlying mortgage loan was originated by Walker & Dunlop, LLC, a Delaware limited liability company ("W&D" or the "Originator"), and was acquired by the mortgage loan seller. As of the Closing Date, all of the underlying mortgage loans will be sub-serviced by W&D pursuant to a sub-servicing agreement (the "Sub-Servicing Agreement") between the master servicer and W&D. See "Description of the Underlying Mortgage Loans—Originator" and "The Pooling and Servicing Agreement—Summary of Sub-Servicing Agreement" in this information circular.
Master Servicer	Wells Fargo Bank, National Association, a national banking association organized under the laws of the United States of America ("Wells Fargo Bank"), is expected to act as the master servicer with respect to the underlying mortgage loans. Wells Fargo Bank is also expected to act as (i) the initial special servicer with respect to the underlying mortgage loans and the Affiliated Borrower Loan Directing Certificateholder with respect to the underlying mortgage loans that are not Affiliated Borrower Special Servicer Loans and may, if requested, act as the Directing Certificateholder Servicing Consultant and (ii) the certificate administrator, the custodian and the certificate registrar. Wells Fargo Bank is an affiliate of Wells Fargo Commercial Mortgage Securities, Inc., which is the depositor, and of Wells Fargo Securities, LLC, which will be the initial purchaser of the class B certificates and is one of the placement agents for the SPCs. The principal west coast

commercial mortgage master servicing offices of the master servicer are located at MAC A0227-020, 1901 Harrison Street, Oakland, California 94612. The principal east coast commercial mortgage master servicing offices of the master servicer are located at MAC D1086-120, 550 South Tryon Street, Charlotte, North Carolina 28202.

As consideration for servicing the underlying mortgage loans, the master servicer will receive a master servicing fee and sub-servicing fee with respect to each underlying mortgage loan. The master servicing fee will be equal to 0.0300% *per annum* on the Stated Principal Balance of each underlying mortgage loan, including each Specially Serviced Mortgage Loan. The sub-servicing fee with respect to each underlying mortgage loan will be equal to 0.0500% *per annum* on the Stated Principal Balance of such underlying mortgage loan, including each Specially Serviced Mortgage Loan.

In addition, the master servicer will receive a master servicer surveillance fee that will accrue at a rate of 0.0100% *per annum* on the Stated Principal Balance of each Surveillance Fee Mortgage Loan subject to the rights of the sub-servicer described below. Pursuant to the terms of the Sub-Servicing Agreement, the sub-servicer will be entitled to retain on a monthly basis 50% of the master servicer surveillance fees received by the sub-servicer in respect of each Surveillance Fee Mortgage Loan that it services (with the obligation to remit the remaining 50% of such fee to the master servicer). The sub-servicer's entitlement to such fee may not be transferred (in whole or in part) to any other party. If at any time the sub-servicer enters, without Freddie Mac's prior approval, into an agreement providing for the further sub-servicing by a third party of any Surveillance Fee Mortgage Loan (other than mandatory servicing transfers due to conflicts of interest), or if Freddie Mac notifies the master servicer and the sub-servicer that the sub-servicer is no longer entitled to receive such fee, then the entire master servicer surveillance fee as to the Surveillance Fee Mortgage Loans serviced by the sub-servicer will be remitted to the master servicer. See "The Pooling and Servicing Agreement—Resignation, Removal and Replacement of Servicers; Transfer of Servicing Duties—Removal of the Master Servicer, the Special Servicer and the Sub-Servicer."

"Surveillance Fee Mortgage Loan" means any underlying mortgage loan other than a Specially Serviced Mortgage Loan or an REO Loan.

The master servicing fee, the master servicer surveillance fee and the sub-servicing fees are components of the "Administration Fee Rate" set forth on Exhibit A-1. Such fees are calculated on the same basis as interest on the underlying mortgage loan and will be paid out of interest payments received from the related borrower prior to any distributions being made on the offered certificates. The master servicer will also be entitled to additional servicing compensation in the form of borrower-paid fees as more particularly described in this information circular. See "The Pooling and Servicing Agreement—Servicing and Other Compensation and Payment of Expenses" and "—The Master Servicer and the Special Servicer" in this information circular. The Pooling and Servicing Agreement provides that the master servicer may consult with Freddie Mac (in its capacity as servicing consultant) with respect

to the application of Freddie Mac Servicing Practices on non-Specially Serviced Mortgage Loans.

Special Servicer..... Wells Fargo Bank is expected to act as the initial special servicer with respect to the underlying mortgage loans. Wells Fargo Bank is also expected to act as (i) the master servicer with respect to the underlying mortgage loans, (ii) the certificate administrator, the custodian and the certificate registrar, and (iii) the Affiliated Borrower Loan Directing Certificateholder with respect to underlying mortgage loans that are not Affiliated Borrower Special Servicer Loans, and may, if requested, act as the Directing Certificateholder Servicing Consultant. Wells Fargo Bank is an affiliate of Wells Fargo Commercial Mortgage Securities, Inc., which is the depositor, and of Wells Fargo Securities, LLC, which will be the initial purchaser of the class B certificates and is one of the placement agents for the SPCs. The principal west coast commercial mortgage special servicing offices of the special servicer are located at MAC A0227-020, 1901 Harrison Street, Oakland, California 94612. The principal east coast commercial mortgage special servicing offices of the special servicer are located at MAC D1086-120, 550 South Tryon Street, Charlotte, North Carolina 28202.

The special servicer will, in general, be responsible for servicing and administering:

- underlying mortgage loans that, in general, are in default or as to which default is reasonably foreseeable; and
- any real estate acquired by the issuing entity upon foreclosure of a Defaulted Loan.

"Defaulted Loan" means any underlying mortgage loan (a) that is at least 60 days delinquent in respect of its monthly payments, without giving effect to any grace period permitted by the related mortgage, loan agreement or mortgage note, (b) that is delinquent in respect of its balloon payment, if any, without giving effect to any grace period permitted by the related mortgage, loan agreement or mortgage note or (c) as to which any non-monetary event of default occurs that results in the underlying mortgage loan becoming a Specially Serviced Mortgage Loan, *provided, however,* that no monthly payment (other than a balloon payment) will be deemed delinquent if less than $10 of all amounts due and payable on such underlying mortgage loan has not been received.

As consideration for servicing each Specially Serviced Mortgage Loan and each underlying mortgage loan as to which the corresponding mortgaged real property has become subject to a foreclosure proceeding, the special servicer will receive a special servicing fee that will accrue at a rate of 0.2500% *per annum* on the Stated Principal Balance of such underlying mortgage loan. In addition, the special servicer will receive a special servicer surveillance fee that will accrue at a rate of 0.01076% *per annum* on the Stated Principal Balance of each Surveillance Fee Mortgage Loan. The special servicer surveillance fee is a component of the "Administration Fee Rate" set forth on Exhibit A-1. Such fees will be calculated on the same basis as interest on the underlying mortgage loan and will generally be payable to the special servicer monthly from collections on the underlying mortgage loans. Additionally, the special servicer will, in general, be entitled to

receive a workout fee with respect to each Specially Serviced Mortgage Loan that has been returned to performing status. The workout fee will be payable out of, and will generally be calculated by application of a workout fee rate of 1.0% to, each payment of interest (other than default interest) and principal received on the underlying mortgage loan for so long as it remains a worked-out underlying mortgage loan. The special servicer will also be entitled to receive a liquidation fee with respect to each Specially Serviced Mortgage Loan for which it obtains a full, partial or discounted payoff or otherwise recovers Liquidation Proceeds. As to each Specially Serviced Mortgage Loan and REO Property, the liquidation fee will generally be payable from, and will be calculated by application of a liquidation fee rate of 1.0% to, the related payment or proceeds, net of liquidation expenses, *provided*, *however*, that no liquidation fee is payable in connection with certain purchases by the directing certificateholder, the mortgage loan seller or the special servicer. The special servicer may be terminated by the directing certificateholder, who may appoint a replacement special servicer meeting the Successor Servicer Requirements, including Freddie Mac's approval, which approval may not be unreasonably withheld or delayed. See "The Pooling and Servicing Agreement—Resignation, Removal and Replacement of Servicers; Transfer of Servicing Duties" and "—The Master Servicer and the Special Servicer" in this information circular.

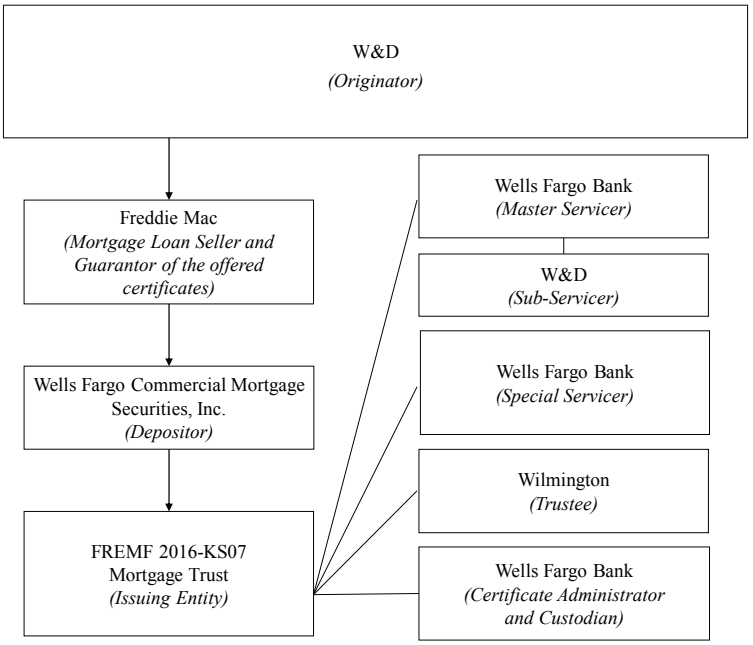
The Pooling and Servicing Agreement provides that in certain circumstances the directing certificateholder may, at its own expense, request that a person (which may be the special servicer) (in such capacity, the "Directing Certificateholder Servicing Consultant") prepare and deliver a recommendation relating to a requested waiver of any "due-on-sale" or "due-on-encumbrance" clause or a requested consent to certain modifications, waivers or amendments for certain non-Specially Serviced Mortgage Loans. In providing a recommendation in response to any such request, the Directing Certificateholder Servicing Consultant will be acting as a consultant to the directing certificateholder and any such recommendation provided will not be subject to the Servicing Standard. The Directing Certificateholder Servicing Consultant will have no duty or liability to any certificateholder other than the directing certificateholder in connection with any recommendation it provides the directing certificateholder or actions taken by any party as a result of such consultation services provided to the directing certificateholder as contemplated above. See "Risk Factors—Risks Related to the Underlying Mortgage Loans—The Master Servicer, the Special Servicer and the Sub-Servicer May Experience Conflicts of Interest," "The Pooling and Servicing Agreement—Enforcement of "Due-on-Sale" and "Due-on-Encumbrance" Clauses" and "—Modifications, Waivers, Amendments and Consents" in this information circular.

If at any time an Affiliated Borrower Special Servicer Loan Event occurs, the Pooling and Servicing Agreement will require that the special servicer promptly resign as special servicer of the related Affiliated Borrower Special Servicer Loan and provides for the appointment of a successor Affiliated Borrower Special Servicer to act as the special servicer with respect to such Affiliated Borrower Special Servicer Loan. If the Affiliated Borrower Special Servicer Loan is not an Affiliated Borrower Loan, the directing certificateholder will have

	the right to select a successor Affiliated Borrower Special Servicer in accordance with the requirements of the Pooling and Servicing Agreement. If (a) the Affiliated Borrower Special Servicer Loan is an Affiliated Borrower Loan or (b) the directing certificateholder does not select a successor to the resigning special servicer within 15 days after receipt of written notice of the applicable Affiliated Borrower Special Servicer Loan Event (in the case of this clause (b) with the option of the directing certificateholder to extend the time period by an additional 15 days if the directing certificateholder is using reasonable efforts to appoint a successor) as described in the prior sentence, the resigning special servicer for the related Affiliated Borrower Special Servicer Loan will be required to use reasonable efforts to select the Affiliated Borrower Special Servicer within 15 days following receipt of written notice of the applicable Affiliated Borrower Special Servicer Loan Event in the case of clause (a) and within 15 days following the expiration of the period permitted to the directing certificateholder to find a successor in the case of clause (b) (in each case with the option of the special servicer to extend the time period by an additional 15 days if the special servicer is using reasonable efforts to appoint a successor), each, in accordance with the requirements set forth in the Pooling and Servicing Agreement. See "The Pooling and Servicing Agreement—Resignation, Removal and Replacement of Servicers; Transfer of Servicing Duties—Resignation of the Master Servicer or the Special Servicer" and "—Removal of the Master Servicer, the Special Servicer and the Sub-Servicer" in this information circular.
Trustee.....	Wilmington Trust, National Association, a national banking association ("Wilmington"), is expected to act as the trustee on behalf of the certificateholders. The trustee's principal address is 1100 North Market Street, Wilmington, Delaware 19890, Attention: CMBS Trustee – FREMF 2016-KS07. As consideration for acting as trustee, Wilmington will receive a trustee fee of 0.000473% *per annum* on the Stated Principal Balance of each underlying mortgage loan. The trustee fee is a component of the "Administration Fee Rate" set forth on Exhibit A-1. Such fee will be calculated on the same basis as interest on the underlying mortgage loans. See "The Pooling and Servicing Agreement—The Trustee" in this information circular.
Certificate Administrator and Custodian.....	Wells Fargo Bank is expected to act as the certificate administrator, the custodian and the certificate registrar. Wells Fargo Bank is also expected to act as the master servicer, the initial special servicer with respect to the underlying mortgage loans and the Affiliated Borrower Loan Directing Certificateholder with respect to the underlying mortgage loans that are not Affiliated Borrower Special Servicer Loans and may, if requested, act as the Directing Certificateholder Servicing Consultant. The certificate administrator's principal address is 9062 Old Annapolis Road, Columbia, Maryland 21045, and for certificate transfer purposes is Sixth Street and Marquette Avenue, Minneapolis, Minnesota 55479-0113. As consideration for acting as certificate administrator, custodian and certificate registrar, Wells Fargo Bank will receive a certificate administrator fee of 0.007127% *per annum* on the Stated Principal Balance of each underlying mortgage loan. The certificate administrator fee is a component of the "Administration Fee Rate" set forth on Exhibit A-1. Such fee will be calculated on the same basis as interest on the underlying mortgage loans. See "The Pooling

and Servicing Agreement—The Certificate Administrator and Custodian" in this information circular.

Parties ..... The following diagram illustrates the various parties involved in the transaction and their functions.



Directing Certificateholder ..... The directing certificateholder initially will be a certificateholder or any designee selected by holders of certificates representing a majority interest in the class B certificates, until the outstanding principal balance of such class is less than 25% of the initial principal balance of such class. Thereafter, Freddie Mac, as the holder of the class A-1 and A-2 certificates, will be the directing certificateholder. However, if the class B certificates are the only class with an outstanding principal balance, the directing certificateholder will be a certificateholder or any designee selected by holders of certificates representing a majority interest in the class B certificates. For the purpose of determining whether the directing certificateholder is an affiliate of the borrower (or any proposed replacement borrower) with respect to any underlying mortgage loan, the "directing certificateholder" will include the directing certificateholder (and any affiliate of the directing certificateholder), any of its managing members or general partners and any party directing or controlling the directing certificateholder (or any such affiliate), including, for example, in connection with any re-securitization of the Controlling Class.

As and to the extent described under "The Pooling and Servicing Agreement—Realization Upon Mortgage Loans—Asset Status Report" in this information circular, the directing certificateholder may direct the master servicer or the special servicer with respect to various servicing matters involving each of the underlying mortgage loans. However, upon the occurrence and during the continuance of any Affiliated Borrower Loan Event with respect to any underlying mortgage loan, the directing certificateholder's (i) right to approve and

consent to certain actions with respect to such underlying mortgage loan, (ii) right to purchase any such Defaulted Loan from the issuing entity and (iii) access to certain information and reports regarding such underlying mortgage loan will be restricted as described in "The Pooling and Servicing Agreement—Realization Upon Mortgage Loans—Asset Status Report" and "—Purchase Option," as applicable, in this information circular. Upon the occurrence and during the continuance of an Affiliated Borrower Loan Event, the special servicer, as the Affiliated Borrower Loan Directing Certificateholder, will be required to exercise any approval, consent, consultation or other rights with respect to any matters related to an Affiliated Borrower Loan as described in "The Pooling and Servicing Agreement—Realization Upon Mortgage Loans—Asset Status Report" in this information circular.

It is anticipated that ROC Debt Strategies KS07 LLC, a Delaware limited liability company and an affiliate of ROC Debt Strategies Fund Manager, LLC, a majority-owned subsidiary of Bridge Investment Group Partners, LLC, will be designated to serve as the initial directing certificateholder (the "Initial Directing Certificateholder"). As of the Closing Date, no Affiliated Borrower Loan Event is expected to exist with respect to the Initial Directing Certificateholder.

The Pooling and Servicing Agreement provides that in certain circumstances the directing certificateholder may, at its own expense, request that the Directing Certificateholder Servicing Consultant prepare and deliver recommendations relating to certain requests for consent to assumptions, modifications, waivers or amendments. See "The Pooling and Servicing Agreement—Enforcement of "Due-on-Sale" and "Due-on-Encumbrance" Clauses" and "—Modifications, Waivers, Amendments and Consents" in this information circular. The directing certificateholder will be entitled to certain borrower-paid fees in connection with such assumptions, modifications, waivers, amendments or consents. See "Risk Factors—Risks Related to the Underlying Mortgage Loans—The Master Servicer, the Special Servicer and the Sub-Servicer May Experience Conflicts of Interest" and "Description of the Certificates—Fees and Expenses" in this information circular.

Guarantor..... Freddie Mac will act as guarantor (in such capacity, the "Guarantor") of the class A-1, A-2 and X certificates offered by this information circular. Freddie Mac is entitled to a Guarantee Fee as described under "Description of the Certificates—Distributions—Freddie Mac Guarantee" in this information circular. For a discussion of the Freddie Mac Guarantee, see "—The Offered Certificates—Freddie Mac Guarantee" and "Description of the Mortgage Loan Seller and Guarantor—Proposed Operation of Multifamily Mortgage Business on a Stand-Alone Basis" in this information circular.

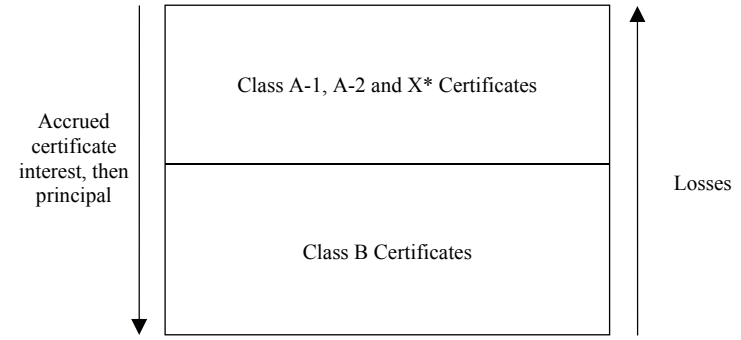
Junior Loan Holder..... Although all of the underlying mortgage loans are secured by first-liens on the related mortgaged real properties, if the related borrowers exercise their options to obtain supplemental secured financing as described under "Description of the Underlying Mortgage Loans—Certain Terms and Conditions of the Underlying Mortgage Loans—Permitted Additional Debt" in this information circular. Freddie Mac will be the initial holder of junior loans secured by junior liens on the

	applicable mortgaged real properties (subject to intercreditor agreements). Freddie Mac may subsequently transfer the junior lien loans it holds in secondary market transactions, including securitizations.
Borrowers	The borrowers with respect to the underlying mortgage loans consist of 28 special purpose entities, each of which is indirectly controlled by New Senior Investment Group Inc., a Delaware corporation, ("New Senior Investment Group").
	Each of the borrowers was organized for the primary purpose of acquiring, owning and operating one or more of the mortgaged real properties and performing its obligations under the loan documents to which it is a party. The majority of the borrowers are recycled single purpose limited liability companies. The borrowers will not have significant assets other than the mortgaged real properties that they own, respectively. See "Description of the Borrowers" and "Description of New Senior Investment Group" in this information circular.
	Significant Dates and Periods
Cut-off Date	The underlying mortgage loans will be considered assets of the issuing entity as of October 1, 2016. All payments and collections received on each of the underlying mortgage loans after their applicable due dates in October 2016 (which will be October 1, 2016, subject, in some cases, to a next succeeding business day convention), excluding any payments or collections that represent amounts due on or before such due dates, will belong to the issuing entity. October 1, 2016 is considered the Cut-off Date for the issuing entity.
Closing Date	The date of initial issuance for the certificates will be on or about October 28, 2016.
Due Dates	Subject, in some cases, to a next succeeding business day convention, monthly installments of principal and/or interest will be due on the first day of the month with respect to each of the underlying mortgage loans.
Determination Date	The monthly cut-off for collections on the underlying mortgage loans that are to be distributed, and information regarding the underlying mortgage loans that is to be reported, to the holders of the certificates on any distribution date will be the close of business on the determination date in the same month as that distribution date. The determination date will be the 11th calendar day of each month, commencing in November 2016, or, if the 11th calendar day of any such month is not a Business Day, then the next succeeding Business Day.
Distribution Date	Distributions of principal and/or interest on the certificates are scheduled to occur monthly, commencing in November 2016. The distribution date will be the 25th calendar day of each month, or, if the 25th calendar day of any such month is not a Business Day, then the next succeeding Business Day.
Record Date	The record date for each monthly distribution on a certificate will be the last Business Day of the prior calendar month. The registered holders of the certificates at the close of business on each record date will be entitled to receive any distribution on those certificates on the

	following distribution date, except that the final distribution of principal and/or interest on any offered certificate will be made only upon presentation and surrender of that certificate at a designated location.
Collection Period.....	Amounts available for distribution on the certificates on any distribution date will depend on the payments and other collections received, and any advances of payments due, on or with respect to the underlying mortgage loans during the related Collection Period. Each Collection Period— • will relate to a particular distribution date; • will begin when the prior Collection Period ends or, in the case of the first Collection Period, will begin on the Cut-off Date; and • will end at the close of business on the determination date that occurs in the same month as the related distribution date.
Interest Accrual Period.....	The amount of interest payable with respect to the interest-bearing classes of certificates on any distribution date will be a function of the interest accrued during the related "Interest Accrual Period," which for any distribution date will be the calendar month immediately preceding the month in which that distribution date occurs and will be deemed to consist of 30 days.
Assumed Final Distribution Date.....	For each class of offered certificates, the applicable date set forth on the cover page.
	The Offered Certificates
General.....	The certificates offered by this information circular are the class A-1, A-2 and X certificates. Each class of offered certificates will have the initial principal balance or notional amount and pass-through rate set forth or described in the table on page 5 or otherwise described above under "—Transaction Overview". There are no other securities offered by this information circular.
Collections.....	The master servicer or the special servicer, as applicable, will be required to make reasonable efforts in accordance with the Servicing Standard to collect all payments due under the terms and provisions of the underlying mortgage loans. Such payments will be deposited in the collection account on a daily basis.
Distributions.....	Funds collected or advanced on the underlying mortgage loans will be distributed on each corresponding distribution date, net of (i) specified issuing entity expenses, including master servicing fees, special servicing fees, sub-servicing fees, master servicer surveillance fees, special servicer surveillance fees, certificate administrator fees, trustee fees, Guarantee Fees, CREFC® Intellectual Property Royalty License Fees, certain expenses, related compensation and indemnities, (ii) amounts used to reimburse advances made by the master servicer or the trustee and (iii) amounts used to reimburse Balloon Guarantor Payments or certain other Guarantor Payments and interest on such amounts.

Subordination ..... The chart below under "—Priority of Distributions" describes the manner in which the rights of various classes will be senior to the rights of other classes. Entitlement to receive principal and interest on any distribution date is depicted in descending order. The manner in which mortgage loan losses are allocated is depicted in ascending order.

Priority of Distributions ..... The following chart illustrates generally the distribution priorities and the subordination features applicable to the certificates:



* Interest-only

The allocation of interest distributions among the class A-1, A-2 and X certificates is to be made concurrently on a *pro rata* basis based on the interest accrued with respect to each such class.

The allocation of principal distributions between the class A-1 and A-2 certificates will be made sequentially to the class A-1 and A-2 certificates, in that order, unless the outstanding principal balance of the class B certificates has been reduced to zero as a result of losses on the underlying mortgage loans and/or default-related or other unanticipated issuing entity expenses, in which event such distributions will be made to the class A-1 and A-2 certificates concurrently on a *pro rata* basis in accordance with the relative sizes of the respective then outstanding principal balances of those classes, in each case, as described under "—Principal Distributions" below. The class X certificates do not have a principal balance and do not entitle holders to distributions of principal.

No form of credit enhancement will be available to you as a holder of offered certificates other than (i) the subordination of the class B certificates to the class A-1, A-2 and X certificates and (ii) the Freddie Mac Guarantee, as described under "—Freddie Mac Guarantee" below and "Description of the Certificates—Distributions—Freddie Mac Guarantee" in this information circular.

Freddie Mac Guarantee ..... It is a condition to the issuance of the offered certificates that they be purchased by Freddie Mac and that Freddie Mac guarantee certain payments on the offered certificates, as described in this information circular (the "Freddie Mac Guarantee"). Any Guarantor Payment made to the class A-1 or A-2 certificates in respect of principal will reduce the outstanding principal balance of such class by a corresponding amount and will also result in a corresponding reduction in the notional amount of the corresponding component of the class X certificates. The Freddie Mac Guarantee does not cover Yield Maintenance Charges, Static Prepayment Premiums or any other prepayment premiums

related to the underlying mortgage loans. In addition, the Freddie Mac Guarantee does not cover any loss of yield on the class X certificates following a reduction in the notional amount of the class X certificates resulting from a reduction of the outstanding principal balance of any class of certificates. See "Description of the Certificates—Distributions—Freddie Mac Guarantee" in this information circular.

Freddie Mac is entitled to a Guarantee Fee as described under "Description of the Certificates—Distributions—Freddie Mac Guarantee" in this information circular.

The offered certificates are not guaranteed by the United States and do not constitute debts or obligations of the United States or any agency or instrumentality of the United States other than Freddie Mac. If Freddie Mac were unable to pay under the Freddie Mac Guarantee, the offered certificates could be subject to losses.

See "Risk Factors—Risks Related to the Offered Certificates—Credit Support Is Limited and May Not Be Sufficient To Prevent Loss on the Offered Certificates" and "Risk Factors—Risks Relating to the Mortgage Loan Seller and Guarantor" in this information circular. Freddie Mac will not guarantee any class of certificates other than the offered certificates.

Interest Distributions ..... Each class of offered certificates will bear interest that will accrue on a 30/360 Basis during each Interest Accrual Period based on:

- the pass-through rate with respect to that class for that Interest Accrual Period; and
- the outstanding principal balance or notional amount, as the case may be, of that class outstanding immediately prior to the related distribution date.

Although the loan documents require the payment of a full month's interest on any voluntary prepayment not made on a due date, a whole or partial prepayment on an underlying mortgage loan may not be accompanied by the amount of a full month's interest on the prepayment in some instances. To the extent those shortfalls are not covered by the master servicer as described under "The Pooling and Servicing Agreement—Servicing and Other Compensation and Payment of Expenses" in this information circular, they will be allocated, as described under "Description of the Certificates—Distributions—Interest Distributions" in this information circular, to reduce the amount of accrued interest otherwise payable to the holders of one or more of the interest-bearing classes of certificates, including the offered certificates. However, such shortfalls with respect to the offered certificates will be covered under the Freddie Mac Guarantee.

On each distribution date, subject to available funds and the distribution priorities described under "—Priority of Distributions" above, you will be entitled to receive your proportionate share of all unpaid distributable interest accrued with respect to your class of offered certificates for the related Interest Accrual Period if such amounts were not paid pursuant to the Freddie Mac Guarantee. See "Description of the Certificates—Distributions—Interest Distributions" and "—Distributions—Priority of Distributions" in this information circular.

Principal Distributions ..... Subject to—

- available funds,
- the distribution priorities described under "—Priority of Distributions" above, and
- the reductions to the outstanding principal balances described under "—Reductions of Certificate Principal Balances in Connection with Losses and Expenses" below,

the holders of each of the class A-1 and A-2 certificates (collectively, the "Offered Principal Balance Certificates") will be entitled to receive a total amount of principal distributions over time equal to the outstanding principal balance of such class.

The total distributions of principal to be made on the certificates on any distribution date will, in general, be a function of—

- the amount of scheduled payments of principal due or, in some cases, deemed due, on the underlying mortgage loans during the related Collection Period, which payments are either received as of the end of that Collection Period, advanced by the master servicer and/or the trustee, as applicable, or are the subject of a Balloon Guarantor Payment, and
- the amount of any prepayments and other unscheduled collections of previously unadvanced principal with respect to the underlying mortgage loans that are received during the related Collection Period.

However, if the master servicer or the trustee is reimbursed for any Nonrecoverable Advance or Workout-Delayed Reimbursement Amount (in each case, together with accrued interest on such amounts), such amount will be deemed to be reimbursed first out of payments and other collections of principal on all the underlying mortgage loans (thereby reducing the amount of principal otherwise distributable on the certificates on the related distribution date), prior to being deemed reimbursed out of payments and other collections of interest on all the underlying mortgage loans. See "Description of the Certificates—Advances of Delinquent Monthly Debt Service Payments" and "The Pooling and Servicing Agreement—Servicing and Other Compensation and Payment of Expenses—Servicing Advances" in this information circular.

If any borrower fails to pay the entire outstanding principal balance of an underlying Balloon Loan on its scheduled maturity date, the Guarantor will be required, pursuant to the Freddie Mac Guarantee, to make a Balloon Guarantor Payment in an amount equal to the amount of principal that otherwise would have been paid on the Offered Principal Balance Certificates if such underlying Balloon Loan had been paid in full on its scheduled maturity date; *provided* that such payment may not exceed the outstanding principal balance of the Offered Principal Balance Certificates less any principal scheduled to be distributed to the Offered Principal Balance Certificates on such distribution date. The amount of any such Balloon Guarantor Payment made to any class of Offered Principal Balance Certificates will reduce

the outstanding principal balance of such class by the corresponding amount and will also result in a corresponding reduction in the notional amount of the corresponding component of the class X certificates. See "Description of the Certificates—Distributions—Freddie Mac Guarantee" in this information circular. Each Balloon Guarantor Payment will be reimbursed to the Guarantor first from subsequent collections on the related underlying Balloon Loan, net of any such collections used to reimburse the master servicer or the trustee, as applicable, for advances made by them (including interest on those advances) on such underlying Balloon Loan or on other underlying mortgage loans if determined to be nonrecoverable (and therefore the principal portion of any such subsequent collections will not be included in the Principal Distribution Amount for future distribution dates) and second as described under "Description of the Certificates—Distributions—Priority of Distributions" in this information circular.

The certificate administrator will be required to make principal distributions on the Offered Principal Balance Certificates in the sequential order described below, taking account of whether the payments (or advances in lieu of the payments) and other collections of principal that are to be distributed were received and/or made with respect to the underlying mortgage loans, that generally equal:

- in the case of the class A-1 certificates, an amount (not to exceed the principal balance of the class A-1 certificates outstanding immediately prior to the subject distribution date) equal to the principal distribution amount for the subject distribution date, until the outstanding principal balance of such class of certificates is reduced to zero; and

- in the case of the class A-2 certificates, an amount (not to exceed the principal balance of the class A-2 certificates outstanding immediately prior to the subject distribution date) equal to the principal distribution amount for the subject distribution date (exclusive of any distributions of principal to which the holders of the class A-1 certificates are entitled on the subject distribution date as described in the immediately preceding bullet), until the outstanding principal balance of such class of certificates is reduced to zero.

So long as the Offered Principal Balance Certificates are outstanding, no portion of the Principal Distribution Amount for any distribution date will be allocated to the class B certificates.

Because of losses on the underlying mortgage loans and/or default-related or other unanticipated issuing entity expenses, the outstanding principal balance of the class B certificates could be reduced to zero at a time when both classes of Offered Principal Balance Certificates remain outstanding. In that event, any principal distributions on the Offered Principal Balance Certificates will be made on a *pro rata* basis in accordance with their respective outstanding principal balances.

The class X certificates do not have a principal balance and are not entitled to any distributions of principal.

See "Description of the Certificates—Distributions—Principal Distributions" and "—Priority of Distributions" in this information circular.

Distributions of Static Prepayment Premiums and Yield Maintenance Charges ..... Any Static Prepayment Premium or Yield Maintenance Charge collected in respect of any of the underlying mortgage loans will be distributed to the holders of the class A-1, A-2 and X certificates in the proportions described under "Description of the Certificates—Distributions—Distributions of Static Prepayment Premiums and Yield Maintenance Charges" in this information circular.

Reductions of Certificate Principal Balances in Connection with Losses and Expenses ..... As and to the extent described under "Description of the Certificates—Reductions of Certificate Principal Balances in Connection with Realized Losses and Additional Issuing Entity Expenses" in this information circular, losses on, and default-related or other unanticipated issuing entity expenses attributable to, the underlying mortgage loans will, in general, be allocated on each distribution date, after making distributions on such distribution date, to reduce the outstanding principal balances of the Principal Balance Certificates, sequentially, in the following order:

Reduction Order	Class
1st	Class B certificates
2nd	Class A-1 and A-2 certificates

Any reduction of the outstanding principal balances of the class A-1 and A-2 certificates as a result of losses will be made on a *pro rata* basis in accordance with their respective outstanding principal balances at the time of the reduction.

Any reduction of the outstanding principal balance of any class of Principal Balance Certificates will also result in a corresponding reduction in the notional amount of the corresponding component of the class X certificates.

However, Freddie Mac will be required under its guarantee to pay the holder of any Offered Principal Balance Certificate an amount equal to any such loss allocated to its Offered Principal Balance Certificates as set forth in "Description of the Certificates—Distributions—Freddie Mac Guarantee" in this information circular.

Advances of Delinquent Monthly Debt Service Payments ..... Except as described below in this "—Advances of Delinquent Monthly Debt Service Payments" section, the master servicer will be required to make advances with respect to any delinquent scheduled monthly payments, other than certain payments (including balloon payments), of principal and/or interest due on the underlying mortgage loans. The master servicer will be required to make advances of assumed monthly payments for those underlying mortgage loans that become defaulted upon their maturity dates on the same amortization schedule as if the maturity date had not occurred. In addition, the trustee must make any of those advances that the master servicer fails to make, in each case subject to a nonrecoverability determination. As described under

"Description of the Certificates—Advances of Delinquent Monthly Debt Service Payments" in this information circular, if the master servicer or the trustee, as applicable, makes an advance, it will be entitled to be reimbursed for the advance, together with interest at the Prime Rate.

However, neither the master servicer nor the trustee will advance master servicing fees, master servicer surveillance fees, special servicer surveillance fees or sub-servicing fees. Moreover, neither the master servicer nor the trustee will be required to make any advance that it or the special servicer determines will not be recoverable from proceeds of the related underlying mortgage loan. In making such determination, the master servicer, the trustee or the special servicer may take into account a range of relevant factors, including, among other things, (i) the existence of any outstanding Nonrecoverable Advance or Workout-Delayed Reimbursement Amount on any underlying mortgage loan or REO Loan, (ii) the obligations of the borrower under the related underlying mortgage loan, (iii) the related mortgaged real property in its "as is" condition, (iv) future expenses and (v) the timing of recoveries. In addition, the trustee may conclusively rely on any determination of nonrecoverability made by the master servicer, and the master servicer and the trustee will be required to conclusively rely on any determination of nonrecoverability made by the special servicer.

In addition, if any of the adverse events or circumstances that we refer to under "The Pooling and Servicing Agreement—Required Appraisals" in this information circular occur or exist with respect to any underlying mortgage loan or the related mortgaged real property, the special servicer will generally be obligated to use reasonable efforts to obtain a new appraisal or, in some cases involving underlying mortgage loans with outstanding principal balances of less than $2,000,000, conduct an internal valuation of that mortgaged real property. If, based on that appraisal or internal valuation, it is determined that an Appraisal Reduction Amount exists with respect to the subject underlying mortgage loan, then the amount otherwise required to be advanced (subject to a nonrecoverability determination) with respect to interest on the subject underlying mortgage loan will be reduced. That reduction will generally be in the same proportion that the Appraisal Reduction Amount bears to the Stated Principal Balance of the subject underlying mortgage loan. Due to the distribution priorities, any such reduction in advances will first reduce the funds available to pay interest on the most subordinate interest-bearing class of certificates outstanding and then on the other certificates in reverse sequential order, as follows:

Reduction Order	Class
1st	Class B certificates
2nd	Class A-1, A-2 and X certificates

Any reduction of the funds available to pay interest on the class A-1, A-2 and X certificates will be made on a *pro rata* basis in accordance with the relative amounts of interest to which each such class is entitled from the applicable underlying mortgage loans at the time of the reduction.

There will be no such reduction in any advance for delinquent monthly debt service payments at any time after the outstanding principal balance of the class B certificates has been reduced to zero.

See "Description of the Certificates—Advances of Delinquent Monthly Debt Service Payments" and "The Pooling and Servicing Agreement—Required Appraisals" in this information circular.

Reports to Certificateholders..... On each distribution date, the certificate administrator will be required to provide or make available to any Privileged Person a monthly report substantially in the form of and containing the information substantially as required by Exhibit B. The certificate administrator's report will be required to detail, among other things, the distributions made to the certificateholders on that distribution date and the performance of the underlying mortgage loans and the mortgaged real properties. The certificate administrator will also be required to make available to any Privileged Person via its website initially located at www.ctslink.com, certain underlying mortgage loan information as presented in the standard CREFC Investor Reporting Package® in accordance with the Pooling and Servicing Agreement.

You may also review via the certificate administrator's website or, upon reasonable prior notice, at the master servicer's, the special servicer's, the certificate administrator's or the custodian's offices during normal business hours, a variety of information and documents that pertain to the underlying mortgage loans and the mortgaged real properties. Borrower operating statements, rent rolls and property inspection reports will be available at the office of the master servicer or the special servicer, as applicable, and may be available on the master servicer's website.

However, the trustee, the certificate administrator, the custodian, the master servicer, the special servicer and the sub-servicer may not provide to (i) any person that is a borrower under an underlying mortgage loan or an affiliate of a borrower under an underlying mortgage loan unless such person is the directing certificateholder, (a) any asset status report, inspection report, appraisal or internal valuation, (b) the CREFC® special servicer loan file or (c) certain supplemental reports in the CREFC Investor Reporting Package® or (ii) the directing certificateholder, any asset status report, inspection report, appraisal or internal valuation relating to any Affiliated Borrower Loan. However, such restrictions on providing information will not apply to the master servicer, the special servicer and the sub-servicer if the applicable loan documents expressly require such disclosure to such person as a borrower under an underlying mortgage loan.

See "Description of the Certificates—Reports to Certificateholders and Freddie Mac; Available Information" in this information circular.

Deal Information/Analytics..... Certain information concerning the underlying mortgage loans and the certificates may be available through the following services:

- BlackRock Financial Management, Inc., Bloomberg, L.P., Trepp, LLC, Intex Solutions, Inc., CMBS.com and Thomson Reuters Corporation;

- the certificate administrator's website initially located at www.ctslink.com; and

- the master servicer's website initially located at www.wellsfargo.com/com.

Sale of Defaulted Loans..... If any underlying mortgage loan becomes a Defaulted Loan, then (subject to the rights of Freddie Mac and any related Junior Loan Holder, as described below) the directing certificateholder will have an assignable option to purchase that underlying mortgage loan from the issuing entity at the price and on the terms, including the restrictions applicable to Affiliated Borrower Loans and any applicable time limits, described in "The Pooling and Servicing Agreement—Realization Upon Mortgage Loans—Purchase Option" in this information circular. If the fair value price to be paid by the directing certificateholder or any assignee for the underlying mortgage loan is less than 99% of the purchase price (generally the outstanding principal balance of the underlying mortgage loan, plus (i) accrued and unpaid interest on such underlying mortgage loan through and including the end of the related mortgage interest accrual period in which such purchase is made (which would include accrued and unpaid master servicer surveillance fees, special servicer surveillance fees, master servicing fees and sub-servicing fees), (ii) related special servicing fees and, if applicable, liquidation fees payable to the special servicer (to the extent accrued and unpaid or previously paid by the issuing entity), (iii) all related unreimbursed Servicing Advances or Additional Issuing Entity Expenses, (iv) all related Servicing Advances that were previously reimbursed from general collections on the mortgage pool, (v) all accrued and unpaid interest on related Servicing Advances and P&I Advances, (vi) all interest on related Servicing Advances and P&I Advances that was previously reimbursed from general collections on the mortgage pool and (vii) solely if such underlying mortgage loan is being purchased by the related borrower or an affiliate of such borrower, all default interest, late payment fees, extension fees and similar fees or charges incurred with respect to such underlying mortgage loan and all out-of-pocket expenses reasonably incurred (whether paid or then owing) by the master servicer, the special servicer, the depositor, the custodian, the certificate administrator and the trustee in respect of such purchase, including, without duplication of any amounts described above in this definition, any expenses incurred prior to such purchase date with respect to such underlying mortgage loan) for such underlying mortgage loan, then Freddie Mac will also have the right to purchase such underlying mortgage loan. In addition, if the Junior Loan Holder is the holder of a subordinate lien on an underlying mortgage loan, such Junior Loan Holder will have the first option to purchase such underlying mortgage loan from the issuing entity; provided that if any such Junior Loan Holder elects to not exercise such option, then the holder of the next most subordinate Junior Loan (if any) will be entitled to exercise such right. The directing certificateholder, Freddie Mac and any Junior Loan Holder may each assign their respective purchase options.

A Defaulted Loan may not be purchased in the manner described above while any underlying mortgage loan that is cross-collateralized or cross-defaulted with such Defaulted Loan remains in the issuing entity unless (i) the special servicer modifies, upon such purchase, the related

	loan documents in a manner whereby (A) such Defaulted Loan would no longer be cross-collateralized or cross-defaulted with any underlying mortgage loan that remains in the issuing entity, (B) all underlying mortgage loans that are cross-defaulted with such Defaulted Loan that remain in the issuing entity, if any, will continue to be cross-defaulted with one another and (C) all underlying mortgage loans in the related Crossed Loan Group that remain in the issuing entity, if any, will continue to be cross-collateralized with one another and (ii) the purchaser of such Defaulted Loan will have furnished each of the trustee, the certificate administrator, the master servicer and the special servicer, at such purchaser's expense, with an opinion of counsel that such modification will not cause an Adverse REMIC Event. See "The Pooling and Servicing Agreement—Realization Upon Mortgage Loans" in this information circular.
Repurchase Obligation.....	If the mortgage loan seller has been notified of, or itself has discovered, a defect in any mortgage file or a breach of any of its representations and warranties that materially and adversely affects the value of any underlying mortgage loan (including any foreclosure property acquired in respect of any foreclosed mortgage loan) or any interests of the holders of any class of certificates, then the mortgage loan seller will be required to either cure such breach or defect, repurchase the affected underlying mortgage loan from the issuing entity or, within two years of the Closing Date, substitute the affected underlying mortgage loan with another mortgage loan. If the mortgage loan seller opts to repurchase any affected underlying mortgage loan, such repurchase would have the same effect on the certificates as a prepayment in full of such underlying mortgage loan (without payment of any applicable Static Prepayment Premium or Yield Maintenance Charge). See "Description of the Underlying Mortgage Loans—Cures, Repurchases and Substitutions" in this information circular.
Optional Termination.....	The holders of a majority interest of the Controlling Class (excluding Freddie Mac), the special servicer, and the master servicer, in that order, will each in turn have the option to purchase all of the underlying mortgage loans and all other property remaining in the issuing entity on any distribution date on which the total Stated Principal Balance of the underlying mortgage loans is less than 1.0% of the initial mortgage pool balance. In the event that any party so entitled exercises this option, the issuing entity will terminate and all outstanding certificates will be retired, as described in more detail under "The Pooling and Servicing Agreement—Termination" in this information circular. In addition, with the satisfaction of the conditions set forth in the proviso to the definition of "Sole Certificateholder" in this information circular and with the consent of the master servicer, the Sole Certificateholder (excluding Freddie Mac) may exchange all of its certificates (other than the class R certificates) for all of the underlying mortgage loans and REO Properties remaining in the issuing entity as described in more detail under "The Pooling and Servicing Agreement—Termination" in this information circular.

Denominations ..... The offered certificates will be issuable in registered form, in the denominations set forth under "Description of the Certificates—Registration and Denominations" in this information circular.

Physical Certificates ..... Freddie Mac will hold the offered certificates in the form of fully registered physical certificates. Freddie Mac will include the offered certificates in pass-through pools that it will form for its series K-S07 structured pass-through certificates (the "SPCs").

Legal and Investment Considerations

Federal Income Tax Consequences..... The certificate administrator will cause elections to be made to treat designated portions of the assets of the issuing entity as two separate real estate mortgage investment conduits under Sections 860A through 860G of the Internal Revenue Code of 1986 (the "Code"). There will be the following REMICs:

- the Lower-Tier REMIC, which will consist of, among other things—
  1. the underlying mortgage loans, and
  2. any REO Properties; and
- the Upper-Tier REMIC, which will hold the regular interests in the Lower-Tier REMIC.

The offered certificates will be treated as REMIC regular interests. This means that they will be treated as newly issued debt instruments for federal income tax purposes. You will have to report income on the offered certificates in accordance with the accrual method of accounting even if you are otherwise a cash method taxpayer.

For a description of the tax opinions that our counsel will be issuing on the Closing Date and a more detailed discussion of the federal income tax aspects of investing in the offered certificates, see "Certain Federal Income Tax Consequences" in this information circular.

Investment Considerations ..... The rate and timing of payments and other collections of principal on or with respect to the underlying mortgage loans will affect the yield to maturity on each offered certificate.

If you purchase Offered Principal Balance Certificates at a premium, then a faster than anticipated rate of payments and other collections of principal on the underlying mortgage loans could result in a lower than anticipated yield to maturity with respect to those certificates. Conversely, if you purchase Offered Principal Balance Certificates at a discount, a slower than anticipated rate of payments and other collections of principal on the underlying mortgage loans could result in a lower than anticipated yield to maturity with respect to those certificates.

If you are contemplating the purchase of class X certificates, you should be aware that—

- the yield to maturity on the class X certificates will be highly sensitive to the rate and timing of principal prepayments and

other liquidations on or with respect to the underlying mortgage loans,

- a faster than anticipated rate of payments and other collections of principal on the underlying mortgage loans could result in a lower than anticipated yield to maturity with respect to the class X certificates, and

- an extremely rapid rate of prepayments and/or other liquidations on or with respect to the underlying mortgage loans could result in a substantial loss of your initial investment with respect to the class X certificates.

When trying to determine the extent to which payments and other collections of principal on the underlying mortgage loans will adversely affect the yield to maturity of the class X certificates, you should consider what the notional amount of the class X certificates is and how payments and other collections of principal on the underlying mortgage loans are to be applied to the total outstanding principal balance of the Principal Balance Certificates that make up the notional amount.

In addition, the pass-through rate for the class X certificates is calculated based on the Weighted Average Net Mortgage Pass-Through Rate. As a result, the pass-through rate (and, accordingly, the yield to maturity) on the class X certificates could be adversely affected if underlying mortgage loans with relatively high mortgage interest rates experience a faster rate of principal payment than underlying mortgage loans with relatively low mortgage interest rates. Although all of the underlying mortgage loans currently have the same mortgage interest rates, maturity dates and amortization schedules, if the terms of any of the underlying mortgage loans are modified in connection with a modification, waiver or amendment, the yield to maturity on the class X certificates will be sensitive to changes in the relative composition of the mortgage pool as a result of scheduled amortization, voluntary and involuntary prepayments and liquidations of the underlying mortgage loans following default. The Weighted Average Net Mortgage Pass-Through Rate will not be affected by modifications, waivers or amendments with respect to the underlying mortgage loans, except for any modifications, waivers or amendments that increase the mortgage interest rate.

See "Yield and Maturity Considerations" in this information circular.

We have not engaged any nationally recognized statistical rating organization ("NRSRO"), as defined in Section 3(a)(62) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), to rate any class of certificates. The absence of ratings may adversely affect the ability of an investor to purchase or retain, or otherwise impact the liquidity, market value and regulatory characteristics of the certificates.

If your investment activities are subject to legal investment laws and regulations, regulatory capital requirements or review by regulatory authorities, then you may be subject to restrictions on investment in the certificates. You should consult your own legal advisors for assistance in determining the suitability of and consequences to you of the purchase, ownership, and sale of the certificates.

The Underlying Mortgage Loans

General ..... We intend to include in the issuing entity 28 mortgage loans, which we refer to in this information circular as the "underlying mortgage loans" and which are secured by the 28 independent living properties identified on Exhibit A-1. Each underlying mortgage loan is secured by a mortgaged real property that consists of a single parcel or two or more contiguous or non-contiguous parcels, and we refer to such parcel or parcels collectively as a single "mortgaged real property" securing the related underlying mortgage loan. The mortgage loans included in the issuing entity were originated on August 12, 2015 and had original terms to maturity of 120 months. In this section, "—The Underlying Mortgage Loans," we provide summary information with respect to those underlying mortgage loans. For more detailed information regarding those underlying mortgage loans, you should review the following sections in this information circular:

- "Risk Factors—Risks Related to the Underlying Mortgage Loans";
- "Description of the Underlying Mortgage Loans";
- Exhibit A-1—Certain Characteristics of the Underlying Mortgage Loans and the Related Mortgaged Real Properties;
- Exhibit A-2—Certain Mortgage Pool Information; and
- Exhibit A-3—Description of the Underlying Mortgage Loans or Groups of Cross-Collateralized Mortgage Loans.

When reviewing the information that we have included in this information circular with respect to the underlying mortgage loans, please note that—

- All numerical information provided with respect to the underlying mortgage loans is provided on an approximate basis.
- All weighted average information provided with respect to the underlying mortgage loans reflects a weighting based on their respective Cut-off Date Principal Balances. We will transfer the underlying mortgage loans with their respective Cut-off Date Principal Balances to the issuing entity. We show the Cut-off Date Principal Balance for each of the underlying mortgage loans on Exhibit A-1.
- In calculating the respective Cut-off Date Principal Balances of the underlying mortgage loans, we have assumed that:

  1. all scheduled payments of principal and/or interest due on the underlying mortgage loans on or before their respective due dates in October 2016 are timely made; and
  2. there are no prepayments or other unscheduled collections of principal with respect to any of the underlying mortgage loans during the period from its due date in September 2016 up to and including October 1, 2016.

- Whenever we refer to the initial mortgage pool balance in this information circular, we are referring to the total Cut-off Date Principal Balance of the entire mortgage pool.

- 6 groups of underlying mortgage loans (each, a "Crossed Loan Group"), collectively representing 96.6% of the initial mortgage pool balance, are made up of underlying mortgage loans that are cross-collateralized with each other underlying mortgage loan in such group. In addition, all of the underlying mortgage loans are cross-defaulted with each other, but each underlying mortgage loan is only cross-collateralized with other underlying mortgage loans within the related Crossed Loan Group, if applicable. Unless otherwise indicated, we present the information regarding each Crossed Loan Group as separate loans. However, each underlying mortgage loan in any Crossed Loan Group is treated as having the Cut-off Date Loan-to-Value Ratio, the Maturity Loan-to-Value Ratio, the Cut-off Date Balance/Unit and the historical and Underwritten Debt Service Coverage Ratios of such Crossed Loan Group. None of the underlying mortgage loans is cross-collateralized or cross-defaulted with any mortgage loan that is not in the issuing entity.

- When information with respect to mortgaged real properties is expressed as a percentage of the initial mortgage pool balance, the percentages are based on the Cut-off Date Principal Balances of the related underlying mortgage loans.

- If an underlying mortgage loan is secured by a mortgaged real property consisting of multiple parcels of real property, we treat those parcels as a single mortgaged real property.

- Whenever we refer to a particular mortgaged real property by name, we mean the property identified by that name on Exhibit A-1. Whenever we refer to a particular underlying mortgage loan by name, we mean the underlying mortgage loan secured by the mortgaged real property identified by that name on Exhibit A-1.

- Statistical information regarding the underlying mortgage loans may change prior to the Closing Date due to changes in the composition of the mortgage pool prior to that date.

Source of the Underlying Mortgage Loans ..... We did not originate the underlying mortgage loans. We will acquire the underlying mortgage loans from Freddie Mac, the mortgage loan seller, pursuant to a mortgage loan purchase agreement dated as of the Cut-off Date. Each underlying mortgage loan was originated by W&D, and was acquired by Freddie Mac.

For a description of the underwriting criteria utilized in connection with the origination or acquisition of each of the underlying mortgage loans, see "Description of the Underlying Mortgage Loans—Underwriting Matters" in this information circular.

Management Agreements ..... Each mortgaged real property is managed by an affiliate of the related borrower (each, a "Property Manager") pursuant to a property

	management agreement, dated as of August 12, 2015 (each, a "Master Management Agreement"), between such borrower and such Property Manager. Each mortgaged real property is further managed by Holiday AL Management Sub LLC (the "Sub-Manager") pursuant to a sub-management agreement, dated as of August 12, 2015 (each, a "Sub-Management Agreement"), between the related Property Manager and the Sub-Manager. See "Description of the Master Management Agreements and Sub-Management Agreements" in this information circular.
Payment and Other Terms	Each of the underlying mortgage loans is the obligation of a borrower to repay a specified sum with interest. Repayment of each of the underlying mortgage loans is secured by a mortgage lien on the fee interest of the related borrower in each mortgaged real property. As of the date of this information circular no mortgaged real properties are encumbered by subordinate liens except for certain limited permitted encumbrances (which limited permitted encumbrances do not secure subordinate mortgage loans) that are described in this information circular. See "Risk Factors—Risks Related to the Underlying Mortgage Loans—Subordinate Financing Increases the Likelihood That a Borrower Will Default on an Underlying Mortgage Loan," "Description of the Underlying Mortgage Loans—General" and "—Certain Terms and Conditions of the Underlying Mortgage Loans—Permitted Additional Debt" in this information circular. Except with respect to certain limited nonrecourse carveouts, each of the underlying mortgage loans is nonrecourse to the borrower. Although the offered certificates will be guaranteed by Freddie Mac pursuant to the Freddie Mac Guarantee, none of the underlying mortgage loans is insured or guaranteed by any governmental agency or instrumentality or by any private mortgage insurer. Each of the underlying mortgage loans currently accrues interest at the annual rate specified with respect to that underlying mortgage loan on Exhibit A-1. All of the underlying mortgage loans had initial terms to maturity of 120 months.
Balloon Loans.....	All of the underlying mortgage loans are Balloon Loans that provide for amortization schedules that are significantly longer than their remaining terms to stated maturity. An underlying mortgage loan is considered to be a "Balloon Loan" if its principal balance is not scheduled to be fully amortized by the underlying mortgage loan's scheduled maturity date and thus requires a substantial balloon payment of principal at such scheduled maturity date.
Mortgage Loans with Interest-Only Periods	All of the underlying mortgage loans provide for an interest-only period of 60 months following origination followed by amortization for the balance of the loan term.

Crossed Mortgage Loans and Related Borrower Loans ..... All of the underlying mortgage loans were made to borrowers that are affiliated with each other. In addition, 27 of the underlying mortgage loans, collectively representing 96.6% of the initial mortgage pool balance, belong to one of 6 Crossed Loan Groups. The table below identifies the underlying mortgage loans in each of the Crossed Loan Groups:

Loan Name	% of Initial Mortgage Pool Balance[(1)]
Crossed Portfolio I	
Echo Ridge	4.5%
Greenwood Terrace	4.2
Alexis Gardens	3.7
Redbud Hills	3.6
The Jefferson	2.9
Total	**18.9%**
Southeastern Crossed Portfolio	
The Woods At Holly Tree	5.9%
Cedar Ridge	3.4
Indigo Pines	3.3
Elm Park Estates	2.9
Pinegate	2.8
Total	**18.3%**
Crossed Portfolio II	
Kalama Heights	4.9%
Quail Run Estates	4.0
Andover Place	3.0
Niagara Village	2.8
Holiday Hills Estates	2.6
Total	**17.3%**
Western Crossed Portfolio	
Stone Lodge	4.2%
Quincy Place	3.5
Aspen View	3.0
Parkrose Chateau	2.7
Montara Meadows	2.5
Total	**16.0%**
California Crossed Portfolio	
Arcadia Place	3.6%
The Springs Of Napa	3.3
The Springs Of Escondido	3.3
The Remington	2.9
Total	**13.1%**

Loan Name	% of Initial Mortgage Pool Balance[(1)]
Florida Crossed Portfolio	
University Pines	4.5%
Marion Woods	4.3
Augustine Landing	4.1
Total	**12.9%**

(1) Amounts may not add up to the totals shown due to rounding.

The underlying mortgage loans in each Crossed Loan Group are cross-collateralized by each mortgaged real property securing each other underlying mortgage loan in such Crossed Loan Group. In addition, pursuant to the Pooling and Servicing Agreement and the mortgage loan purchase agreement, the underlying mortgage loans in each Crossed Loan Group may be released from the cross-collateralization provisions under certain circumstances (including repurchases due to breaches of the representations and warranties described on Exhibit C-1 to this information circular), subject to certain restrictions. None of the underlying mortgage loans is cross-collateralized or cross-defaulted with any mortgage loan that is not in the issuing entity. See "Risk Factors—Risks Related to the Underlying Mortgage Loans—Enforceability of Cross-Collateralization Provisions May Be Challenged and the Benefits of Cross-Collateralization and Cross-Default Provisions May Otherwise Be Limited," "—Mortgage Loans to Related Borrowers May Result in More Severe Losses on the Offered Certificates," "Description of the Underlying Mortgage Loans—Cross-Collateralized Mortgage Loans and Mortgage Loans Made to Affiliated Borrowers" and "Description of the Underlying Mortgage Loans—Certain Terms and Conditions of the Underlying Mortgage Loans—Release of Property Through Prepayment" in this information circular.

Prepayment Characteristics of the Mortgage Loans

All of the underlying mortgage loans restrict prepayments by requiring that any voluntary principal prepayments made during a specified period of time be accompanied by the greater of a Static Prepayment Premium and a Yield Maintenance Charge, followed by a prepayment consideration period during which voluntary principal prepayments are restricted by requiring that any voluntary principal prepayment made be accompanied by a Static Prepayment Premium, followed by an open prepayment period prior to maturity during which voluntary principal prepayments may be made without payment of any prepayment consideration.

The purchase of any underlying mortgage loan by any party that has an option or is otherwise entitled to purchase such underlying mortgage loan from the issuing entity following default (or, with respect to the mortgage loan seller, is required to purchase such underlying mortgage loan as a result of an uncured material breach of a representation and warranty or a material document defect) generally would have the same effect on the offered certificates as a prepayment (without payment of any Static Prepayment Premium or Yield Maintenance Charge).

See "Description of the Underlying Mortgage Loans—Certain Terms and Conditions of the Underlying Mortgage Loans—Release of Property Through Prepayment" in this information circular.

Delinquency Status ..... None of the underlying mortgage loans was 30 days or more delinquent with respect to any monthly debt service payment as of October 1, 2016.

Geographic Concentration ..... Mortgaged real properties that secure underlying mortgage loans collectively representing 5.0% or more of the initial mortgage pool balance are located in each of California, Florida, North Carolina and Oregon. The table below shows the number of, and percentage of the initial mortgage pool balance secured by, mortgaged real properties located in these states:

State	Number of Mortgaged Real Properties	% of Initial Mortgage Pool Balance
California	4	13.1%
Florida	3	12.9%
North Carolina	2	9.3%
Oregon	2	6.9%

The remaining mortgaged real properties are located throughout 17 other states. No more than 4.9% of the initial mortgage pool balance is secured by mortgaged real properties located in any of these other states.

3 of the California properties, securing underlying mortgage loans collectively representing 9.8% of the initial mortgage pool balance, are located in southern California (i.e., addresses with zip codes of 93600 or below).

1 of the California properties, securing an underlying mortgage loan representing 3.3% of the initial mortgage pool balance, is located in northern California (i.e., addresses with zip codes above 93600).

See "Description of the Underlying Mortgage Loans—Certain Legal Aspects of the Underlying Mortgage Loans" in this information circular.

Property Type ..... All of the mortgaged real properties are senior housing facilities, which offer independent living services. In general, independent living refers to residential apartments/units that provide limited services, such as congregate meals and planned activities, but do not ordinarily provide any nursing care.

See "Risk Factors" in this information circular for a description of some of the risks relating to senior housing facility properties. Also see "Senior Housing Facility Operations" in this information circular for further discussion of independent living facility properties.

Encumbered Interests ..... All of the underlying mortgage loans encumber the fee interest of the borrower in the related mortgaged real property.

As of the date of this information circular, no mortgaged real properties are encumbered by subordinate liens except for certain limited permitted encumbrances (which limited permitted encumbrances do not

	secure subordinate mortgage loans) that are described in this information circular. See "Risk Factors—Risks Related to the Underlying Mortgage Loans—Subordinate Financing Increases the Likelihood That a Borrower Will Default on an Underlying Mortgage Loan," "—A Borrower's Other Loans May Reduce the Cash Flow Available To Operate and Maintain the Related Mortgaged Real Property or May Interfere with the Issuing Entity's Rights Under the Related Underlying Mortgage Loan, Thereby Adversely Affecting Distributions on the Offered Certificates," "Description of the Underlying Mortgage Loans—General" and "—Certain Terms and Conditions of the Underlying Mortgage Loans—Permitted Additional Debt" in this information circular.
Significant Mortgage Loans.....	The 6 Crossed Loan Groups collectively represent 96.6% of the initial mortgage pool balance. See "Risk Factors—Risks Related to the Underlying Mortgage Loans" and "Description of the Underlying Mortgage Loans" in this information circular and Exhibits A-1, A-2 and A-3 to this information circular.

Additional Statistical Information

General Characteristics ..... The underlying mortgage loans that we intend to include in the issuing entity will have the following general characteristics as of October 1, 2016:

	Mortgage Pool
Initial mortgage pool balance	$464,680,000
Number of underlying mortgage loans	28
Number of mortgaged real properties	28
Largest Cut-off Date Principal Balance	$27,382,000
Smallest Cut-off Date Principal Balance	$11,670,000
Average Cut-off Date Principal Balance	$16,595,714
Annual mortgage interest rate	4.250%
Original term to maturity	120
Remaining term to maturity	107
Highest Underwritten Debt Service Coverage Ratio	1.33x
Lowest Underwritten Debt Service Coverage Ratio	1.32x
Weighted average Underwritten Debt Service Coverage Ratio	1.32x
Highest Cut-off Date Loan-to-Value Ratio	75.0%
Lowest Cut-off Date Loan-to-Value Ratio	60.7%
Weighted average Cut-off Date Loan-to-Value Ratio	66.6%

In reviewing the foregoing table, please note that the Underwritten Net Cash Flow for any mortgaged real property (which is the basis for the Underwritten Debt Service Coverage Ratio for the related underlying mortgage loan) is an estimated number based on numerous assumptions that may not necessarily reflect recent historical performance and may not ultimately prove to be an accurate prediction of future performance.

The information presented in the foregoing table with respect to each Crossed Loan Group treats each cross-collateralized underlying mortgage loan in such group as a separate loan. However, each underlying mortgage loan in each Crossed Loan Group is treated as having the Cut-off Date Loan-to-Value Ratio, the Maturity Loan-to-Value Ratio, the Cut-off Date Balance/Unit and the historical and Underwritten Debt Service Coverage Ratios of such Crossed Loan Group. None of the underlying mortgage loans is cross-collateralized or cross-defaulted with any mortgage loan that is not in the issuing entity.

RISK FACTORS

The risks and uncertainties described below summarize the material risks in connection with the purchase of the offered certificates. All numerical information concerning the underlying mortgage loans is provided on an approximate basis.

The Certificates May Not Be a Suitable Investment for You

The certificates are not suitable investments for all investors. In particular, you should not purchase any class of certificates unless you understand and are able to bear the prepayment, credit, liquidity and market risks associated with that class of certificates. For those reasons and for the reasons set forth in these "Risk Factors," the yield to maturity and the aggregate amount and timing of distributions on the certificates are subject to material variability from period to period and give rise to the potential for significant loss over the life of the certificates to the extent the Guarantor does not make Guarantor Payments on the offered certificates. The interaction of the foregoing factors and their effects are impossible to predict and are likely to change from time to time. As a result, an investment in the certificates involves substantial risks and uncertainties and should be considered only by sophisticated institutional investors with substantial investment experience with similar types of securities.

Combination or "Layering" of Multiple Risks May Significantly Increase Risk of Loss

Although the various risks discussed in this information circular are generally described separately, you should consider the potential effects of the interplay of multiple risk factors. Where more than one significant risk factor is present, the risk of loss to an investor in the certificates may be significantly increased.

Risks Related to the Underlying Mortgage Loans

The Underlying Mortgage Loans Are Nonrecourse. Except for certain limited nonrecourse carveouts, each of the underlying mortgage loans is a nonrecourse obligation of the related borrower. This means that, in the event of a default, recourse will generally be limited to the related mortgaged real property or properties securing the Defaulted Loan and other assets that have been pledged to secure that underlying mortgage loan. Consequently, full and timely payment on each underlying mortgage loan will depend on one or more of the following:

- the sufficiency of the net operating income of the applicable mortgaged real property to pay debt service;
- the market value of the applicable mortgaged real property at or prior to maturity; and
- the ability of the related borrower to refinance or sell the applicable mortgaged real property at maturity.

In general, the value of any assisted living, independent living and/or memory care property will depend on its ability to generate net operating income. The ability of an owner to finance a multifamily property will depend, in large part, on the property's value and ability to generate net operating income.

None of the underlying mortgage loans will be insured or guaranteed by any governmental entity or private mortgage insurer.

Repayment of Each of the Underlying Mortgage Loans Will Be Dependent on the Cash Flow Produced by the Related Mortgaged Real Property From Resident and Service Fees or Rents, Which Can Be Volatile and Insufficient To Allow Timely Distributions on the Offered Certificates, and on the Value of the Related Mortgaged Real Property, Which May Fluctuate Over Time. Repayment of loans secured by senior housing facilities typically depends on the cash flow produced by those properties. Cash flow is typically produced through the collection of resident and service fees or rents from residents at the properties. The ratio of net cash flow to debt service of an underlying mortgage loan secured by an income-producing property is an important measure of the risk of default on the loan.

Payment on each underlying mortgage loan may also depend on:

- the ability of the related borrower to sell the related mortgaged real property or refinance the underlying mortgage loan, at scheduled maturity, in an amount sufficient to repay the underlying mortgage loan; and/or
- in the event of a default under the underlying mortgage loan and a subsequent sale of the related mortgaged real property upon the acceleration of such underlying mortgage loan's maturity, the amount of the sale proceeds, taking into account any adverse effect of a foreclosure proceeding on those sale proceeds.

In general, if an underlying mortgage loan has a relatively high loan-to-value ratio or a relatively low debt service coverage ratio, a foreclosure sale is more likely to result in proceeds insufficient to satisfy the outstanding debt.

The cash flows from the operation of senior housing facilities are volatile and may be insufficient to cover debt service on the related underlying mortgage loan and pay operating expenses at any given time. This may cause the value of a property to decline. Cash flows and property values generally affect:

- the ability to cover debt service;
- the ability to pay an underlying mortgage loan in full with sales or refinance proceeds; and
- the amount of proceeds recovered upon foreclosure.

Cash flows and property values depend upon a number of factors, including:

- national, regional and local economic conditions, including economic and industry slowdowns, unemployment rates, retirement savings rates, and the general amount of income and assets of retirees;
- local real estate conditions, such as an oversupply of units similar to the units at the related mortgaged real property;
- the strength of economy of the state in which the mortgaged real property is located, and its effect on per diem rates paid by facility residents, Medicaid reimbursement rates, if applicable, reimbursement/payment history and the overall regulatory climate;
- changes or weakness in the senior housing industry;
- applicable state and local regulations designed to protect residents in connection with evictions and rent increases;
- the impact of state and federal healthcare reimbursement policy, waiver rules and other regulatory challenges, if applicable;
- the costs and administrative burdens associated with complying with applicable laws, regulations and policies, including but not limited to zoning laws and environmental restrictions;
- demographic factors;
- shortages of labor (including health professionals) or labor disruptions;
- increases in vacancy rates;
- creditworthiness of residents, a decline in the financial condition of residents, or resident defaults;
- the occupancy rates (number of residents) at the related mortgaged real property and the duration of their respective residency agreements or leases;

- a determination to provide additional services, such as assisted living and/or memory care, at the mortgaged real property;
- a decline in rental rates as residency agreements or leases are renewed or entered into with new residents;
- increases in operating expenses at the mortgaged real property and in relation to competing properties, including expenses relating to energy, food, workers' compensation, benefits, insurance, and healthcare regulatory compliance;
- the property's "operating leverage," which is generally the percentage of total property expenses in relation to revenue;
- the ratio of fixed operating expenses to those that vary with revenues;
- increases in interest rates, real estate taxes and other operating expenses at the mortgaged real property and in relation to competing senior housing facilities;
- the level of required capital expenditures for proper maintenance, renovations and improvements demanded by residents or required by law at the related mortgaged real property;
- retroactive changes in building or similar codes that require modifications to the related mortgaged real property;
- capable management and adequate maintenance for the related mortgaged real property;
- the strength, experience, philosophy and operating history of the management of the related mortgaged real property;
- location of the related mortgaged real property and the characteristics of the neighborhood where the property is located, including proximity to shopping areas, hospitals and other healthcare facilities, and other places or services that may be important to senior citizens;
- proximity and attractiveness of competing senior housing facilities and other home or community based services;
- perceptions by prospective residents of the safety, convenience, services and attractiveness of the related mortgaged real property and the quality of its staff;
- the ability of the layout to foster socialization and easy access to service providers and the existence of specialized facilities that support aging in place; and
- the age, construction, quality, design and overall maintenance of the related mortgaged real property.

A decline in the economy or the senior housing industry will tend to have a more immediate effect on the net operating income of the mortgaged real properties with short-term revenue sources, such as short-term or month-to-month residency agreements or leases with residents at the mortgaged real properties, and may lead to higher rates of delinquency or defaults.

Criminal Activity May Adversely Affect Property Performance. Certain of the underlying mortgage loans are secured by mortgaged real properties that may have been, or may be, the site of criminal activities. Perceptions by prospective tenants of the safety and reputation of any such mortgaged real property may influence the cash flow produced by such mortgaged real property. In addition, in connection with any criminal activities that occur at a related mortgaged real property, litigation may be brought against a borrower or political or social conditions may result in civil disturbances.

Forfeiture (Including for Drug, RICO and Money Laundering Violations) May Present Risks. Federal law provides that property purchased or improved with assets derived from criminal activity or otherwise tainted, or used in the commission of certain offenses, can be seized and ordered forfeited to the United States. A number of

offenses can trigger such a seizure and forfeiture including, among others, violations of the Racketeer Influenced and Corrupt Organizations Act, the Bank Secrecy Act, the Money Laundering Control Act, the USA PATRIOT Act and the regulations issued pursuant to all of them, as well as the controlled substance laws. In many instances, the United States may seize the property civilly, without a criminal prosecution.

In the event of a forfeiture proceeding, a financial institution that is a lender of funds may be able to establish its interest in the property by proving that (a) its mortgage was executed and recorded before the commission of the illegal conduct from which the assets used to purchase or improve the property were derived or before the commission of any other crime upon which the forfeiture is based, or (b) at the time of the execution of the mortgage, despite appropriate due diligence, it "did not know or was reasonably without cause to believe that the property was subject to forfeiture." However, we cannot assure you that such a defense will be successful.

Borrowers May Be Unable To Make Balloon Payments. All of the underlying mortgage loans are Balloon Loans that have amortization schedules that are significantly longer than their respective terms, and all of the Balloon Loans require only payments of interest for part of their respective terms. See "Description of the Underlying Mortgage Loans—Certain Terms and Conditions of the Underlying Mortgage Loans—Additional Amortization Considerations" in this information circular. A longer amortization schedule or an interest-only provision in an underlying mortgage loan will result in a higher amount of principal outstanding on the underlying mortgage loan at any particular time, including at the maturity date of the underlying mortgage loan, than would have otherwise been the case had a shorter amortization schedule been used or had the underlying mortgage loan had a shorter interest-only period or not included an interest-only period at all. That higher principal amount outstanding could both (i) make it more difficult for the related borrower to make the required balloon payment at maturity and (ii) lead to increased losses for the issuing entity either during the loan term or at maturity if the underlying mortgage loan becomes a Defaulted Loan. The borrower under a mortgage loan of these types is required to make a substantial payment of principal and interest, which is commonly called a balloon payment, on the maturity date of the loan. The ability of the borrower to make a balloon payment depends upon the borrower's ability to refinance or sell the mortgaged real property securing the loan. The ability of the borrower to refinance or sell the mortgaged real property will be affected by a number of factors, including—

- the fair market value and condition of the mortgaged real property;
- the level of interest rates;
- the borrower's equity in the mortgaged real property;
- the borrower's financial condition;
- the operating history of the mortgaged real property;
- changes in zoning and tax laws;
- changes in competition in the relevant area;
- changes in rental and service rates and, if applicable, state reimbursement rates in the relevant area;
- changes in governmental regulation and fiscal policy;
- prevailing general and regional economic conditions;
- the state of the fixed income and mortgage markets;
- the availability of credit for mortgage loans secured by multifamily rental properties in general or assisted living facilities and independent living facilities in particular;
- reductions in applicable government assistance/rent subsidy programs; and
- the requirements (including loan-to-value ratios and debt service coverage ratios) of lenders for mortgage loans secured by assisted living, independent living and/or memory care properties.

Neither we nor any of our affiliates, the mortgage loan seller or the Originator will be obligated to refinance any underlying mortgage loan.

In addition, the promulgation of additional laws and regulations, including the final regulations to implement the credit risk retention requirements under Section 15G of the Securities Exchange Act of 1934, as added by Section 941 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"), compliance with which is required with respect to the commercial and multifamily mortgage-backed securities ("CMBS") issued on or after December 24, 2016, may cause commercial real estate lenders to tighten their lending standards and reduce the availability of leverage and/or refinancings for commercial real estate. This, in turn, may adversely affect the borrowers' ability to refinance the underlying mortgage loan or sell the mortgaged real property on the maturity date. We cannot assure you that each borrower under a Balloon Loan will have the ability to repay the outstanding principal balance of such underlying mortgage loan on the related maturity date.

The master servicer or the special servicer may, within prescribed limits, extend and modify underlying mortgage loans that are in default or as to which a payment default is reasonably foreseeable in order to maximize recoveries on such underlying mortgage loans. The master servicer or the special servicer is only required to determine that any extension or modification is reasonably likely to produce a greater recovery than a liquidation of the real property securing the Defaulted Loan. There is a risk that the decision of the master servicer or the special servicer to extend or modify an underlying mortgage loan may not in fact produce a greater recovery. See "— Modifications of the Underlying Mortgage Loans" below.

Modifications of the Underlying Mortgage Loans. If any underlying mortgage loans become delinquent or are in default, the special servicer will be required to work with the related borrowers to maximize collections on such underlying mortgage loans. This may include modifying the terms of such underlying mortgage loans that are in default or whose default is reasonably foreseeable. At each step in the process of trying to bring a Defaulted Loan current or in maximizing proceeds to the issuing entity, the special servicer will be required to invest time and resources not otherwise required for the master servicer to collect payments on performing underlying mortgage loans. Modifications of underlying mortgage loans implemented by the special servicer in order to maximize the ultimate proceeds of such underlying mortgage loans may have the effect of, among other things, reducing or otherwise changing the mortgage rate, forgiving or forbearing on payments of principal, interest or other amounts owed under the underlying mortgage loan, extending the final maturity date of the underlying mortgage loan, capitalizing or deferring delinquent interest and other amounts owed under the underlying mortgage loan, forbearing payment of a portion of the principal balance of the underlying mortgage loan or any combination of these or other modifications. Any modified underlying mortgage loan may remain in the issuing entity, and the modification may result in a reduction in the funds received with respect to such underlying mortgage loan.

Multifamily Lending Subjects Your Investment to Special Risks that Are Not Associated with Single-Family Residential Lending. The underlying mortgage loans are secured by multifamily income-producing properties.

Multifamily lending is generally thought to be riskier than single-family residential lending because, among other things, larger loans are made to single borrowers or groups of related borrowers.

Furthermore, the risks associated with lending on multifamily properties are inherently different from those associated with lending on the security of single-family residential properties. For example, repayment of each of the underlying mortgage loans will be dependent on the performance and/or value of the related mortgaged real property.

There are additional factors in connection with multifamily lending, not present in connection with single-family residential lending, which could adversely affect the economic performance of the respective mortgaged real properties that secure the underlying mortgage loans. Any one of these additional factors, discussed in more detail in this information circular, could result in a reduction in the level of cash flow from those mortgaged real properties that is required to ensure timely distributions on the offered certificates.

The Source of Repayment on the Offered Certificates Will Be Limited to Payments and Other Collections on the Underlying Mortgage Loans. The offered certificates will represent interests solely in the issuing entity. The primary assets of the issuing entity will be a segregated pool of multifamily mortgage loans secured by independent

living properties. Accordingly, repayment of the offered certificates will be limited to payments and other collections on the underlying mortgage loans, subject to the Freddie Mac Guarantee.

However, the underlying mortgage loans will not be an obligation of, or be insured or guaranteed by:

- any governmental entity;
- any private mortgage insurer;
- the depositor;
- Freddie Mac;
- the master servicer;
- the special servicer;
- the sub-servicer of the master servicer or the special servicer;
- the trustee;
- the certificate administrator;
- the custodian; or
- any of their or our respective affiliates.

Senior Housing Properties Pose Risks Not Associated with Other Types of Multifamily Properties. All of the underlying mortgage loans are secured by senior housing facilities providing independent living services. All of the underlying loan agreements permit the related borrower to transition a percentage of the units at the related mortgaged real property to assisted living or memory care units as described in "—Changes in Resident Acuity Mix May Present Risks" below.

Independent living facilities are residential apartments/units with limited services such as congregate meals and planned activities. Independent living facilities offer seniors an independent lifestyle in the environment of a retirement community, and do not ordinarily provide any healthcare services. Accordingly, independent living facilities generally are not licensed by state regulatory authorities. The lack of licensure also limits the regulatory oversight by the applicable federal and state regulatory authority of such facilities. However, independent living facilities containing units providing memory care are generally required to meet certain licensure, staffing, training and facility criteria. In addition, although a typical independent living facility receives most of its revenues from its residents' own resources, facilities offering assisted living services may receive Medicaid reimbursement for a portion of their residents. Such facilities may be subject to federal, state and/or local operating requirements including, but not limited to, those mandated by the state departments of health or other agency, and Medicaid. An assisted living wing in an independent living facility may have its own dining room, lobby, nurses' stations, storage facilities and its own separate entryway and access.

Assisted living facilities provide room, board, housekeeping, laundry and assistance with normal daily living activities, which is not necessarily provided by a professional nurse. An assisted living facility is designed to provide services to an established number of persons who may or may not be ambulatory or who may need minimal assistance with bathing, personal grooming or table service. Assisted living facilities do not offer any type of direct medical management unless they participate in a specialized state program, in which case they may provide some healthcare services. Some assisted living facilities provide services to residents who are suffering from dementia, Alzheimer's disease or severe memory loss and need to be housed in specialized sections or units. Those facilities providing memory care are generally required to meet certain additional licensure, staffing, training and facility criteria. Ordinarily, Medicare and Medicaid do not provide reimbursement for services furnished by an assisted living facility. A typical assisted living facility receives most of its revenues from its residents' own resources. Assisted living facilities may also receive partial reimbursement for services rendered to residents who are eligible

to participate in special state supplemental programs, which may be funded by Medicaid, or in certain cases may be funded by a Medicaid waiver program.

Medicaid is subject to:

- statutory and regulatory changes;
- retroactive rate adjustments;
- administrative rulings;
- policy interpretations;
- delays in payment by fiscal intermediaries; and
- government funding restrictions and cost containment measures.

Providers of assisted living and other medical services are also affected by the reimbursement policies of private insurers to the extent that such providers are dependent on residents whose fees are paid or reimbursed by such insurers.

All of the foregoing can adversely affect revenues from the operation of a senior housing facility property.

Providers of memory care and/or assisted living services may be regulated by federal, state and local law. They also may be subject to numerous factors which can increase the cost of operation, limit growth and, in extreme cases, require or result in suspension or cessation of operations, including:

- state licensing requirements;
- facility inspections;
- reimbursement policies; and
- laws relating to the adequacy of medical care, distribution of pharmaceuticals, use of equipment, staffing and maintenance of and additions to facilities and services.

Under applicable state laws and regulations, Medicaid reimbursements generally may not be made to any person other than the provider who actually furnished the related material goods and services. Accordingly, in the event of foreclosure on a senior housing facility property, neither a lender nor other subsequent lessee or operator of the property would generally be entitled to obtain from state governments any outstanding reimbursement payments relating to services furnished at such property prior to foreclosure. Furthermore, in the event of foreclosure, we cannot assure you that a lender or other purchaser in a foreclosure sale would be entitled to the rights under any required licenses and regulatory approvals. The lender or other purchaser may have to apply in its own right for those licenses and approvals. We cannot assure you that a new license could be obtained or that a new approval would be granted.

Senior housing facility properties are generally special purpose properties that could not be readily converted to general residential, retail or office use. This will adversely affect their liquidation value. Furthermore, transfers of licensed senior housing facility properties may be subject to regulatory approvals under state law that are not required for transfers of most other types of commercial properties.

The Operations of the Mortgaged Real Properties May Be Subject to Regulations Promulgated by Federal, State and Local Governments, and any Failure To Comply with such Regulations May Adversely Affect the Borrowers' Ability To Repay the Underlying Mortgage Loans.

The operation of senior housing facilities may be subject to federal, state and/or local operating requirements including, but not limited to, those mandated by the state departments of health or other state agencies. Although none of the senior housing facilities operated at the mortgaged real properties are currently required to be licensed

by state regulatory authorities, it is possible, either because of a change in the state law or a change in the services offered, that such licensure could be required in the future. The state and local regulations affecting licensed senior housing facilities may include, but are not limited to, regulations relating to licensure, admission agreement requirements, quality and conduct of operations, ownership of facilities, addition of facility beds, services and prices for services. Licensed senior housing facilities may be subject to surveys annually, bi-annually or at other specified intervals as determined appropriate by the state regulatory agency responsible for regulating such facilities, and may be subject to additional surveys such as complaint investigation surveys and life safety code surveys. The surveys are conducted to determine whether the facility is in compliance with state laws and regulations relating to licensure. The regulatory environment for senior care services has intensified, particularly the regulatory environment for large, for-profit multi-facility providers. Many state governments have imposed enforcement policies resulting in a significant increase in the number of surveys and inspections, citations of regulatory deficiencies, and regulatory sanctions, including admission bans and terminations from the Medicaid programs.

Some states require that facilities caring for seniors report to state regulatory authorities whenever there is reasonable cause to believe that abuse, neglect, mistreatment or misappropriation of resident property may have occurred, as those terms are defined, in some cases broadly, in state laws and accompanying regulations. Providers may be sanctioned for a failure to so report.

The physical plant requirements for the mortgaged real properties vary from state to state (in some cases from political subdivision to political subdivision), which may include national fire protection standards. The majority of the mortgaged real properties are located in states that currently have sprinkler requirements in place. Mortgaged real properties that are not in compliance with their respective state's requirements may be subject to various penalties.

The extensive federal, state and local regulations affecting the healthcare industry also include regulation of the financial and other arrangements that senior housing facilities, including facilities offering assisted living services, may enter into during the normal course of business. The anti-kickback law (codified at 42 U.S.C. § 1320a-7b) prohibits certain business practices and relationships that might affect the provision and cost of healthcare services reimbursable under Medicaid, including the payment or receipt of money or anything else of value for the referral of patients whose care will be paid by other governmental programs. Sanctions for violating the anti-kickback law include criminal penalties and civil sanctions, fines and possible exclusion from government programs, such as the Medicaid program, as well as liability under the federal False Claims Act. The borrowers and/or the operators may contract with unrelated third party healthcare providers to provide services to residents at the facilities located on the mortgaged real properties. These types of arrangements can include contracts with pharmacy providers. With respect to third party pharmacy providers, although it has refrained from issuing any regulations with respect to the matter, the Centers for Medicare and Medicaid Services ("CMS") has been considering such relationships as they are seen to create the possibility of health and safety risks for residents and implicate fraud and abuse laws. We cannot assure you that any current relationship between the borrowers and/or the operators and any third-party pharmacy or other healthcare providers would not be subject to review or any enforcement action by government enforcement agencies or that the current relationship would not be impacted by a change of law in the future. See "Senior Housing Facility Operations—Other Government Regulations Regarding Financial and Other Arrangements" below.

The costs and administrative burdens associated with complying with applicable laws and regulations may adversely affect the operating income and the values of the mortgaged real properties and the ability of the borrowers to repay the underlying mortgage loans. See "Senior Housing Facility Operations" in this information circular. Singly or in combination, available sanctions for quality deficiencies or failure to comply with fraud and abuse laws or, if applicable in the future, licensure requirements, can have a material adverse effect on the results of operations, reputation, liquidity and financial position of the borrowers or the operators. Generally, the borrowers or operators would have the opportunity to contest such sanctions. However, there are often significant delays in the process for contesting sanctions and such contests may not be successful.

For more information regarding any federal, state and local regulations affecting the senior housing industry, see "Senior Housing Facility Operations—Regulation by State and Local Authorities" in this information circular. For more information regarding risks relating to the license requirements, see "—The Inability To Maintain Licensure May Adversely Affect Revenue; License Requirements May Adversely Affect the Rights of the Issuing Entity to Realize on the Mortgaged Real Properties" below.

The Inability To Maintain Licensure May Adversely Affect Revenue; License Requirements May Adversely Affect the Rights of the Issuing Entity to Realize on the Mortgaged Real Properties. Each state in which the mortgaged real properties are located requires that the operator have a license to provide assisted living services, as defined by the applicable state's laws and regulations. Each such state also requires that the owner and/or prospective transferee of a licensed senior housing facility notify the state of an impending transfer, and that the new operator of such facility acquire a new license or obtain approval for the change of ownership of the existing license. Although none of the senior housing facilities operated at the mortgaged real properties are currently required to be licensed by state regulatory authorities, it is possible, either because of a change in the state law or a change in the services offered, that such licensure could be required in the future. The failure of any operator to comply with the applicable healthcare regulatory requirements after the closing of the related underlying mortgage loan may adversely impact such operator's ability to obtain a full license. We cannot assure you that any operator will be able to obtain or will maintain the required license or that the required licenses will not otherwise be revoked by the local healthcare authority.

In addition, the laws and regulations relating to healthcare licenses generally prohibit the transfer of such licenses to any person or entity. In the event of a foreclosure of any mortgaged real property providing licensed services and the termination of any related master lease and operating leases, the special servicer on behalf of the issuing entity would be expected to seek to have licensed healthcare receivers appointed on a state-by-state basis to operate each facility located at such mortgaged real property that provides assisted living services until a new licensed operator or manager has been selected by the special servicer on behalf of the issuing entity.

The Senior Housing Industry Is a Highly Competitive Industry, and the Revenues, Profits or Market Share of a Mortgaged Real Property Could be Harmed if They Are Unable to Compete Effectively. The senior housing market sector is highly competitive. Senior housing facilities face competition from numerous local, regional, and national providers of memory care, assisted living and independent living, as well as providers of healthcare services in other settings, such as rehabilitation units in hospitals, home health agencies or other community-based providers. The formation of accountable care organizations, managed care networks and integrated delivery systems may also adversely affect the facilities if there are incentives within the systems that lead to the greater utilization of other facilities or providers within the networks or systems or to the greater utilization of community based home care providers, instead of senior housing properties, or if they result in a decrease in reimbursement rates. Additionally, some competing providers may be better capitalized than the operators of the facilities, may offer services not offered by the facilities, or may be owned by non-profit organizations or government agencies supported by endowments, charitable contributions, tax exemptions, tax revenues and other sources of income or revenue not available to the property managers or the borrowers. The successful operation of the facilities will also generally depend upon the number of competing facilities in the local market, as well as on other factors. These factors include, but are not limited to, competing facilities' per diem rates charged to residents, location, the characteristics of the neighborhood where they are located, the type of services and amenities offered, the nature and condition of the competing facilities, its age, appearance, overall maintenance, construction, quality, design, safety, convenience, reputation and management, resident and family preferences, relationship with other healthcare providers and other healthcare networks, quality and cost of care and quality of staff. Costs of renovating, refurbishing or expanding a senior housing facility in order to remain competitive can be substantial. If the facilities fail to attract residents and to compete effectively with other healthcare providers, the revenues and profitability would decline.

A particular market with historically low vacancies could experience substantial new construction and a resultant oversupply of senior housing units within a relatively short period of time. Because units in a senior housing facility are typically occupied on a short term basis, the residents residing at a particular facility may easily move to alternative facilities with more desirable amenities or locations or lower fees. If the development of new assisted living, independent living or other senior housing facilities surpasses the demand for such facilities in particular markets, the markets may become saturated, which could have a material adverse effect on the operators of the facilities in such areas.

The Success of the Private Pay Facilities Depend on Attracting Seniors with Sufficient Resources To Pay. Medicare does not reimburse beneficiaries for room, board or services at an assisted living or independent living facility. Medicaid does not reimburse beneficiaries for room, board or services at an independent living facility. Medicaid coverage for the services provided at an assisted living facility, if any, varies from state to state. Certain assisted living services may be partially covered for veterans through the Department of Veteran Affairs, including

through the Aid and Attendance Pension benefit. None of the facilities currently accept reimbursement from Medicare or Medicaid. All of the facilities operating at the mortgaged real properties rely on the ability of residents to pay privately; however, the underlying mortgage loan documents permit the operators of such facilities to participate in Medicaid or similar state or local third party payor programs. In the future, such operators may choose to accept reimbursement from Medicaid or from special state supplementation programs established and administered by state governments.

In addition, commercial private insurance does not typically cover assisted living or independent living. Consequently, the operators of many of the facilities rely, and expect to continue to rely on the ability of their residents to pay for services from their own or their families' financial resources. Not all seniors living in the regions where the mortgaged real properties are located will be able to afford an extended stay in a senior housing facilities. Difficulty in attracting residents who have the ability to pay privately could have a material adverse effect on the operators of the facilities. In the event that managed care becomes a significant factor in the assisted living facility sector, the borrowers may have to participate in the managed care market to remain competitive. In such an event, the amount that an operator of a facility located at a mortgaged real property receives for its services could be adversely affected. Inflation or other circumstances that adversely affect the ability of the elderly to pay for the services could also have a material adverse effect on the business, financial conditions and results of operations of the operators of the facilities.

Due to the dependency of the borrowers on private pay sources, events which adversely affect the ability of seniors to afford the monthly resident fees could cause occupancy rates, revenues and results of operations to decline. Economic downturns, changes in demographics, degradation of the local economy or the neighborhoods in which the facilities operate, inflation or other circumstances that adversely affect the ability of the elderly to pay for the services could adversely affect the ability of seniors to afford resident fees. In addition, downturns in the housing markets can adversely affect the ability of seniors to afford resident fees as seniors frequently use the proceeds from the sale of their homes to cover the cost of senior housing facilities fees. Because the senior housing market sector is highly competitive, negative perceptions of the aesthetics, safety, convenience or overall quality of services provided by the facilities may negatively impact the ability of the facilities to attract seniors with sufficient resources to pay. If such facilities are unable to retain and/or attract seniors with sufficient income, assets or other resources required to pay the resident fees, occupancy rates, revenues and results of operations could decline, which, as a result, may have a material adverse effect on the ability of the related borrower to repay the underlying mortgage loan. See "—The Successful Operation of a Senior Housing Facility Property Depends on Residents" below.

Certain Assisted Living Facilities Have A Greater Reliance Upon Government Reimbursement. In certain cases, operators providing assisted living services rely on government reimbursement for the provision of such services and for reimbursement of certain capital and property expenses relating to such services. Government funding and reimbursement are often subject to delays by fiscal intermediaries and to government budget changes and restrictions. Changes in federal or state reimbursement policies, including changes in payment rates as a result of federal or state regulatory action, may also adversely affect an operator's revenues and reimbursement for operating, capital and property expenses.

The Costs and Unpredictability of Patient Care Liability Claims May Adversely Affect the Borrowers' Ability To Repay the Underlying Mortgage Loans. The senior housing industry is experiencing substantial increases in both the number and size of liability claims. In addition to compensatory damages, plaintiff attorneys are increasingly seeking punitive damages and attorneys' fees, and are increasingly using publicly available information, such as state survey results, as a basis for claims. Some consumer groups are engaged in efforts to increase awareness of quality issues, prompting litigation in some cases. As a result, general and professional liability insurance coverage and costs have become increasingly expensive and unpredictable. The liquidity, financial condition and results of operations of each facility located at a mortgaged real property could be materially adversely affected if, among other things, liability claims related to senior care continue to increase in number and size. We cannot assure you that the insurance coverage of the operators of the facilities will be sufficient with respect to any liability claims that may be brought in connection with the operation of such facilities.

Limitations on Tort Liability of Healthcare Providers May Not Be Enacted or May Not Shield Healthcare Providers from Liability. While the debate continues at the federal level, some states have enacted or are considering enacting statutes that limit the amounts a plaintiff can be awarded for liability claims against a

healthcare provider. The majority of the mortgaged real properties are located in states that have enacted such liability reform and capped the amount of non-economic damages awarded to plaintiffs. However, there can be no assurance that liability reform legislation will be enacted in all of the states in which the mortgaged real properties are located or if enacted, there can be no assurance that such legislation will not be pre-empted by federal legislation, repealed or otherwise challenged. It is not unusual for facilities located in states that have enacted tort reform to experience an increase in patient care liability lawsuits prior to the new legislation's effective date. In spite of the tort reform in some states, certain senior housing facilities have still had a significant number of professional liability/general liability ("PL/GL") claims.

Increased Insurance Costs. Insurance related costs in the senior care industry, including for senior housing facilities, continue to rise significantly. Insurance markets have responded to increased patient care liability costs by severely restricting the availability of PL/GL insurance coverage. As a result of liability cases, fewer companies are engaged in insuring senior care companies for PL/GL losses, and those that do offer insurance coverage do so at a higher cost. There are no assurances that the PL/GL costs of the mortgaged real properties will not continue to rise or that PL/GL coverage will be available to the mortgaged real properties in the future. In addition, in certain states, state law prohibits insurance coverage for punitive damages arising from PL/GL litigation, and the mortgaged real properties could be held liable for punitive damages for those states. See "—The Absence or Inadequacy of Earthquake, Flood and Other Insurance May Adversely Affect Payments on the Certificates" and "—Litigation May Adversely Affect Property Performance" below.

Availability of Healthcare Professionals, Retention of Qualified Personnel and Labor Costs. In recent years, healthcare providers, including assisted living facilities, have experienced difficulties in attracting and retaining qualified personnel, such as nurses, certified nurse assistants, nurse's aides and other healthcare practitioners. As a result, affected senior housing facilities experience increases in labor costs primarily due to higher wages and greater benefits required to attract and retain qualified healthcare personnel. These costs cannot be automatically rolled back or downwardly adjusted in the event of a precipitous and/or sustained rise in the pool of individuals available for work. The borrowers' ability to control labor costs, which represent a large component of their operating expenses, may significantly impact their future operating results.

President Obama and Congressional Democrats have backed legislation to raise the federal minimum wage and several states and localities are considering or have enacted similar increases in applicable wage laws. In addition, on May 18, 2016 the U.S. Department of Labor published a Final Rule updating the application of the Fair Labor Standards Act's minimum wage and overtime pay protections to executive, administrative, and professional employees (white collar workers). The effective date of the Final Rule is December 1, 2016. The Final Rule updates the salary and compensation levels required for white collar workers to be exempt. Specifically, the salary requirements for full time workers to be exempt increases from $455 per week ($23,660 per year) to $913 per week ($47,476 per year). The Final Rule also sets annual compensation for highly compensated employees to be exempt at $134,004, subject to a minimum duties test. For both groups, the Final Rule provides a mechanism to update salary levels based on inflation. The Final Rule may result in certain additional employees at the facilities operated at the mortgaged real properties being entitled to overtime pay. In addition, the federal government and various state governments have enacted or are considering enacting legislation which would require certain employers to provide their employees with paid sick time-off. As of May 2016, five states, California, Connecticut, Massachusetts, Oregon and Vermont, have passed laws enacting state-wide paid sick leave. The proposed Federal legislation, referred to as the Healthy Families Act (H.R. 1286/S. 631), would require employers with 15 or more employees to allow workers to earn up to seven days of paid sick time per year. Employees would be able use this time for themselves or for a family member. Such legislation may result in additional paid time off expenses at the mortgaged real property.

Various state governments are presently considering or have enacted legislation or regulations on staffing. The majority of the states in which the mortgaged real properties are located have enacted specific minimum staffing legislation with respect to licensed senior housing facilities. If any of the facilities operating at the mortgaged real properties were to become subject to these requirements in the future, each operator's ability to satisfy these requirements will depend upon its ability to attract and retain qualified nurses, certified nurse assistants and other staff. Failure to comply with these requirements may result in the imposition of fines or other sanctions. In addition, many regulatory compliance deficiencies are attributable to insufficient staffing, poor staff training and high staff turnover. An inability to maintain adequate staffing at the facilities could have a material adverse effect

on the financial conditions of operators or the borrowers and the borrowers' ability to repay the underlying mortgage loans.

In addition to staffing shortages, some areas of the country are experiencing active organized labor campaigns that have targeted healthcare facilities. Wage increases resulting from these efforts may not necessarily be absorbed by higher revenue.

Because of these initiatives or others, labor costs at the facilities may increase in the future. Such increases would not necessarily be offset by higher revenue and could therefore decrease operating margins.

In addition, work forces at the facilities may be unionized now or in the future. Often, union or collective bargaining agreements require significant wage increases and union work rules that may limit the ability of the operators to manage labor costs. In addition, if the borrowers or operators are not successful in their negotiations with any union, the facilities risk disruption in service and related costs arising from any union called for strikes or other work slow-downs. We cannot assure you that the existence of any labor union at any facility will not adversely impact operation at and/or the value of the mortgaged real property.

Federal and State Cost Containment/Reduction Initiatives for Healthcare Costs. Over the years, federal and state governments and legislators have been searching for ways to contain or reduce healthcare costs. As part of national healthcare reform, as enacted by the Patient Protection and Affordable Care Act, Pub. L. No. 111-148, 124 Stat, 119, amended by Health Care and Education Reconciliation Act, Pub. L. No. 111-152 ("ACA"), there have been a number of initiatives to alter the nation's healthcare delivery system and to make it more effective and cost-efficient. The American Taxpayer Relief Act of 2012, enacted on January 2, 2013, provided for the establishment of a commission to address the establishment, implementation, and financing of a system that ensures the availability of long-term care services. On September 18, 2013, the resulting Commission on Long Term Care issued its Final Report, which included 28 specific policy recommendations. At the present time, it is not possible to predict what effect, if any, such initiatives may have on senior housing facilities. These efforts, or other proposals made in the future, may materially affect (i) the way the Medicaid program is funded, (ii) the amount in which healthcare facilities such as the facilities participating in the Medicaid programs are reimbursed, (iii) the availability of long-term care insurance and (iv) the types of facilities competing with assisted living facilities.

All of the Underlying Mortgage Loans Are Secured by Senior Housing Facility Properties, Thereby Materially Exposing Offered Certificateholders to Risks Associated with the Performance of Senior Housing Facility Properties. The mortgage pool will not have any property type diversification insofar as all of the mortgaged real properties are primarily used for senior housing facility purposes. The lack of property type diversification creates a significantly greater exposure to each of the potential risks inherent in investing in mortgage loans secured by senior housing facilities. A number of factors may adversely affect the value and successful operation of a senior housing facility property. See "—Repayment of Each of the Underlying Mortgage Loans Will Be Dependent on the Cash Flow Produced by the Related Mortgaged Real Property from Resident and Service Fees or Rents, Which Can Be Volatile and Insufficient To Allow Timely Distributions on the Offered Certificates, and on the Value of the Related Mortgaged Real Property, Which May Fluctuate Over Time" above for a discussion of some factors which can affect the value and successful operation of a senior housing facility property.

In addition, some states regulate the relationship of an operator and the residents at a senior housing facility property. Among other things, these states may—

- require written leases or residency agreements;
- require good cause for eviction;
- require disclosure of fees;
- prohibit unreasonable rules;
- prohibit retaliatory evictions;
- prohibit restrictions on a resident's choice of unit vendors;

- limit the bases on which an operator may increase rent or per diem rates charged to residents;
- prohibit a landlord or operator from terminating a residency agreement solely by reason of the sale of the owner's building;
- require notice and due process in connection with the discharge of a resident; or
- require that a certain minimum percentage of units be occupied by residents that are Medicaid beneficiaries.

Senior housing facility owners are generally subject to state and federal laws typically identified as "Unfair and Deceptive Practices Acts" and other general consumer protection statutes, which generally impose liability and/or create causes of action for coercive, abusive or unconscionable leasing and sales practices.

Certain of the senior housing facility properties that secure the underlying mortgage loans may be subject to certain restrictions imposed pursuant to restrictive covenants, reciprocal easement agreements and operating agreements. Such use restrictions could include, for example, limitations on the use of the properties, the character of improvements on the properties, the borrowers' right to operate certain types of facilities within a prescribed radius of the properties and limitations affecting noise and parking requirements, among other things. In addition, certain of the senior housing facility properties that secure the underlying mortgage loans may have access to certain amenities and facilities at other local properties pursuant to shared use agreements, and we cannot assure you that such use agreements will remain in place indefinitely, or that any amenities and facilities at other properties will remain available to the residents of any senior housing facility property securing an underlying mortgage loan. These limitations could adversely affect the ability of the related borrower to lease the mortgaged real property on favorable terms, thus adversely affecting the borrower's ability to fulfill its obligations under the related underlying mortgage loan.

Some of the senior housing facility properties that secure the underlying mortgage loans may be subject to land use restrictive covenants or contractual covenants in favor of federal or state housing agencies. The obligations of the related borrowers to comply with such restrictive covenants and contractual covenants, in most cases, constitute encumbrances on the related mortgaged real property that are superior to the lien of the related underlying mortgage loan. In circumstances where the mortgaged real property is encumbered by a regulatory agreement in favor of a federal or state housing agency, the borrowers are generally required by the loan documents to comply with any such regulatory agreement. The covenants in a regulatory agreement may require, among other things, that a minimum number or percentage of units be occupied by residents who have incomes that are substantially lower than median incomes in the applicable area or region or impose restrictions on the type of residents who may occupy units, such as imposing minimum age restrictions. These covenants may limit the potential fees that may be charged at any of those properties, the potential resident base for any of those properties or both. An owner may subject a senior housing facility property to these covenants in exchange for tax credits or rent subsidies. When the credits or subsidies cease, net operating income will decline. There can be no assurance that these requirements will not cause a reduction in facility income. If facility fees are reduced, we cannot assure you that the related property will be able to generate sufficient cash flow to satisfy debt service payments and operating expenses.

With respect to certain of the underlying mortgage loans, the loan documents may permit the related borrower to receive subsidies or other assistance from certain government programs. Generally, the mortgaged real property must satisfy certain requirements, the borrower must observe certain leasing practices and/or the residents must regularly meet certain income requirements. We cannot assure you that such programs will continue in their present form or that the borrowers will continue to comply with the requirements of the programs to enable the borrowers to receive the subsidies in the future or that the level of assistance provided will be sufficient to generate enough revenues for the borrowers to meet their obligations under the related underlying mortgage loans.

Some of the mortgaged real properties that secure the underlying mortgage loans may entitle or may have entitled their owners to receive tax abatements or exemptions. We cannot assure you that any tax abatements and exemptions will continue to benefit the related mortgaged real properties or that the continuance or termination of any of the tax abatements or exemptions will not adversely impact the mortgaged real properties or the related borrowers' ability to generate sufficient cash flow to satisfy debt service payments and operating expenses.

The Successful Operation of a Senior Housing Facility Property Depends on Residents. Generally, senior housing facility properties are subject to residency agreements or leases. The owner of a senior housing facility property typically uses lease or resident agreement payments for the following purposes—

- to pay for resident services, maintenance and other operating expenses associated with the property;
- to fund repairs, replacements and capital improvements at the property; and
- to pay debt service on mortgage loans secured by, and any other debt obligations associated with operating, the property.

See "—Repayment of Each of the Underlying Mortgage Loans Will Be Dependent on the Cash Flow Produced by the Related Mortgaged Real Property from Resident and Service Fees or Rents, Which Can Be Volatile and Insufficient To Allow Timely Distributions on the Offered Certificates, and on the Value of the Related Mortgaged Real Property, Which May Fluctuate Over Time" above for a discussion of factors that may adversely affect the ability of a senior housing facility property to generate net operating income from lease and resident payments.

Changes in Resident Acuity Mix May Present Risks. With respect to all of the underlying mortgage loans, the borrowers may be permitted to transition the units at the related mortgaged real property to a higher acuity, so long as the total number of independent living units transitioned to assisted living units or assisted living units devoted to memory care does not represent a change of more than 25.0% of the total units in the facility, and to allocate up to 25.0% of the total number of beds at the related mortgaged real property to residents who participate in Medicare, Medicaid, TRICARE programs or similar federal, state, local or any other third party payors' programs or other similar provider payment programs, or any so-called "waiver program" associated with such programs. Certain of the underlying mortgage loans may permit additional adjustment subject to prior consent of the lender. Changes in the percentage of assisted living units, independent living units or memory care units at a mortgaged real property may affect the operating income at that mortgaged real property. We cannot assure you that changes in the percentage of assisted living units, independent living units, or memory care units at the mortgaged real properties will not adversely impact operations at or the value of the mortgaged real properties. See "Description of the Underlying Mortgage Loans—Certain Terms and Conditions of the Underlying Mortgage Loans—Changes in Resident Acuity Mix" in this information circular.

The Success of an Income-Producing Property Depends on Maintaining Occupancy Rates. The operations at or the value of the senior housing facility properties will be adversely affected if the borrowers or operator is unable to maintain or increase such occupancy rates at the facilities. Even if available units are successfully marketed to new residents, the costs associated with marketing can be substantial and could reduce cash flow from the income-producing properties. Moreover, if a resident at an income-producing property defaults in its residency agreement obligations, the borrowers or operator may incur substantial costs and experience significant delays associated with enforcing its rights and protecting its investment, including costs incurred in terminating the residency agreement. We cannot assure you that these circumstances will not adversely impact operations at or the value of the mortgaged real properties. See "Description of the Underlying Mortgage Loans—Certain Terms and Conditions of the Underlying Mortgage Loans" in this information circular.

Property Value May Be Adversely Affected Even When Current Operating Income Is Not. Various factors may affect the value of senior housing facility properties without affecting their current net operating income, including—

- changes in interest rates;
- the availability of refinancing sources;
- changes in governmental regulations, licensing or fiscal policy;
- changes in zoning or tax laws; and
- potential environmental or other legal liabilities.

Maintaining a Property in Good Condition May Be Costly. The owner may be required to expend a substantial amount to maintain, renovate or refurbish a senior housing facility property. Failure to do so may materially impair the property's ability to generate cash flow. The effects of poor construction quality will increase over time in the form of increased maintenance and capital improvements. Even superior construction will deteriorate over time if management does not schedule and perform adequate maintenance in a timely fashion. We cannot assure you that an income-producing property will generate sufficient cash flow to cover the increased costs of maintenance and capital improvements in addition to paying debt service on the underlying mortgage loan(s) that may encumber that property.

The proportion of older mortgaged real properties may adversely impact payments on the underlying mortgage loans on a collective basis. We cannot assure you that a greater proportion of underlying mortgage loans secured by older mortgaged real properties will not adversely impact cash flow at the mortgaged real properties on a collective basis or that it will not adversely affect payments related to your investment.

Certain of the mortgaged real properties may currently be undergoing or are expected to undergo in the future redevelopment or renovation. We cannot assure you that any current or planned redevelopment or renovation will be completed, that such redevelopment or renovation will be completed in the time frame contemplated, or that, when and if redevelopment or renovation is completed, such redevelopment or renovation will improve the operations at, or increase the value of, the subject property. Failure of any of the foregoing to occur could have a material negative impact on the related underlying mortgage loan, which could affect the ability of the related borrower to repay the underlying mortgage loan.

In the event the related borrower (or operating lessee, if applicable) fails to pay the costs of work completed or material delivered in connection with ongoing redevelopment or renovation, the portion of the mortgaged real property on which there is construction may be subject to mechanic's or materialmen's liens that may be senior to the lien of the related underlying mortgage loan.

The existence of construction at a mortgaged real property may make such mortgaged real property less attractive to residents and, accordingly, could have a negative effect on occupancy, and, in turn, net operating income.

If the special servicer forecloses on behalf of the issuing entity on a mortgaged real property that is being redeveloped or renovated, pursuant to the REMIC Provisions, the special servicer will only be permitted to arrange for completion of the redevelopment or renovation if more than 10% of the costs of construction were incurred at the time the default on the related underlying mortgage loan became imminent. As a result, the issuing entity may not realize as much proceeds upon disposition of a foreclosure property as it would if it were permitted to complete construction.

Borrower Bankruptcy Proceedings Can Delay and Impair Recovery on an Underlying Mortgage Loan. Under Title 11 of the United States Code, as amended (the "Bankruptcy Code"), the filing of a petition in bankruptcy by or against a borrower, including a petition filed by or on behalf of a junior lienholder, will stay the sale of a real property owned by that borrower, as well as the commencement or continuation of a foreclosure action.

In addition, if a bankruptcy court determines that the value of a real property is less than the principal balance of the underlying mortgage loan it secures, the bankruptcy court may reduce the amount of secured indebtedness to the then-value of the property. This would make the lender a general unsecured creditor for the difference between the then-value of the property and the amount of its outstanding mortgage indebtedness.

A bankruptcy court also may—

- grant a debtor a reasonable time to cure a payment default on an underlying mortgage loan;
- reduce monthly payments due under an underlying mortgage loan;
- change the rate of interest due on an underlying mortgage loan; or
- otherwise alter an underlying mortgage loan's repayment schedule.

Furthermore, the borrower, as debtor-in-possession, or its bankruptcy trustee has special powers to avoid, subordinate or disallow debts. In some circumstances, the claims of a secured lender, such as the issuing entity, may be subordinated to financing obtained by a debtor-in-possession subsequent to its bankruptcy.

Under the Bankruptcy Code, a lender will be stayed from enforcing a borrower's assignment of rents and leases. The legal proceedings necessary to resolve these issues can be time consuming and may significantly delay the receipt of rents. Rents also may escape an assignment to the extent they are used by borrower to maintain its property or for other court authorized expenses.

As a result of the foregoing, the issuing entity's recovery with respect to borrowers in bankruptcy proceedings may be significantly delayed, and the total amount ultimately collected may be substantially less than the amount owed. Certain of the key principals or sponsors of the borrowers may have declared bankruptcy in the past, which may mean they are more likely to declare bankruptcy again in the future or put the borrowing entities into bankruptcy in the future.

Pursuant to the doctrine of substantive consolidation, a bankruptcy court, in the exercise of its equitable powers, has the authority to order that the assets and liabilities of a borrower be consolidated with those of a bankrupt affiliate for the purposes of making distributions under a plan of reorganization or liquidation. Thus, property that is ostensibly the property of a borrower may become subject to the bankruptcy case of an affiliate, the automatic stay applicable to such bankrupt affiliate may be extended to a borrower and the rights of creditors of a borrower may become impaired.

We cannot assure you that these circumstances will not have an adverse impact on the liquidity of the related borrowers or the related sponsors. Therefore, we cannot assure that these circumstances will not adversely impact the borrowers' or the sponsors' ability to maintain the related mortgaged real property or pay amounts owed on the related underlying mortgage loans.

Fraudulent Transfer and Enforceability Considerations. Each borrower with respect to an underlying mortgage loan in a Crossed Loan Group has executed a mortgage encumbering its interest in the related mortgaged real property that secures repayment of the related underlying mortgage loan as well as, pursuant to the related cross-collateralization agreement, each other underlying mortgage loan in such Crossed Loan Group. Cross-collateralization and cross-default arrangements could be unenforceable in bankruptcy or be challenged as a fraudulent transfer or conveyance by creditors of that borrower in an action outside a bankruptcy case or by the representative of a borrower or operating lessee's bankruptcy estate or certain other parties in interest in a bankruptcy case. Cross-default provisions could be unenforceable in bankruptcy if the obligations are deemed to be insufficiently interrelated or if there is a lack of adequate consideration for paying another borrower's obligations. Generally, under federal and most state fraudulent conveyance statutes, the incurrence of an obligation or the transfer of property or an interest in property by a person or entity will be subject to avoidance under certain circumstances if the person or entity (a) transferred such property with the actual intent to hinder, delay or defraud its creditors or (b) did not receive fair consideration or reasonably equivalent value in exchange for such obligation or transfer and (i) was insolvent or was rendered insolvent by such obligation or transfer, (ii) was engaged in business or a transaction, or was about to engage in business or a transaction, for which any property remaining with the person or entity constituted unreasonably small capital, or (iii) intended to, or believed that it would, incur debts that would be beyond the person's or entity's ability to pay as such debts matured. The measure of insolvency will vary depending on the law of the applicable jurisdiction. However, an entity will generally be considered insolvent if the present fair salable value of its assets is less than (x) the sum of its debts and (y) the amount that would be required to pay its probable liabilities on its existing debts as they become absolute and matured.

Accordingly, a lien granted by a borrower to secure the repayment of an underlying mortgage loan in excess of its allocated share could be avoided if a court were to determine that (i) such borrower was insolvent at the time of granting the lien, was rendered insolvent by the granting of the lien, or was left with inadequate capital, or was not able to pay its debts as they matured and (ii) the borrower did not, when it allowed the related mortgaged real property to be encumbered by a lien securing the entire indebtedness represented by the underlying mortgage loan, receive fair consideration or reasonably equivalent value for pledging such mortgaged real property for the equal benefit of each other borrower.

Although each borrower with respect to an underlying mortgage loan in a Crossed Loan Group has agreed to provide for appropriate allocation of contribution liabilities and other obligations as among the related borrowers, we cannot assure you that a fraudulent transfer challenge would not be made or, if made, that it would not be successful.

Among other things, a legal challenge to the granting of a lien and/or the incurrence of an obligation by a borrower may focus on the benefits realized by such borrower from the underlying mortgage loan proceeds, as well as the overall cross-collateralization. If a court were to find or conclude that the granting of the liens or the incurrence of the obligations associated with an underlying mortgage loan was an avoidable fraudulent transfer or conveyance with respect to a particular borrower, that court could subordinate all or part of the underlying mortgage loan to existing or future indebtedness of such borrower or operating lessee, recover the payments made under the underlying mortgage loan by such borrower, or take other actions detrimental to the certificateholders, including under certain circumstances, invalidating the underlying mortgage loan or the mortgages securing the underlying mortgage loan.

We cannot assure you that these circumstances will not have an adverse impact on the liquidity of the related borrowers or the related sponsors. Therefore, we cannot assure that these circumstances will not adversely impact the borrowers' or the sponsors' ability to maintain the related mortgaged real property or pay amounts owed on the related underlying mortgage loans.

Property Management Is Important to the Successful Operation of the Mortgaged Real Property. The successful operation of an assisted living, independent living and/or memory care facility depends in part on the performance and viability of the property manager. The property manager is generally responsible for:

- operating the property and providing building services;
- establishing and implementing the levels of service fees or rental structure;
- purchasing inventories, provisions, food, supplies and other expendable items, and providing dining services;
- managing operating expenses;
- recruiting, hiring, supervising and training employees;
- obtaining, renewing and maintaining licenses and permits (other than licenses relating to the operation of an assisted living facility);
- responding to changes in the demand for units and amenities at the property or for services provided by the property;
- responding to changes in the local market; and
- advising the borrower with respect to maintenance and capital improvements.

Properties deriving revenues primarily from short-term residency agreements or leases generally are more management intensive than properties leased to creditworthy residents under long-term residency agreements or leases.

A good property manager, by controlling costs, providing necessary services to residents and overseeing and performing maintenance or improvements on the property, can improve cash flow, reduce vacancies, reduce leasing and repair costs and preserve building value. On the other hand, management errors can, in some cases, impair short-term cash flow and the long-term viability of an income-producing property.

Each mortgaged real property is managed by an affiliate of the related borrower (each, a "Property Manager") pursuant to a property management agreement, dated as of August 12, 2015 (each, a "Master Management Agreement"), between such borrower and such Property Manager. Each mortgaged real property is further managed

by Holiday AL Management Sub LLC (the "Sub-Manager") pursuant to a sub-management agreement, dated as of August 12, 2015 (each, a "Sub-Management Agreement"), between the related Property Manager and the Sub-Manager. See "Description of the Master Management Agreements and Sub-Management Agreements" in this information circular.

We do not make any representation or warranty as to the skills of any present or future property managers with respect to the mortgaged real properties that will secure the underlying mortgage loans. Furthermore, we cannot assure you that any property managers will be in a financial condition to fulfill their management responsibilities throughout the terms of their respective management agreements. In addition, certain of the mortgaged real properties are managed by affiliates of the applicable borrower. If an underlying mortgage loan is in default or undergoing special servicing, this could disrupt the management of the mortgaged real property and may adversely affect cash flow.

The Performance of an Underlying Mortgage Loan and the Related Mortgaged Real Property Depends in Part on Who Controls the Borrower and the Related Mortgaged Real Property. The operation and performance of an underlying mortgage loan will depend in part on the identity of the persons or entities that control the related borrower and the related mortgaged real property. The performance of the underlying mortgage loan may be adversely affected if control of the borrower changes, which may occur, for example, by means of transfers of direct or indirect ownership interests in such borrower. See "Description of the Underlying Mortgage Loans—Certain Terms and Conditions of the Underlying Mortgage Loans—Due-on-Sale and Due-on-Encumbrance Provisions" in this information circular.

Losses on Larger Loans May Adversely Affect Distributions on the Certificates. Certain of the underlying mortgage loans have Cut-off Date Principal Balances that are substantially higher than the average Cut-off Date Principal Balance. In general, these concentrations can result in losses that are more severe than would be the case if the total principal balance of the underlying mortgage loans backing the offered certificates were more evenly distributed. The following chart lists the underlying mortgage loans or groups of cross-collateralized mortgage loans that are to be included in the issuing entity. For additional information on the underlying mortgage loans or groups of cross-collateralized mortgage loans, see Exhibits A-1, A-2 and A-3.

The Underlying Mortgage Loans or Groups of Cross-Collateralized Mortgage Loans

Loan Name	Cut-off Date Principal Balance	% of Initial Mortgage Pool Balance[(1)]
Crossed Portfolio I	$ 87,831,000	18.9%
Southeastern Crossed Portfolio	84,837,000	18.3
Crossed Portfolio II	80,598,000	17.3
Western Crossed Portfolio	74,459,000	16.0
California Crossed Portfolio	60,986,000	13.1
Florida Crossed Portfolio	60,069,000	12.9
Genesee Gardens	15,900,000	3.4
Total	**$464,680,000**	**100.0%**

(1) Amounts may not add up to the totals shown due to rounding.

Enforceability of Cross-Collateralization Provisions May Be Challenged and the Benefits of Cross-Collateralization and Cross-Default Provisions May Otherwise Be Limited. The underlying mortgage loans in each Crossed Loan Group are cross-collateralized. These arrangements attempt to reduce the risk that one mortgaged real property may not generate enough net operating income to pay debt service and to reduce realized losses in the event of liquidation. However, cross-collateralization arrangements involving more than one borrower could be challenged as a fraudulent conveyance and avoided if a court were to determine that:

- such borrower was insolvent at the time of granting the lien, was rendered insolvent by the granting of the lien, was left with unreasonably small capital, or was not able to pay its debts as they matured; and

- such borrower did not, when it allowed its mortgaged real property to be encumbered by a lien securing the entire indebtedness represented by the other mortgage loan, receive fair consideration or reasonably equivalent value for pledging such mortgaged real property for the equal benefit of the other borrower.

If the lien is avoided, the lender would lose the benefits afforded by such lien.

In addition, because all of the underlying mortgage loans are cross-defaulted with each other, subject to the definition of Servicing Transfer Event, a default under any of the underlying mortgage loans may lead to a default and a subsequent Servicing Transfer Event with respect to one or more other underlying mortgage loans, which could lead to special servicing fees and additional costs with respect to an underlying mortgage loan which is not otherwise in default but for the cross-default provisions of the related loan documents.

However, pursuant to the terms of the Pooling and Servicing Agreement, the occurrence of a Servicing Transfer Event with respect to any underlying mortgage loan will not in and of itself constitute a Servicing Transfer Event with respect to any other underlying mortgage loan that is cross-defaulted with such underlying mortgage loan (if a Servicing Transfer Event would not otherwise have occurred but for giving effect to the cross-default provisions applicable to any underlying mortgage loan) unless (i) the master servicer or the special servicer (in the case of the special servicer, with the approval of the directing certificateholder (subject to the last paragraph of "The Pooling and Servicing Agreement—Realization Upon Mortgage Loans—Asset Status Report" in this information circular with respect to any Affiliated Borrower Loan) determines, in accordance with the Servicing Standard, that it is in the best interest of the certificateholders (taken as a whole) to effect such a Servicing Transfer Event with respect to one or more such underlying mortgage loans that are cross-defaulted and (ii) Freddie Mac approves such Servicing Transfer Event with respect to one or more such underlying mortgage loans that are cross-defaulted.

See "Description of the Underlying Mortgage Loans—Cross-Collateralized Mortgage Loans and Mortgage Loans Made to Affiliated Borrowers" in this information circular.

Mortgage Loans to Related Borrowers May Result in More Severe Losses on the Offered Certificates. All of the underlying mortgage loans were made to the same borrower or to borrowers under common ownership. Mortgage loans with the same borrower or related borrowers pose additional risks. Among other things:

- financial difficulty at one mortgaged real property could cause the owner to defer maintenance at another mortgaged real property in order to satisfy current expenses with respect to the troubled mortgaged real property; and

- the owner could attempt to avert foreclosure on one mortgaged real property by filing a bankruptcy petition that might have the effect of interrupting monthly payments for an indefinite period on all of the related underlying mortgage loans.

In addition, multiple real properties owned by the same borrower or related borrowers are likely to have common management. This would increase the risk that financial or other difficulties experienced by the property manager could have a greater impact on the owner of the underlying mortgage loans. All of the mortgaged real properties are currently sub-managed by Holiday AL Management Sub LLC or its affiliates or subsidiaries.

See "Description of the Underlying Mortgage Loans—Cross-Collateralized Mortgage Loans and Mortgage Loans Made to Affiliated Borrowers" in this information circular.

All of the borrowers are directly or indirectly controlled by New Senior Investment Group and are therefore affiliated with each other. As a result, the issuing entity will have significant exposure to the financial performance and solvency of New Senior Investment Group. If New Senior Investment Group or its affiliates experience financial or other difficulties, New Senior Investment Group could attempt to cause one or more of the borrowers to file for bankruptcy. See "—The Type of Borrower May Entail Risk" below. Even if that does not occur, financial or other difficulties affecting New Senior Investment Group or its affiliates could have an adverse effect on the borrowers and/or the mortgaged real properties, which in turn could adversely affect the underlying mortgage loans and the performance and value of the certificates. See "Description of the Borrowers" and "Description of New Senior Investment Group" in this information circular.

A Borrower's Other Loans May Reduce the Cash Flow Available To Operate and Maintain the Related Mortgaged Real Property or May Interfere with the Issuing Entity's Rights Under the Related Underlying Mortgage Loan, Thereby Adversely Affecting Distributions on the Offered Certificates. As described under "—Subordinate Financing Increases the Likelihood That a Borrower Will Default on an Underlying Mortgage Loan" below and "Description of the Underlying Mortgage Loans—Certain Terms and Conditions of the Underlying Mortgage Loans—Permitted Additional Debt" in this information circular, any of the mortgaged real properties may be encumbered in the future by other subordinate debt. In addition, subject, in some cases, to certain limitations relating to maximum amounts, the borrowers generally may incur trade and operational debt or other unsecured debt and enter into equipment and other personal property and fixture financing and leasing arrangements, in connection with the ordinary operation and maintenance of the related mortgaged real property. Furthermore, in the case of any underlying mortgage loan that requires or allows letters of credit to be posted by the related borrower as additional security for the underlying mortgage loan, in lieu of reserves or otherwise, such borrower may be obligated to pay fees and expenses associated with the letter of credit and/or to reimburse the letter of credit issuer in the event of a draw on the letter of credit by the lender.

The existence of other debt could:

- adversely affect the financial viability of a borrower by reducing the cash flow available to the borrower to operate and maintain the mortgaged real property or make debt service payments on the underlying mortgage loan or loans that are cross-defaulted with the underlying mortgage loan;
- adversely affect the security interest of the lender in the equipment or other assets acquired through its financings;
- complicate workouts or bankruptcy proceedings; and
- delay foreclosure on the mortgaged real property.

We cannot assure you that these circumstances will not adversely impact operations at or the value of the related mortgaged real properties.

Changes in Mortgage Pool Composition Can Change the Nature of Your Investment. Although all of the underlying mortgage loans currently have the same maturity date and amortization schedule, the underlying mortgage loans may amortize at different rates and mature on different dates if the maturity dates or amortization schedules are modified in connection with a modification, waiver or amendment of any underlying mortgage loan. In addition, some of those mortgage loans may be prepaid or liquidated. As a result, the relative composition of the mortgage pool will change over time.

If you purchase certificates with a pass-through rate that is equal to or calculated based on a weighted average of interest rates on the underlying mortgage loans, your pass-through rate will be affected, and may decline, as the relative composition of the mortgage pool changes.

In addition, as payments and other collections of principal are received with respect to the underlying mortgage loans, the remaining mortgage pool backing the certificates may exhibit an increased concentration with respect to number and affiliation of borrowers and geographic location.

See "Yield and Maturity Considerations—Yield Considerations—Rate and Timing of Principal Payments" in this information circular.

Geographic Concentration of the Mortgaged Real Properties May Adversely Affect Distributions on the Offered Certificates. The concentration of mortgaged real properties in a specific state or region will make the performance of the underlying mortgage loans, as a whole, more sensitive to the following factors in the state or region where the borrowers and the mortgaged real properties are concentrated:

- economic conditions, including real estate market conditions;
- changes in governmental rules and fiscal policies;
- regional factors such as earthquakes, floods, tornadoes, forest fires or hurricanes;
- acts of God, which may result in uninsured losses; and
- other factors that are beyond the control of the borrowers.

The mortgaged real properties are located in 21 states. The following table sets forth the states in which mortgaged real properties that secure underlying mortgage loans collectively representing 5.0% or more of the initial mortgage pool balance are located. Except as set forth below, no state contains mortgaged real properties that secure underlying mortgage loans collectively representing more than 4.9%, by Cut-off Date Principal Balance or allocated loan amount, of the initial mortgage pool balance.

Significant Geographic Concentrations of Mortgaged Real Properties

State	Number of Mortgaged Real Properties	% of Initial Mortgage Pool Balance
California	4	13.1%
Florida	3	12.9%
North Carolina	2	9.3%
Oregon	2	6.9%

3 of the California properties, securing underlying mortgage loans collectively representing 9.8% of the initial mortgage pool balance, are located in southern California (i.e., addresses with zip codes of 93600 or below). 1 of the California properties, securing an underlying mortgage loan representing 3.3% of the initial mortgage pool balance, is located in northern California (i.e., addresses with zip codes above 93600). For a discussion of certain legal aspects related to states in which mortgaged real properties that secure underlying mortgage loans collectively representing more than 10% of the initial mortgage pool balance are located, see "Description of the Underlying Mortgage Loans—Certain Legal Aspects of the Underlying Mortgage Loans" in this information circular.

Subordinate Financing Increases the Likelihood That a Borrower Will Default on an Underlying Mortgage Loan. No underlying mortgage loan is currently encumbered with a subordinate lien, except for limited permitted encumbrances (which limited permitted encumbrances do not secure subordinate mortgage loans).

Moreover, other than with respect to future subordinate debt meeting specified criteria, as described under "Description of the Underlying Mortgage Loans—Certain Terms and Conditions of the Underlying Mortgage Loans—Permitted Additional Debt" in this information circular, the underlying mortgage loans require the consent of the holder of the underlying mortgage loan prior to so encumbering the related mortgaged real property. However, a violation of this prohibition may not become evident until the affected underlying mortgage loan otherwise defaults, and a lender, such as the issuing entity, may not realistically be able to prevent a borrower from incurring subordinate debt.

The borrowers under all of the underlying mortgage loans are permitted to incur an additional limited amount of indebtedness secured by the related mortgaged real properties generally beginning 6 to 12 months after the origination date of each underlying mortgage loan, unless otherwise provided in the related loan documents, and which may be incurred at any time, including on or before the Closing Date. Under the related loan documents, it is a condition to the incurrence of any future secured subordinate indebtedness on these underlying mortgage loans that, among other things: (a) the total loan-to-value ratio of these loans be below, and the debt service coverage ratio

be above, certain thresholds set out in the loan documents and (b) subordination agreements and intercreditor agreements be put in place between the issuing entity and the related lenders. In the event a borrower satisfies these conditions, the borrower is permitted to obtain secured subordinate debt from approved lenders who will make such subordinate financing exclusively for initial purchase by Freddie Mac. The related intercreditor agreement will provide that the subordinate debt may be transferred to certain "qualified transferees" meeting certain minimum net worth requirements or other criteria set forth in such intercreditor agreement. Freddie Mac may subsequently transfer the junior lien loans it holds in secondary market transactions, including securitizations. Any such junior lien mortgages and related securities may be purchased by certificateholders in this transaction, including the directing certificateholder, in which case the directing certificateholder could experience conflicts of interest when exercising consent rights with respect to the underlying mortgage loans and any related junior lien mortgages or related securities.

The existence of any secured subordinated indebtedness or unsecured indebtedness increases the difficulty of making debt service payments or refinancing an underlying mortgage loan at the loan's maturity. In addition, the related borrower may have difficulty repaying multiple loans. Moreover, the filing of a petition in bankruptcy by, or on behalf of, a junior lienholder may stay the senior lienholder from taking action to foreclose out the junior lien.

The Type of Borrower May Entail Risk. Mortgage loans made to partnerships, corporations or other entities may entail risks of loss from delinquency and foreclosure that are greater than those of mortgage loans made to individuals. The borrower's sophistication and form of organization may increase the likelihood of protracted litigation or bankruptcy in default situations.

With respect to all of the underlying mortgage loans, the borrowers' organizational documents or the terms of the underlying mortgage loans limit the borrowers' activities to the ownership of only the related mortgaged real properties and, subject to exceptions, including relating to future subordinate debt secured by the mortgaged real properties, generally limit the borrowers' ability to incur additional future indebtedness other than trade payables and equipment financing relating to the mortgaged real properties in the ordinary course of business. These provisions are designed to mitigate the possibility that the borrowers' financial condition would be adversely impacted by factors unrelated to the mortgaged real property and the underlying mortgage loan. However, we cannot assure you that the borrowers will comply with these requirements. Also, although a borrower may currently be structured as a single-purpose entity, such borrower may have previously owned property other than the mortgaged real property and/or may not have observed all covenants and conditions which typically are required to view a borrower as a "single purpose entity" under standard NRSRO criteria. We cannot assure you that circumstances arising from a borrower's failure to observe the required covenants will not impact the borrower or the mortgaged real property. In addition, borrowers that are not single-purpose entities structured to limit the possibility of becoming insolvent or bankrupt may be more likely to become insolvent or subject to a voluntary or involuntary bankruptcy proceeding because the borrowers may be operating entities with a business distinct from the operation of the mortgaged real property with the associated liabilities and risks of operating an ongoing business or individuals that have personal liabilities unrelated to the mortgaged real property. However, any borrower, even a single-purpose entity structured to be bankruptcy-remote, as an owner of real estate, will be subject to certain potential liabilities and risks. We cannot assure you that any borrower will not file for bankruptcy protection or that creditors of a borrower or a corporation or individual general partner or managing member of a borrower will not initiate a bankruptcy or similar proceeding against the borrower or corporate or individual general partner or managing member.

None of the borrowers or their owners have an independent director whose consent would be required to file a voluntary bankruptcy petition on behalf of such borrower. One of the purposes of an independent director of the borrower (or of a single purpose entity having an interest in the borrower) is to avoid a bankruptcy petition filing which is intended solely to benefit an affiliate and is not justified by the borrower's own economic circumstances. Borrowers (and any single purpose entity having an interest in any such borrowers) that do not have an independent director may be more likely to file a voluntary bankruptcy petition and therefore less likely to repay the related underlying mortgage loan. Even in the case of borrowers with independent directors, we cannot assure you that a borrower will not file for bankruptcy protection, that creditors of a borrower will not initiate a bankruptcy or similar proceeding against such borrower, or that, if initiated, a bankruptcy case of the borrower could be dismissed. Pursuant to Section 364 of the Bankruptcy Code, a bankruptcy court may, under certain circumstances, authorize a debtor to obtain credit after the commencement of a bankruptcy case, secured among other things, by senior, equal

or junior liens on property that is already subject to a lien. In the recent bankruptcy case of General Growth Properties, the debtors initially sought approval of a debtor-in-possession loan to the corporate parent entities guaranteed by the property-level single purpose entities and secured by second liens on their properties. Although the debtor-in-possession loan ultimately did not include these subsidiary guarantees and second liens, we cannot assure you that, in the event of a bankruptcy of a sponsor of a borrower, the sponsor of such borrower would not seek approval of a similar debtor-in-possession loan, or that a bankruptcy court would not approve a debtor-in-possession loan that included such subsidiary guarantees and second liens on such subsidiaries' properties.

Furthermore, with respect to any affiliated borrowers, creditors of a common parent in bankruptcy may seek to consolidate the assets of those borrowers with those of the parent. Consolidation of the assets of the borrowers would likely have an adverse effect on the funds available to make distributions on the certificates. The bankruptcy of a borrower, or the general partner or the managing member of a borrower, may impair the ability of the lender to enforce its rights and remedies under the related mortgage.

With respect to some of the underlying mortgage loans, the related nonrecourse carveout provisions of the related loan documents may be guaranteed, in whole or in part, by non-U.S. individuals or entities, which may decrease the likelihood of recovery under such guarantee. In addition, some of the underlying mortgage loans may have nonrecourse carveout guarantees given by the related sponsors of the respective borrowers or other parties that are funds or other entities, the terms of which may be subject to expiration or other structural contingencies. In such cases, such loan documents may require such entities to extend their terms or to otherwise take action or provide additional security to the lender regarding the continued existence of such entities during the terms of such underlying mortgage loans.

Certain of the Underlying Mortgage Loans Lack Customary Provisions. A number of the underlying mortgage loans lack one or more features that are customary in mortgage loans intended for securitization. Among other things, the borrowers with respect to those underlying mortgage loans may not be required to have an independent director or to make payments to lockboxes or to maintain reserves for certain expenses, such as taxes, insurance premiums, capital expenditures, tenant improvements and leasing commissions or the requirements to make such payments may be suspended if the related borrower complies with the terms of the related loan documents, or the lenders under such underlying mortgage loans may not have the right to terminate the related property manager upon the occurrence of certain events or require lender approval of a replacement property manager. In addition, although mortgage loans intended to be securitized often have a guarantor with respect to certain bad acts such as fraud, guarantors may not be required with respect to certain of the underlying mortgage loans.

Some Remedies May Not Be Available Following a Mortgage Loan Default. The underlying mortgage loans contain, subject to certain exceptions, "due-on-sale" and "due-on-encumbrance" clauses. These clauses permit the holder of an underlying mortgage loan to accelerate the maturity of the underlying mortgage loan if the related borrower sells or otherwise transfers or encumbers the related mortgaged real property or its interest in the mortgaged real property in violation of the terms of the mortgage. All of the underlying mortgage loans also include a debt-acceleration clause that permits the related lender to accelerate the debt upon specified monetary or non-monetary defaults of the borrower.

The courts of all states will enforce clauses providing for acceleration in the event of a material payment default. The equity courts of a state, however, may refuse the foreclosure or other sale of a mortgaged real property or refuse to permit the acceleration of the indebtedness as a result of a default deemed to be immaterial or if the exercise of these remedies would be inequitable or unjust.

The related borrower generally may collect rents for so long as there is no default. As a result, the issuing entity's rights to these rents will be limited because:

- the issuing entity may not have a perfected security interest in the rent payments until the master servicer, special servicer or sub-servicer collects them;

- the master servicer, special servicer or sub-servicer may not be entitled to collect the rent payments without court action; and

- the bankruptcy of the related borrower could limit the ability of the master servicer, special servicer or sub-servicer to collect the rents.

Sponsor Defaults on Other Mortgage Loans May Adversely Impact and Impair Recovery on an Underlying Mortgage Loan. Principals of the borrowers under certain of the underlying mortgage loans and/or their affiliates may be subject to defaults with respect to unrelated mortgage loans or, in some cases, with respect to prior mortgage loans that had been secured by real properties currently securing underlying mortgage loans that are assets of the issuing entity. We cannot assure you that these circumstances will not have an adverse effect on the liquidity of the sponsors or the borrowers or that such circumstances will not adversely affect the sponsors' or the borrowers' ability to maintain each related mortgaged real property, to pay amounts owed on each underlying mortgage loan or to refinance each underlying mortgage loan. See "—Borrower Bankruptcy Proceedings Can Delay and Impair Recovery on an Underlying Mortgage Loan" above.

Lending on Income-Producing Real Properties Entails Environmental Risks. Under various federal and state laws, a current or previous owner or operator of real property may be liable for the costs of cleanup of environmental contamination on, under, at or emanating from, the property. These laws often impose liability whether or not the owner or operator knew of, or was responsible for, the presence of the contamination. The costs of any required cleanup and the owner's liability for these costs are generally not limited under these laws and could exceed the value of the property and/or the total assets of the owner. Contamination of a property may give rise to a lien on the property to assure the costs of cleanup. An environmental lien may have priority over the lien of an existing mortgage. In addition, the presence of hazardous or toxic substances, or the failure to properly clean up contamination on the property, may adversely affect the owner's or operator's future ability to refinance the property.

Certain environmental laws impose liability for releases of asbestos into the air, and govern the responsibility for the removal, encapsulation or disturbance of asbestos-containing materials when the asbestos-containing materials are in poor condition or when a property with asbestos-containing materials undergoes renovation or demolition. Certain laws impose liability for lead-based paint, lead in drinking water, elevated radon gas inside buildings and releases of polychlorinated biphenyl compounds. Third parties may also seek recovery from owners or operators of real property for personal injury or property damage associated with exposure to asbestos, lead, radon, polychlorinated biphenyl compounds and any other contaminants.

Pursuant to the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, ("CERCLA") as well as some other federal and state laws, a secured lender, such as the issuing entity, may be liable as an "owner" or "operator" of the real property, regardless of whether the borrower or a previous owner caused the environmental damage, if—

- prior to foreclosure, agents or employees of the lender participate in the management or operational affairs of the borrower; or

- after foreclosure, the lender fails to seek to divest itself of the facility at the earliest practicable commercially reasonable time on commercially reasonable terms, taking into account market conditions and legal and regulatory requirements.

Although the Asset Conservation, Lender Liability, and Deposit Insurance Protection Act of 1996 attempted to clarify the activities in which a lender may engage without becoming subject to liability under CERCLA or under the underground storage tank provisions of the federal Resource Conservation and Recovery Act, that legislation itself has not been clarified by the courts and has no applicability to other federal laws or to state environmental laws except as may be expressly incorporated. Moreover, future laws, ordinances or regulations could impose material environmental liability.

Federal law requires owners of residential housing constructed prior to 1978 to disclose to potential residents or purchasers—

- any condition on the property that causes exposure to lead-based paint; and

- the potential hazards to pregnant women and young children, including that the ingestion of lead-based paint chips and/or the inhalation of dust particles from lead-based paint by children can cause permanent injury, even at low levels of exposure.

Property owners may be liable for injuries to their residents resulting from exposure under various laws that impose affirmative obligations on property owners of residential housing containing lead-based paint.

Phase I environmental site assessments (each an "ESA") were prepared in connection with the origination of all of the underlying mortgage loans.

If the environmental investigations described above identified material adverse or potentially material adverse environmental conditions at or with respect to any of the respective mortgaged real properties securing an underlying mortgage loan or at a nearby property with potential to affect a mortgaged real property, then the Originator may have taken or caused to be taken one or more of the following actions:

- an environmental consultant investigated those conditions and recommended no further investigations or remediation;

- an operation and maintenance plan or other remediation was required and/or an escrow reserve was established to cover the estimated costs of obtaining that plan and/or effecting that remediation;

- those conditions were remediated or abated prior to the Closing Date;

- a letter was obtained from the applicable regulatory authority stating that no further action was required;

- another responsible party has agreed to indemnify the holder of the underlying mortgage loan from any losses that such party suffers as a result of such environmental conditions;

- an environmental insurance policy was obtained with respect to the mortgaged real property;

- in those cases in which it was known that an offsite property is the location of a leaking underground storage tank ("UST") or groundwater contamination, a responsible party other than the related borrower has been identified under applicable law, and generally one or more of the following are true—

    1. that condition is not known to have affected the mortgaged real property; or

    2. the responsible party has either received a letter from the applicable regulatory agency stating no further action is required, established a remediation fund, engaged in responsive remediation, or provided an indemnity or guaranty to the borrower or the mortgagee/lender; and/or

- in those cases involving mortgage loans with an original principal balance of less than $1,000,000, the borrower expressly agreed to comply with all federal, state and local statutes or regulations respecting the identified adverse environmental conditions.

For some of the mortgaged real properties, the related ESAs may have noted that onsite USTs or leaking USTs previously had been removed or closed in place or other types of potential or actual spills or releases may have occurred, and based on criteria such as experience with past investigations, cleanups or other response actions, the quantities or types of hazardous materials involved, the absence of significant risk, tank test results or other records, and/or other circumstances including regulatory closure, the ESAs did not recommend any further investigation or other action. In some such cases, even where regulatory closure was documented for past incidents the ESAs may have reported that requests to governmental agencies for any related files are pending. However, those ESAs nevertheless concluded that such incidents were not likely to be significant at the time they were prepared.

Some borrowers under the underlying mortgage loans may not have satisfied all post-closing obligations required by the related loan documents with respect to environmental matters. We cannot assure you that such post-closing obligations have been satisfied or will be satisfied or that any of the recommended operations and maintenance plans have been or will continue to be implemented.

In addition, with respect to 1 of the underlying mortgage loans, representing 2.7% of the initial mortgage pool balance, radon testing is underway at the related mortgaged real property or radon testing has been completed and remediation is required. Pursuant to the related repair agreement entered into at origination, if the lender determines or has determined that the radon testing indicates further remediation is necessary, the borrower is required to (i) provide the lender with a signed, binding, fixed-price radon remediation contract with a qualified service provider, (ii) complete such remediation work within a specified time frame and (iii) enter into an operations and maintenance agreement with respect to such remediation work.

Furthermore, any particular environmental testing may not have covered all potential adverse conditions. For example, testing for lead-based paint, asbestos-containing materials, lead in water and radon was done only if the use, age, location and condition of the subject property warranted that testing. In general, testing was done for lead based paint only in the case of a multifamily property built prior to 1978, for asbestos containing materials only in the case of a property built prior to 1981 and for radon gas only in the case of a multifamily property located in an area determined by the Environmental Protection Agency to have a high concentration of radon gas or within a state or local jurisdiction requiring radon gas testing.

We cannot assure you that—

- the environmental testing referred to above identified all material adverse environmental conditions and circumstances at the subject properties;

- the recommendation of the environmental consultant was, in the case of all identified problems, the appropriate action to take; or

- any of the environmental escrows established or letters of credit obtained with respect to any of the underlying mortgage loans will be sufficient to cover the recommended remediation or other action.

Appraisals and Market Studies May Inaccurately Reflect the Value of the Mortgaged Real Properties. In connection with the origination of each of the underlying mortgage loans, the related mortgaged real property was appraised by an independent appraiser. The appraisal valuations provide values as of the dates set forth on Exhibit A-1. The appraisals reflect market conditions as of the date of the appraisal valuations and may not reflect current values. We have not confirmed the values of the respective mortgaged real properties in the appraisals. We have not obtained updated appraisals of the mortgaged real properties in connection with this securitization.

Appraisals are not guarantees, and may not be fully indicative of present or future value because—

- they represent the analysis and opinion of the appraiser at the time the appraisal is conducted and the value of the mortgaged real property may have fluctuated since the date of appraisal valuations;

- we cannot assure you that another appraiser would not have arrived at a different valuation, even if the appraiser used the same general approach to, and the same method of, appraising the mortgaged real property; and

- appraisals seek to establish the amount a typically motivated buyer would pay a typically motivated seller and therefore, could be significantly higher than the amount obtained from the sale of a mortgaged real property under a distress or liquidation sale.

Property Managers and Borrowers May Each Experience Conflicts of Interest in Managing Multiple Properties. In the case of many of the underlying mortgage loans, the related property managers and borrowers may experience conflicts of interest in the management and/or ownership of the related mortgaged real properties because—

- a number of those mortgaged real properties are managed by property managers affiliated with the respective borrowers;

- the property managers also may manage additional properties, including properties that may compete with those mortgaged real properties; and

- affiliates of the property managers and/or the borrowers, or the property managers and/or the borrowers themselves, also may own other properties, including properties that may compete with those mortgaged real properties.

The Master Servicer, the Special Servicer and the Sub-Servicer May Experience Conflicts of Interest. In the ordinary course of their businesses the master servicer, the special servicer and the sub-servicer will service loans other than those included in the issuing entity. In addition, they may own other mortgage loans. These other loans may be similar to the underlying mortgage loans. The mortgaged real properties securing these other loans may—

- be in the same markets as mortgaged real properties securing the underlying mortgage loans;
- have owners and/or property managers in common with mortgaged real properties securing the underlying mortgage loans; and/or
- be sponsored by parties that also sponsor mortgaged real properties securing the underlying mortgage loans.

In these cases, the interests of the master servicer, the special servicer or the sub-servicer, as applicable, and its other clients may differ from and compete with the interests of the issuing entity and these activities may adversely affect the amount and timing of collections on the underlying mortgage loans. Under the Pooling and Servicing Agreement, the master servicer, the special servicer and the sub-servicer are each required to service the underlying mortgage loans for which it is responsible in accordance with the Servicing Standard.

The Pooling and Servicing Agreement provides that in certain circumstances the directing certificateholder may, at its own expense, request that the Directing Certificateholder Servicing Consultant (which may be the special servicer) prepare and deliver a recommendation relating to a waiver of any "due-on-sale" or "due-on-encumbrance" clause or a requested consent to certain modifications, waivers or amendments for certain non-Specially Serviced Mortgage Loans. In making a recommendation in response to such a request, the Directing Certificateholder Servicing Consultant will not be subject to the Servicing Standard and will have no duty or liability to any certificateholder other than the directing certificateholder. In addition, because the Directing Certificateholder Servicing Consultant may have arranged to be compensated by the directing certificateholder in connection with such matters as to which it is making a recommendation, its interests may conflict with the interests of other certificateholders.

In addition, the master servicer, the special servicer and the sub-servicer, or one or more of their respective affiliates, may have originated some of the underlying mortgage loans. As a result, the master servicer, the special servicer or the sub-servicer may have interests with respect to such underlying mortgage loans, such as relationships with the borrowers or the sponsors of the borrowers, that differ from, and may conflict with, your interests.

In addition, the Pooling and Servicing Agreement provides that the master servicer, the Directing Certificateholder Servicing Consultant and the sub-servicer may consult with Freddie Mac (in its capacity as servicing consultant) with respect to the application of Freddie Mac Servicing Practices to any matters related to non-Specially Serviced Mortgage Loans, but the Directing Certificateholder Servicing Consultant will not be bound by any such consultation. Any advice provided by Freddie Mac (in its capacity as servicing consultant) in connection with any such consultation may conflict with the interests of one or more classes of the certificateholders.

Under certain circumstances, the Pooling and Servicing Agreement will require that the special servicer promptly resign as special servicer of any related Affiliated Borrower Special Servicer Loan and provides for the appointment of a successor Affiliated Borrower Special Servicer to act as the special servicer with respect to any such Affiliated Borrower Special Servicer Loan. See "The Pooling and Servicing Agreement—Resignation, Removal and Replacement of Servicers; Transfer of Servicing Duties—Resignation of the Master Servicer or the Special Servicer" and "—Removal of the Master Servicer, the Special Servicer and the Sub-Servicer."

If the Master Servicer, the Sub-Servicer or the Special Servicer Purchases Certificates or SPCs, a Conflict of Interest Could Arise Between Their Duties and Their Interests in the Certificates or SPCs. The master servicer, the sub-servicer and/or the special servicer or an affiliate of any of them may purchase or retain any of the class B

certificates or any class of the SPCs. The ownership of any certificates or SPCs by the master servicer, the sub-servicer and/or the special servicer could cause a conflict between its duties under the Pooling and Servicing Agreement or the Sub-Servicing Agreement and its interest as a holder of a certificate or an SPC, especially to the extent that certain actions or events have a disproportionate effect on one or more classes of certificates. However, under the Pooling and Servicing Agreement and the Sub-Servicing Agreement, the master servicer, the sub-servicer and the special servicer are each required to service the underlying mortgage loans in accordance with the Servicing Standard.

Potential Conflicts of Interest of New Senior Investment Group. New Senior Investment Group and its affiliates directly or indirectly own, lease and manage a number of properties other than the mortgaged real properties and may acquire additional properties in the future. Such other properties, similar to other third-party owned real estate, may compete with the mortgaged real properties for existing and potential tenants. We cannot assure you that the activities of New Senior Investment Group and its affiliates with respect to such other multifamily properties will not adversely impact the performance of the mortgaged real properties.

Potential Conflicts of Interest in the Selection and Servicing of the Underlying Mortgage Loans. The anticipated initial investor in the class B certificates (the "B-Piece Buyer") was given the opportunity by the mortgage loan seller and the depositor to perform due diligence on the mortgage loans originally identified by the mortgage loan seller for inclusion in the issuing entity. The B-Piece Buyer was and is acting solely for its own benefit with regard to its due diligence of the underlying mortgage loans and has no obligation or liability to any other party. You are not entitled to, and should not, rely in any way on the B-Piece Buyer's acceptance of any underlying mortgage loans. The inclusion of any underlying mortgage loan in the issuing entity is not an indication of the B-Piece Buyer's analysis of that underlying mortgage loan nor can it be taken as any endorsement of the underlying mortgage loan by the B-Piece Buyer. In addition, a special servicer (whether the initial special servicer or a successor special servicer) may enter into one or more arrangements with the B-Piece Buyer, the directing certificateholder or any other person (or any affiliate or a third-party representative of any of them) to provide for a discount and/or revenue sharing with respect to certain of the special servicer compensation (other than the special servicing fee and the special servicer surveillance fee) in consideration of, among other things, the appointment (or continuance) of such special servicer under the Pooling and Servicing Agreement and the establishment of limitations on the right of such person to replace the special servicer. Each of these relationships should be considered carefully by you before you invest in any certificates.

We cannot assure you that the final mortgage pool as influenced by the B-Piece Buyer's feedback will not adversely affect the performance of the certificates generally or benefit the performance of the B-Piece Buyer's certificates. Because of the differing subordination levels and pass-through rates, and because only the offered certificates are guaranteed by Freddie Mac, the B-Piece Buyer's interests may, in some circumstances, differ from those of purchasers of other classes of certificates, including the offered certificates, and the B-Piece Buyer may desire a portfolio composition that benefits the B-Piece Buyer but that does not benefit other investors. In addition, the B-Piece Buyer may enter into hedging or other transactions or otherwise have business objectives that could cause its interests with respect to the mortgage pool to diverge from those of other purchasers of the certificates.

Upon the occurrence and during the continuance of any Affiliated Borrower Loan Event with respect to the B-Piece Buyer (if the B-Piece Buyer is the directing certificateholder) and any underlying mortgage loan, the B-Piece Buyer's (i) right to approve and consent to certain actions with respect to such underlying mortgage loan, (ii) right to purchase such underlying mortgage loan from the issuing entity at a specified price and (iii) access to certain information and reports regarding such underlying mortgage loan will be restricted as described in "The Pooling and Servicing Agreement—Realization Upon Mortgage Loans—Directing Certificateholder" and "—Asset Status Report" in this information circular.

Because the incentives and actions of the B-Piece Buyer may, in some circumstances, differ from or be adverse to those of purchasers of other classes of certificates, you are strongly encouraged to make your own investment decision based on a careful review of the information set forth in this information circular and your own view of the underlying mortgage loans.

The Master Servicer and the Special Servicer Will Be Required To Service Certain Underlying Mortgage Loans in Accordance with Freddie Mac Servicing Practices, Which May Limit the Ability of the Master Servicer and the Special Servicer To Make Certain Servicing Decisions. The master servicer and the special servicer will

be required to service the underlying mortgage loans in accordance with (i) any and all applicable laws, (ii) the express terms of the Pooling and Servicing Agreement, (iii) the express terms of the respective underlying mortgage loans and any applicable intercreditor, co-lender or similar agreements and (iv) to the extent consistent with the foregoing, the Servicing Standard, as further described in "The Pooling and Servicing Agreement—Servicing Under the Pooling and Servicing Agreement." In the case of underlying mortgage loans other than REO Loans, REO Properties and Specially Serviced Mortgage Loans, the Servicing Standard requires the master servicer to follow Freddie Mac Servicing Practices. Freddie Mac Servicing Practices require servicing and administering the underlying mortgage loans and/or REO Properties in the same manner in which, and with the same care, skill, prudence and diligence with which, Freddie Mac services and administers multifamily mortgage loans owned by Freddie Mac. This includes servicing and administering in accordance with the Freddie Mac Multifamily Seller/Servicer Guide (or any successor to the Guide). The Guide comprises Freddie Mac's servicing guidelines for its multifamily commercial mortgage loans and Freddie Mac may modify the Guide and any policies or procedures at any time. Freddie Mac Servicing Practices also includes servicing and administering in accordance with any written Freddie Mac policies, procedures or other written communications made available in writing by Freddie Mac to the master servicer, the sub-servicer or the Directing Certificateholder Servicing Consultant, as applicable, including written communications from Freddie Mac as servicing consultant pursuant to the Pooling and Servicing Agreement. The master servicer, the Directing Certificateholder Servicing Consultant and the sub-servicer are permitted to consult with Freddie Mac regarding the application of Freddie Mac Servicing Practices to any matters related to non-Specially Serviced Mortgage Loans. The servicing consultant may contact the related borrower to request any necessary documentation from such borrower in order to provide consultation to the master servicer, the sub-servicer or the Directing Certificateholder Servicing Consultant with respect to the proper application of Freddie Mac Servicing Practices. We cannot assure you that the requirement to follow Freddie Mac Servicing Practices in certain circumstances, or consultations between the master servicer, the Directing Certificateholder Servicing Consultant or the sub-servicer and Freddie Mac regarding the application of Freddie Mac Servicing Practices will not limit the master servicer's or the sub-servicer's ability to make certain servicing decisions.

Some of the Mortgaged Real Properties Are Legal Nonconforming Uses or Legal Nonconforming Structures. Some of the underlying mortgage loans may be secured by a mortgaged real property that is a legal nonconforming use or a legal nonconforming structure. This may impair the ability of the related borrower to restore the improvements on a mortgaged real property to its current form or use following a major casualty. See "Description of the Underlying Mortgage Loans—Underwriting Matters—Zoning and Building Code Compliance" in this information circular.

Changes in Zoning Laws May Affect Ability To Repair or Restore a Mortgaged Real Property. Due to changes in applicable building and zoning ordinances and codes that may affect some of the mortgaged real properties that secure the underlying mortgage loans, which changes may have occurred after the construction of the improvements on these properties, the mortgaged real properties may not comply fully with current zoning laws because of:

- density;
- use;
- parking;
- set-back requirements; or
- other building-related conditions.

These ordinance and/or code changes are not expected to materially interfere with the current use of the mortgaged real properties, and the mortgage loan seller will represent that any instances of non-compliance will not materially and adversely affect the value of the related mortgaged real property. However, these changes may limit the ability of the related borrower to rebuild the premises "as is" in the event of a substantial casualty loss, which in turn may adversely affect the ability of the borrower to meet its mortgage loan obligations from cash flow. With some exceptions, the underlying mortgage loans secured by mortgaged real properties which no longer conform to current zoning ordinances and codes will require, or contain provisions under which the lender in its reasonable discretion may require, the borrower to maintain "ordinance and law" coverage which, subject to the terms and

conditions of such coverage, will insure the increased cost of construction to comply with current zoning ordinances and codes. Insurance proceeds may not be sufficient to pay off the related underlying mortgage loan in full. In addition, if the mortgaged real property were to be repaired or restored in conformity with then current law, its value could be less than the remaining balance on the underlying mortgage loan and it may produce less revenue than before repair or restoration.

In addition, with respect to certain of the underlying mortgage loans, including certain underlying mortgage loans that are identified on Exhibit C-2, the related mortgaged real properties may be non-conforming as to setbacks, parking and/or density, and in some cases ordinance and law insurance coverage may be in amounts less than generally required at origination of mortgage loans secured by similar properties.

Lending on Income-Producing Properties Entails Risks Related to Property Condition. With respect to all of the mortgaged real properties securing the underlying mortgage loans, a third-party engineering firm inspected the property to assess exterior walls, roofing, interior construction, mechanical and electrical systems and general condition of the site, buildings and other improvements located at each of the mortgaged real properties in connection with the origination of the related underlying mortgage loan.

We cannot assure you that all conditions at the mortgaged real properties requiring repair or replacement have been identified in these inspections or otherwise, or that all building code and other legal compliance issues have been identified through inspection or otherwise, or, if identified, have been adequately addressed by escrows or otherwise. Furthermore, the condition of the mortgaged real properties may have changed since the origination of the related underlying mortgage loans. Finally, with respect to certain mortgaged real properties, the loan documents may require the related borrower to make certain repairs or replacements on the improvements on the mortgaged real property within certain time periods. Some of these required repairs or replacements may be in progress as of the date of this information circular, and we cannot assure you that the related borrowers will complete any such required repairs or replacements in a timely manner or in accordance with the requirements set forth in the loan documents. We cannot assure you that these circumstances will not adversely impact operations at or the value of the related mortgaged real properties.

World Events and Natural Disasters Could Have an Adverse Impact on the Mortgaged Real Properties Securing the Underlying Mortgage Loans and Consequently Could Reduce the Cash Flow Available To Make Payments on the Offered Certificates. The economic impact of the United States' military operations in various parts of the world, as well as the possibility of any terrorist attacks domestically or abroad, is uncertain, but could have a material adverse effect on general economic conditions, consumer confidence, and market liquidity. We cannot assure you as to the effect of these events or other world events on consumer confidence and the performance of the underlying mortgage loans. Any adverse impact resulting from these events could ultimately be borne by the holders of one or more classes of the certificates.

In addition, natural disasters, including earthquakes, floods and hurricanes, also may adversely affect the mortgaged real properties securing the underlying mortgage loans that back the offered certificates. For example, real properties located in California may be more susceptible to certain hazards (such as earthquakes or widespread fires) than properties in other parts of the country and mortgaged real properties located in coastal states generally may be more susceptible to hurricanes than properties in other parts of the country. Hurricanes and related windstorms, floods, tornadoes and oil spills have caused extensive and catastrophic physical damage in and to coastal and inland areas located in the eastern, mid-Atlantic and Gulf Coast regions of the United States and certain other parts of the eastern and southeastern United States. The underlying mortgage loans do not all require the maintenance of flood insurance for the related mortgaged real properties. We cannot assure you that any damage caused by hurricanes, windstorms, floods, tornadoes or oil spills would be covered by insurance.

Special Hazard Losses May Cause You To Suffer Losses on the Offered Certificates. In general, the standard form of fire and extended coverage policy covers physical damage to or destruction of the improvements of a property by fire, lightning, explosion, smoke, windstorm and hail, and riot, strike and civil commotion, subject to the conditions and exclusions specified in the related policy. Most insurance policies typically do not cover any physical damage resulting from, among other things—

- war;
- nuclear, biological or chemical materials;

- revolution;
- governmental actions;
- floods and other water-related causes;
- earth movement, including earthquakes, landslides and mudflows;
- wet or dry rot;
- vermin; and
- domestic animals.

Unless the related loan documents specifically require (and such provisions were not waived) the borrower to insure against physical damage arising from these causes, then any losses resulting from these causes may be borne by you as a holder of offered certificates.

If the related loan documents do not expressly require a particular type of insurance but permit the mortgagee to require such other insurance as is reasonable, the related borrower may challenge whether maintaining that type of insurance is reasonable in light of all the circumstances, including the cost. The master servicer's efforts to require such insurance may be further impeded if the Originator did not require the subject borrower to maintain such insurance, regardless of the terms of the related loan documents.

There is also a possibility of casualty losses on a real property for which insurance proceeds, together with land value, may not be adequate to pay the underlying mortgage loan in full or rebuild the improvements. Consequently, we cannot assure you that each casualty loss incurred with respect to a mortgaged real property securing one of the underlying mortgage loans will be fully covered by insurance or that the underlying mortgage loan will be fully repaid in the event of a casualty.

Furthermore, various forms of insurance maintained with respect to any of the mortgaged real properties for the underlying mortgage loans, including casualty insurance, may be provided under a blanket insurance policy. That blanket insurance policy will also cover other real properties, some of which may not secure underlying mortgage loans. As a result of total limits under any of those blanket policies, losses at other properties covered by the blanket insurance policy may reduce the amount of insurance coverage with respect to a property securing one of the underlying mortgage loans.

Earthquake insurance was not required with respect to the mortgaged real properties located in seismic zones 3 or 4 or a geographic location with a horizontal peak ground acceleration equal to or greater than 0.15g for which a scenario expected loss assessment or a probable maximum loss assessment was performed because the scenario expected loss or probable maximum loss for each of those mortgaged real properties is less than or equal to 20% of the amount of the replacement cost of the improvements.

The Absence or Inadequacy of Terrorism Insurance Coverage on the Mortgaged Real Properties May Adversely Affect Payments on the Certificates. Following the September 11, 2001 terrorist attacks in the New York City area and Washington, D.C. area, many insurance companies eliminated coverage for acts of terrorism from their policies. Without assurance that they could secure financial backup for this potentially uninsurable risk, availability in the insurance market for this type of coverage, especially in major metropolitan areas, became either unavailable, or was offered with very restrictive limits and terms, with prohibitive premiums being requested. In order to provide a market for such insurance, the Terrorism Risk Insurance Act of 2002 (as amended, "TRIPRA") was enacted on November 26, 2002, establishing the "Terrorism Risk Insurance Program." The Terrorism Risk Insurance Program was extended through December 31, 2014 by the Terrorism Risk Insurance Program Reauthorization Act of 2007 and was subsequently reauthorized on January 12, 2015 for a period of six years through December 31, 2020 pursuant to the Terrorism Risk Insurance Program Reauthorization Act of 2015.

Under the Terrorism Risk Insurance Program, the federal government shares in the risk of losses occurring within the United States resulting from acts committed in an effort to influence or coerce United States civilians or the United States government. The federal share of compensation for insured losses of an insurer will be equal to

84% in 2016 (subject to annual decreases of 1% thereafter until equal to 80%) of the portion of such insured losses that exceed a deductible equal to 20% of the value of the insurer's direct earned premiums over the calendar year immediately preceding that program year. Federal compensation in any program year is capped at $100 billion (with insurers being liable for any amount that exceeds such cap), and no compensation is payable with respect to a terrorist act unless the aggregate industry losses relating to such act exceed $120 million in 2016 (subject to annual increases of $20 million thereafter until equal to $200 million).

The Terrorism Risk Insurance Program does not cover nuclear, biological, chemical or radiological attacks. Unless borrowers obtain separate coverage for events that do not meet the thresholds or other requirements above, such events would not be covered.

If the Terrorism Risk Insurance Program is not reenacted after its expiration in 2020, premiums for terrorism insurance coverage will likely increase and the terms of such insurance policies may be materially amended to increase stated exclusions or to otherwise effectively decrease the scope of coverage available. We cannot assure you that the Terrorism Risk Insurance Program will create any long term changes in the availability and cost of insuring terrorism risks. In addition, we cannot assure you that terrorism insurance or the Terrorism Risk Insurance Program will be available or provide sufficient protection against risks of loss on the mortgaged real properties resulting from acts of terrorism.

The applicable Originator required the related borrower to obtain terrorism insurance with respect to each of the underlying mortgage loans, the cost of which, in some cases, may be subject to a maximum amount as set forth in the related loan documents. The master servicer will not be obligated to require any borrower to obtain or maintain terrorism insurance in excess of the amounts of coverage and deductibles required by the loan documents. The master servicer will not be required to declare a default under an underlying mortgage loan if the related borrower fails to maintain insurance with respect to acts of terrorism, and the master servicer need not maintain (or require the borrower to obtain) such insurance, if certain conditions are met, as described under "Description of the Underlying Mortgage Loans—Certain Terms and Conditions of the Underlying Mortgage Loans—Property Damage, Liability and Other Insurance" in this information circular.

The loan documents may permit the lender to temporarily suspend, cap or otherwise limit the requirement that the borrower maintain insurance against acts of terrorism for a period not longer than one year, which suspension, waiver or cap may be renewed by the lender in one year increments, if insurance against acts of terrorism is not available at commercially reasonable rates and such hazards are not at the time commonly insured against for properties similar to the related mortgaged real property and located in and around the region where the mortgaged real property is located.

We cannot assure you regarding the extent to which the mortgaged real properties securing the underlying mortgage loans will be insured against acts of terrorism.

If any mortgaged real property securing an underlying mortgage loan sustains damage as a result of an uninsured terrorist or similar act, a default on such underlying mortgage loan may result, and such damaged mortgaged real property may not provide adequate collateral to satisfy all amounts owing under such underlying mortgage loan. This could result in losses on some classes of certificates, subject to the Freddie Mac Guarantee.

If a borrower is required, under the circumstances described above, to maintain insurance coverage with respect to terrorist or similar acts, the borrower may incur higher costs for insurance premiums in obtaining that coverage which would have an adverse effect on the net cash flow of the related mortgaged real property.

The Absence or Inadequacy of Earthquake, Flood and Other Insurance May Adversely Affect Payments on the Certificates. The mortgaged real properties may suffer casualty losses due to risks that are not covered by insurance or for which insurance coverage is inadequate. In addition, certain of the mortgaged real properties are located in regions that have historically been at greater risk regarding acts of nature (such as hurricanes, floods and earthquakes) than other regions, as applicable. There is no assurance that borrowers under the underlying mortgage loans will be able to maintain adequate insurance. Moreover, if reconstruction or any major repairs are required, changes in laws may materially affect the borrower's ability to effect such reconstruction or major repairs or may materially increase the costs of reconstruction and repair. As a result of any of these factors, the amount available to make distributions on the offered certificates could be reduced.

Compliance with Americans with Disabilities Act May Result in Additional Costs to Borrowers. Under the Americans with Disabilities Act of 1990, as amended (the "ADA"), all existing facilities considered to be "public accommodations" are required to meet certain federal requirements related to access and use by disabled persons such that the related borrower is required to take steps to remove architectural and communication barriers that are deemed "readily achievable" under the ADA. Factors to be considered in determining whether or not an action is "readily achievable" include the nature and cost of the action, the number of persons employed at the related mortgaged real property and the financial resources of the borrower. To the extent a mortgaged real property securing an underlying mortgage loan does not comply with the ADA, the borrower may be required to incur costs to comply with this law. We cannot assure you that the borrower will have the resources to comply with the requirements imposed by the ADA, which could result in the imposition of fines by the federal government or an award of damages to private litigants.

Limited Information Causes Uncertainty. Certain of the underlying mortgage loans are loans that were made to enable the related borrower to acquire the related mortgaged real property. Accordingly, for certain of these underlying mortgage loans limited or no historical operating information is available with respect to the related mortgaged real property. As a result, you may find it difficult to analyze the historical performance of those properties.

Litigation May Adversely Affect Property Performance. There may be pending or, from time to time, threatened legal proceedings against the borrowers under the underlying mortgage loans, the property managers of the related mortgaged real properties and their respective affiliates, arising out of the ordinary business of those borrowers, property managers and affiliates. We cannot assure you that litigation will not have a material adverse effect on your investment. See "—Borrower Bankruptcy Proceedings Can Delay and Impair Recovery on an Underlying Mortgage Loan", "—Sponsor Defaults on Other Mortgage Loans May Adversely Impact and Impair Recovery on an Underlying Mortgage Loan" and "—The Costs and Unpredictability of Patient Care Liability Claims May Adversely Affect the Borrowers' Ability To Repay the Underlying Mortgage Loans" above.

For example, with respect to the underlying mortgage loan secured by the mortgaged real property identified on Exhibit A-1 as "Kalama Heights," representing 4.9% of the initial mortgage pool balance, the sponsor of the related borrower reported a pending lawsuit in connection with allegations of sexual abuse and assault of a minor that occurred at such mortgaged real property. The sponsor reported that such litigation is currently in the discovery phase.

In addition, with respect to the underlying mortgage loan secured by the mortgaged real property identified on Exhibit A-1 as "Augustine Landing," representing 4.1% of the initial mortgage pool balance, the sponsor of the related borrower reported a pending claim of racial discrimination relating to the dismissal of an individual formerly employed at such mortgaged real property. The sponsor reported that such claim is being investigated by the U.S. Equal Employment Opportunity Commission (the "EEOC").

In addition, with respect to the underlying mortgage loan secured by the mortgaged real property identified on Exhibit A-1 as "Andover Place," representing 3.0% of the initial mortgage pool balance, the sponsor of the related borrower reported a wrongful death claim alleging that a former resident of such mortgaged real property died as a result of hypothermia during a power outage that occurred at such mortgaged real property. The sponsor reported that such litigation is currently in the discovery phase.

In addition, with respect to the underlying mortgage loan secured by the mortgaged real property identified on Exhibit A-1 as "Montara Meadows," representing 2.5% of the initial mortgage pool balance, the sponsor of the related borrower reported two pending lawsuits. The first lawsuit is a wrongful death claim alleging that a former resident of such mortgaged real property died as a result of falling on a sidewalk located at such mortgaged real property. The sponsor reported that such lawsuit is ongoing. The second lawsuit was brought in connection with claims of retaliation due to disability brought by an individual formerly employed at such mortgaged real property. The sponsor reported that such claim is being investigated by the EEOC.

We cannot assure you that any potential or active litigation will not adversely impact operations at or the value of the mortgaged real properties.

Master Servicer and Special Servicer May Be Directed To Take Actions. In connection with the servicing of Specially Serviced Mortgage Loans by the special servicer and the servicing of non-Specially Serviced Mortgage Loans by the master servicer, the master servicer or the special servicer may, at the direction of the directing certificateholder, take actions with respect to such loans that could adversely affect the holders of some or all of the classes of certificates. The directing certificateholder may have interests that conflict with those of certain certificateholders. As a result, it is possible that the directing certificateholder may direct the master servicer or the special servicer to take actions that conflict with the interests of certain classes of certificates. However, the master servicer and the special servicer are not permitted to take actions that are prohibited by law or violate the Servicing Standard or the terms of the loan documents.

In addition, the Pooling and Servicing Agreement provides that in certain circumstances the directing certificateholder may, at its own expense, request that the Directing Certificateholder Servicing Consultant (which may be the special servicer) prepare and deliver a recommendation relating to a requested waiver of any "due-on-sale" or "due-on-encumbrance" clause or a requested consent to certain modifications, waivers or amendments for certain non-Specially Serviced Mortgage Loans. In providing a recommendation in response to any such request, the Directing Certificateholder Servicing Consultant will be acting as a consultant to the directing certificateholder and any such recommendation provided will not be subject to the Servicing Standard. The Directing Certificateholder Servicing Consultant will have no duty or liability to any certificateholder other than the directing certificateholder in connection with any recommendation it gives the directing certificateholder or actions taken by any party as a result of such consultation services provided to the directing certificateholder as contemplated above. See "—The Master Servicer, the Special Servicer and the Sub-Servicer May Experience Conflicts of Interest" above.

The Mortgage Loan Seller May Not Be Able To Make a Required Cure, Repurchase or Substitution of a Defective Mortgage Loan. The mortgage loan seller is the sole warranting party in respect of the underlying mortgage loans sold by it to us. Neither we nor any of our affiliates are obligated to cure, repurchase or substitute any underlying mortgage loan in connection with a material breach of the mortgage loan seller's representations and warranties or any material document defects, if the mortgage loan seller defaults on its obligations to do so. We cannot assure you that the mortgage loan seller will effect any such cure, repurchase or substitution. If the mortgage loan seller fails to fulfill such obligation, you could experience cash flow disruptions or losses on your certificates, subject to the Freddie Mac Guarantee. In addition, the mortgage loan seller may have various legal defenses available to it in connection with a cure, repurchase or substitution obligation. Any underlying mortgage loan that is not cured, repurchased or substituted and that is not a "qualified mortgage" for a REMIC may cause designated portions of the issuing entity to fail to qualify as one or more REMICs or cause the issuing entity to incur a tax. See "—Risks Relating to the Mortgage Loan Seller and Guarantor" below and "Description of the Mortgage Loan Seller and Guarantor" and "Description of the Underlying Mortgage Loans—Cures, Repurchases and Substitutions" in this information circular.

The Mortgage Loan Seller May Become Subject to Receivership Laws That May Affect the Issuing Entity's Ownership of the Underlying Mortgage Loans. In the event of the receivership of the mortgage loan seller, it is possible the issuing entity's right to payment resulting from ownership of the underlying mortgage loans could be challenged, and if such challenge were successful, delays or reductions in payments on the certificates could occur. See "—Risks Relating to the Mortgage Loan Seller and Guarantor" below and "Description of the Mortgage Loan Seller and Guarantor" in this information circular.

One Action Rules May Limit Remedies. Several states, including California, have laws that prohibit more than one "judicial action" to enforce a mortgage obligation, and some courts have construed the term "judicial action" broadly. Accordingly, the special servicer is required to obtain advice of counsel prior to enforcing any of the issuing entity's legal rights under any of the underlying mortgage loans that are secured by mortgaged real properties located where the "one action" rules could be applicable. In the case of an underlying mortgage loan that is secured by mortgaged real properties located in multiple states, the special servicer may be required to foreclose first on properties located in states where the "one action" rules apply, and where non-judicial foreclosure is permitted, before foreclosing on properties located in states where judicial foreclosure is the only permitted method of foreclosure.

Tax Considerations Related to Foreclosure. Under the Pooling and Servicing Agreement, the special servicer, on behalf of the issuing entity, among others, may acquire one or more mortgaged real properties pursuant to a

foreclosure or deed-in-lieu of foreclosure. The special servicer will be permitted to perform or complete construction work on a foreclosed property only if such construction was more than 10% complete when default on the related underlying mortgage loan became imminent. In addition, any net income from the operation and management of any such property that is not qualifying "rents from real property," within the meaning of Code Section 856(d), and any rental income based on the net profits of a tenant or sub-tenant or allocable to a service that is non-customary in the area and for the type of property involved, will subject the issuing entity to U.S. federal (and possibly state or local) tax on such income at the highest marginal corporate tax rate (currently 35%), thereby reducing net proceeds available for distribution to the certificateholders.

In addition, if the special servicer, on behalf of the issuing entity, among others, were to acquire one or more mortgaged real properties pursuant to a foreclosure or deed-in-lieu of foreclosure, upon acquisition of those mortgaged real properties, it may be required in certain jurisdictions, particularly in California and New York, to pay state or local transfer or excise taxes upon liquidation of such properties. Such state or local taxes may reduce net proceeds available for distribution to the certificateholders.

Changes to REMIC Restrictions on Loan Modifications May Impact an Investment in the Certificates. The IRS has issued guidance easing the tax requirements for a servicer to modify a commercial or multifamily mortgage loan held in a REMIC by interpreting the circumstances when default is "reasonably foreseeable" to include those where the servicer reasonably believes that there is a "significant risk of default" with respect to the underlying mortgage loan upon maturity of the loan or at an earlier date, and that by making such modification the risk of default is substantially reduced. Accordingly, if the master servicer or the special servicer determined that an underlying mortgage loan was at significant risk of default and permitted one or more modifications otherwise consistent with the terms of the Pooling and Servicing Agreement, any such modification may impact the timing and ultimate recovery on the underlying mortgage loan, and likewise on one or more classes of certificates.

In addition, the IRS has issued final regulations under the REMIC Provisions that modify the tax restrictions imposed on a servicer's ability to modify the terms of the underlying mortgage loans held by a REMIC relating to changes in the collateral, credit enhancement and recourse features. The IRS has also issued Revenue Procedure 2010-30, describing circumstances in which it will not challenge the treatment of mortgage loans as "qualified mortgages" on the grounds that the underlying mortgage loan is not "principally secured by real property," that is, has a real property loan-to-value ratio greater than 125% following a release of liens on some or all of the real property securing such underlying mortgage loan. The general rule is that a mortgage loan must continue to be "principally secured by real property" following any such lien release, unless the lien release is pursuant to a defeasance permitted under the original loan documents and occurs more than two years after the startup day of the REMIC, all in accordance with the REMIC Provisions. Revenue Procedure 2010-30 also allows lien releases in certain "grandfathered transactions" and transactions in which the release is part of a "qualified pay-down transaction" even if the underlying mortgage loan after the transaction might not otherwise be treated as principally secured by a lien on real property. If the value of the real property securing an underlying mortgage loan were to decline, the need to comply with the rules of Revenue Procedure 2010-30 could restrict the servicers' actions in negotiating the terms of a workout or in allowing minor lien releases in circumstances in which, after giving effect to the release, the underlying mortgage loan would not have a real property loan-to-value ratio of 125% or less. This could impact the timing and ultimate recovery on an underlying mortgage loan, and likewise on one or more classes of certificates.

You should consider the possible impact on your investment of any existing REMIC restrictions as well as any potential changes to the REMIC rules.

Risks Related to the Offered Certificates

The Issuing Entity's Assets May Be Insufficient To Allow for Repayment in Full on the Offered Certificates. The offered certificates do not represent obligations of any person or entity and do not represent a claim against any assets other than those of the issuing entity. Other than as described under "Description of the Certificates—Distributions—Freddie Mac Guarantee" in this information circular, no governmental agency or instrumentality will guarantee or insure payment on the offered certificates. In addition, neither we nor our affiliates are responsible for making payments on the offered certificates if collections on the underlying mortgage loans are insufficient. If the underlying mortgage loans are insufficient to make payments on the offered certificates, other than as described

under "Description of the Certificates—Distributions—Freddie Mac Guarantee" in this information circular, no other assets will be available to you for payment of the deficiency, and you will bear the resulting loss. Any advances made by the master servicer or other party with respect to the underlying mortgage loans are intended solely to provide liquidity and not credit support. The party making those advances will have a right to reimbursement, with interest, which is senior to your right to receive payment on the offered certificates.

Credit Support Is Limited and May Not Be Sufficient To Prevent Loss on the Offered Certificates. Any use of credit support will be subject to the conditions and limitations described in this information circular and may not cover all potential losses or risks.

Although subordination is intended to reduce the risk to holders of senior certificates of delinquent distributions or ultimate losses, the amount of subordination will be limited and may decline under certain circumstances described in this information circular. In addition, if principal payments on one or more classes of certificates are made in a specified order or priority, any limits with respect to the aggregate amount of claims under any related credit support may be exhausted before the principal of the later paid classes of certificates has been repaid in full. As a result, the impact of losses and shortfalls experienced with respect to the underlying mortgage loans may fall primarily on those subordinate classes of certificates.

The Freddie Mac Guarantee is intended to provide credit enhancement to the offered certificates as described in this information circular by increasing the likelihood that holders of the offered certificates will receive (i) timely payments of interest, (ii) payment of principal to holders of the Offered Principal Balance Certificates, on or before the distribution date immediately following the maturity date of each underlying mortgage loan, (iii) reimbursement of Realized Losses and any Additional Issuing Entity Expenses allocated to the Offered Principal Balance Certificates and (iv) ultimate payment of principal by the Assumed Final Distribution Date to the holders of the Offered Principal Balance Certificates. If, however, Freddie Mac were to experience significant financial difficulties, or if the Conservator placed Freddie Mac in receivership and Freddie Mac's guarantee was repudiated as described in "—Risks Relating to the Mortgage Loan Seller and Guarantor" below, the credit enhancement provided by the Freddie Mac Guarantee may be insufficient and the holders of offered certificates may suffer losses as a result of the various contingencies described in this "Risk Factors" section and elsewhere in this information circular. See "Description of the Certificates—Distributions—Freddie Mac Guarantee" in this information circular for a detailed description of the Freddie Mac Guarantee. The offered certificates are not guaranteed by the United States and do not constitute debts or obligations of the United States or any agency or instrumentality of the United States other than Freddie Mac.

When making an investment decision, you should consider, among other things—

- the distribution priorities of the respective classes of certificates;
- the order in which the outstanding principal balances of the respective classes of certificates with outstanding principal balances will be reduced in connection with losses and default-related shortfalls (although such shortfalls with respect to the offered certificates will be covered under the Freddie Mac Guarantee); and
- the characteristics and quality of the underlying mortgage loans.

The Offered Certificates Have Uncertain Yields to Maturity. The yield on the offered certificates will depend on, among other things—

- the price you pay for the offered certificates; and
- the rate, timing and amount of distributions on the offered certificates.

The rate, timing and amount of distributions on the offered certificates will depend on, among other things—

- the pass-through rate for, and the other payment terms of, the offered certificates;
- the rate and timing of payments and other collections of principal on the underlying mortgage loans;

- the rate and timing of defaults, and the severity of losses, if any, on the underlying mortgage loans;

- the rate, timing, severity and allocation of other shortfalls and expenses that reduce amounts available for distribution on the certificates (although such shortfalls with respect to the offered certificates may be covered under the Freddie Mac Guarantee as further described in this information circular);

- the collection and payment, or waiver, of Static Prepayment Premiums, Yield Maintenance Charges and/or other prepayment premiums with respect to the underlying mortgage loans; and

- servicing decisions with respect to the underlying mortgage loans.

These factors cannot be predicted with any certainty. Accordingly, you may find it difficult to analyze the effect that these factors might have on the yield to maturity of the offered certificates.

If you purchase the Offered Principal Balance Certificates at a premium, and if payments and other collections of principal on the underlying mortgage loans occur at a rate faster than you anticipated at the time of your purchase, then your actual yield to maturity may be lower than you had assumed at the time of your purchase. Conversely, if you purchase the Offered Principal Balance Certificates at a discount, and if payments and other collections of principal on the underlying mortgage loans occur at a rate slower than you anticipated at the time of your purchase, then your actual yield to maturity may be lower than you had assumed at the time of your purchase.

If you purchase the class X certificates, your yield to maturity will be particularly sensitive to the rate and timing of principal payments on the underlying mortgage loans and the extent to which those amounts are applied to reduce the notional amount of those certificates. Each distribution of principal in reduction of the outstanding principal balance of any class of Principal Balance Certificates will result in a reduction in the notional amount of the corresponding component of the class X certificates. Your yield to maturity may also be adversely affected by—

- the repurchase of any underlying mortgage loans by the mortgage loan seller in connection with a material breach of a representation and warranty or a material document defect, as described under "Description of the Underlying Mortgage Loans—Cures, Repurchases and Substitutions" in this information circular;

- the purchase of a Defaulted Loan by the directing certificateholder pursuant to its purchase option under the Pooling and Servicing Agreement;

- the purchase of the Defaulted Loan by the holder of any subordinate debt or mezzanine debt pursuant to its purchase option under the related intercreditor agreement;

- the timing of defaults and liquidations of underlying mortgage loans; and

- the termination of the issuing entity, as described under "The Pooling and Servicing Agreement—Termination" in this information circular.

Prior to investing in the class X certificates, you should fully consider the associated risks, including the risk that an extremely rapid rate of amortization, prepayment or other liquidation of the underlying mortgage loans could result in your failure to recover fully your initial investment. See "Yield and Maturity Considerations—Yield Sensitivity of the Class X Certificates" in this information circular.

In addition, the amounts payable to the class X certificates will vary with changes in the total outstanding principal balance of the Principal Balance Certificates. The class X certificates will be adversely affected if underlying mortgage loans with relatively high mortgage interest rates experience a faster rate of principal payments than underlying mortgage loans with relatively low mortgage interest rates.

The yields on the offered certificates with variable or capped pass-through rates could also be adversely affected if underlying mortgage loans with relatively high net mortgage interest rates pay principal faster than the underlying mortgage loans with relatively low net mortgage interest rates.

Although all of the underlying mortgage loans currently have the same mortgage interest rates, maturity dates and amortization schedules, the terms of any of the underlying mortgage loans could be modified in connection with a modification, waiver or amendment of any underlying mortgage loan.

Generally, a borrower is less likely to prepay if prevailing interest rates are at or above the interest rate borne by its mortgage loan. On the other hand, a borrower is more likely to prepay if prevailing rates fall significantly below the interest rate borne by its mortgage loan. Borrowers are less likely to prepay mortgage loans with lockout periods, Yield Maintenance Charge provisions or Static Prepayment Premium provisions, to the extent enforceable, than otherwise identical mortgage loans without these provisions or with shorter lockout periods or with lower or no Yield Maintenance Charges or Static Prepayment Premiums. None of the master servicer, the special servicer or the sub-servicer will be required to advance and the Freddie Mac Guarantee does not cover any Yield Maintenance Charges, Static Prepayment Premiums or other prepayment premiums for the offered certificates.

Delinquencies on the underlying mortgage loans, if the delinquent amounts are not advanced, may result in shortfalls in distributions of interest and/or principal to the holders of the offered certificates for the current month (although such shortfalls with respect to the offered certificates may be covered under the Freddie Mac Guarantee). Furthermore, no interest will accrue on this shortfall during the period of time that the payment is delinquent. Even if losses on the underlying mortgage loans are not allocated to a particular class of the Offered Principal Balance Certificates, the losses may affect the weighted average life and yield to maturity of that class of Offered Principal Balance Certificates. Losses on the underlying mortgage loans, even if not allocated to a class of the Offered Principal Balance Certificates, may result in a higher percentage ownership interest evidenced by those Offered Principal Balance Certificates in the remaining underlying mortgage loans than would otherwise have resulted absent the loss. The consequent effect on the weighted average lives and yields to maturity of the offered certificates will depend on the characteristics of the remaining underlying mortgage loans. If defaults are material and non-monetary, the special servicer may still accelerate the maturity of the underlying mortgage loan which could result in an acceleration of payments to the certificateholders.

Shortfalls in the Available Distribution Amount resulting from Net Aggregate Prepayment Interest Shortfalls will generally be allocated to all classes of interest-bearing certificates, on a *pro rata* basis, based on interest accrued. However, such shortfalls with respect to the offered certificates will be covered under the Freddie Mac Guarantee. See "Description of the Certificates—Distributions—Interest Distributions" in this information circular.

Provisions requiring prepayment premiums or charges may not be enforceable in some states and under federal bankruptcy law, and may constitute interest for usury purposes. Accordingly, we cannot assure you that the obligation to pay a Yield Maintenance Charge or Static Prepayment Premium will be enforceable or, if enforceable, that the foreclosure proceeds will be sufficient to pay the Yield Maintenance Charge or Static Prepayment Premium in connection with an involuntary prepayment. In general, Yield Maintenance Charges and Static Prepayment Premiums will be among the last items payable out of foreclosure proceeds.

See "Yield and Maturity Considerations" in this information circular.

Optional Early Termination of the Issuing Entity May Result in an Adverse Impact on Your Yield or May Result in a Loss. The certificates will be subject to optional early termination by means of the purchase of the underlying mortgage loans and/or REO Properties in the issuing entity at the time and for the price described in "The Pooling and Servicing Agreement—Termination" in this information circular. We cannot assure you that the proceeds from a sale of the underlying mortgage loans and/or REO Properties will be sufficient to distribute the outstanding certificate balance plus accrued interest and any undistributed shortfalls in interest accrued on the certificates that are subject to the termination. Accordingly, the holders of certificates affected by such a termination may suffer an adverse impact on the overall yield on their certificates, may experience repayment of their investment at an unpredictable and inopportune times or may even incur a loss on their investment, subject to the Freddie Mac Guarantee in the case of the offered certificates. See "The Pooling and Servicing Agreement—Termination" in this information circular.

Commencing Legal Proceedings Against Parties to the Pooling and Servicing Agreement May Be Difficult. The trustee may not be required to commence legal proceedings against third parties at the direction of any certificateholders unless, among other conditions, at least 25% of the voting rights (determined without notionally reducing the outstanding principal balances of the Principal Balance Certificates by any Appraisal Reduction

Amounts) associated with the certificates join in the demand and offer indemnification satisfactory to the trustee. Those certificateholders may not commence legal proceedings themselves with respect to the Pooling and Servicing Agreement or the certificates unless the trustee has refused to institute proceedings after the conditions described in the proceeding sentence have been satisfied. These provisions may limit your personal ability to enforce the provisions of the Pooling and Servicing Agreement.

The Limited Nature of Ongoing Information May Make It Difficult for You To Resell the Certificates. The primary source of ongoing information regarding your certificates, including information regarding the status of the related underlying mortgage loans, will be the periodic reports delivered by the certificate administrator described under the heading "Description of the Certificates—Reports to Certificateholders and Freddie Mac; Available Information" in this information circular. We cannot assure you that any additional ongoing information regarding your certificates will be available through any other source. In addition, the depositor is not aware of any source through which price information about the certificates will be generally available on an ongoing basis. The limited nature of the information regarding the certificates may adversely affect the liquidity of the offered certificates, even if a secondary market for the certificates is available. There will have been no secondary market for the certificates prior to this offering. We cannot assure you that a secondary market will develop or, if it does develop, that it will provide you with liquidity of investment or continue for the lives of the offered certificates. The market value of the certificates will fluctuate with changes in prevailing rates of interest or other credit related market changes. Consequently, the sale of the certificates in any market that may develop may be at a discount from the related par value or purchase price. In addition, we have not engaged any NRSRO to rate any class of certificates. The absence of ratings may adversely affect the ability of an investor to purchase or retain, or otherwise impact the liquidity, market value and regulatory characteristics of, the certificates.

The Right of the Master Servicer and the Trustee To Receive Interest on Advances May Result in Additional Losses to the Issuing Entity. The master servicer and the trustee will each be entitled to receive interest on unreimbursed advances made by it. This interest will generally accrue from the date on which the related advance is made through the date of reimbursement. In addition, under certain circumstances, including a default by the borrower in the payment of principal and interest on an underlying mortgage loan, that underlying mortgage loan will become specially serviced and the special servicer will be entitled to compensation for performing special servicing functions pursuant to the related governing document(s). The right to receive these distributions of interest and compensation is senior to the rights of holders to receive distributions on the offered certificates and, consequently, may result in losses being allocated to the offered certificates that would not have resulted absent the accrual of this interest.

Insolvency Proceedings with respect to the Master Servicer, the Special Servicer, the Trustee or the Certificate Administrator May Adversely Affect Collections on the Underlying Mortgage Loans and the Ability to Replace the Master Servicer, the Special Servicer, the Trustee or the Certificate Administrator. The master servicer, the special servicer, the trustee or the certificate administrator for the certificates may be eligible to become a debtor under the United States Bankruptcy Code or enter into receivership under the Federal Deposit Insurance Act. Should this occur, although the issuing entity may be entitled to the termination of any such party, such provision may not be enforceable. An assumption under the Bankruptcy Code of its responsibilities under the Pooling and Servicing Agreement would require the master servicer, the special servicer, the trustee or the certificate administrator to cure any of its pre-bankruptcy defaults and demonstrate that it is able to perform following assumption. The impact of insolvency by an entity governed by state insolvency law would vary depending on the laws of the particular state. We cannot assure you that a bankruptcy or receivership of the master servicer, the special servicer, the trustee or the certificate administrator would not adversely impact the servicing or administration of the underlying mortgage loans or that the issuing entity would be entitled to terminate any such party in a timely manner or at all.

If the master servicer, the special servicer, the trustee or the certificate administrator becomes the subject of bankruptcy, receivership or similar proceedings, claims by the issuing entity to funds in the possession of the master servicer, the special servicer, the trustee or the certificate administrator at the time of the bankruptcy filing or other similar filing may not be perfected due to the circumstances of any bankruptcy or similar proceedings. In this event, funds available to pay principal and interest on the certificates may be delayed or reduced.

Inability To Replace the Master Servicer Could Affect Collections and Recoveries on the Mortgage Loans. The structure of the master servicing fee and master servicer surveillance fee payable to the master servicer might

affect the ability of the trustee to find a replacement master servicer. Although the trustee is required to replace the master servicer if the master servicer is terminated or resigns, if the trustee is unwilling (including for example because the master servicing fee and master servicer surveillance fee are insufficient) or unable (including for example, because the trustee does not have the computer systems required to service mortgage loans), it may be necessary to appoint a replacement master servicer. Because the master servicing fee and master servicer surveillance fee are structured as a percentage of the Stated Principal Balance of each underlying mortgage loan, it may be difficult to replace the master servicer at a time when the balance of the underlying mortgage loans has been significantly reduced because the fees may be insufficient to cover the costs associated with servicing the underlying mortgage loans and/or related REO Properties remaining in the mortgage pool. The performance of the underlying mortgage loans may be negatively impacted, beyond the expected transition period during a servicing transfer, if a replacement master servicer is not retained within a reasonable amount of time.

The Terms of the Underlying Mortgage Loans Will Affect Payments on the Offered Certificates. Each of the underlying mortgage loans will specify the terms on which the related borrower must repay the outstanding principal amount of the loan. The rate, timing and amount of scheduled payments of principal may vary, and may vary significantly, from mortgage loan to mortgage loan. The rate at which the underlying mortgage loans amortize will directly affect the rate at which the principal balance or notional amount of the offered certificates is paid down or otherwise reduced.

In addition, the underlying mortgage loans may permit the related borrower during some of the loan term to prepay the loan. In general, a borrower will be more likely to prepay its mortgage loan when it has an economic incentive to do so, such as obtaining a larger loan on the same mortgaged real property or a lower or otherwise more advantageous interest rate through refinancing. If an underlying mortgage loan includes some form of prepayment restriction, the likelihood of prepayment should decline. These restrictions may include an absolute or partial prohibition against voluntary prepayments during some of the loan term, during which voluntary principal prepayments are prohibited or a requirement that voluntary prepayments made during a specified period of time be accompanied by a Static Prepayment Premium or Yield Maintenance Charge.

With respect to all of the underlying mortgage loans other than the underlying mortgage loan secured by the mortgaged real property identified on Exhibit A-1 as "Genesee Gardens," representing 3.4% of the initial mortgage pool balance, pursuant to the loan documents, the related borrower has the right to release the related mortgaged real property from the lien of the related underlying mortgage loan and any applicable cross-collateralization agreement upon the satisfaction of certain conditions, as described under "Description of the Underlying Mortgage Loans—Certain Terms and Conditions of the Underlying Mortgage Loans—Release of Property Through Prepayment" in this information circular.

In certain instances, however, there will be no restriction associated with the application of insurance proceeds or condemnation proceeds as a prepayment of principal. See "Description of the Underlying Mortgage Loans—Certain Terms and Conditions of the Underlying Mortgage Loans Release of Property Through Prepayment" in this information circular.

The Terms of the Underlying Mortgage Loans Do Not Provide Absolute Certainty as Regards the Rate, Timing and Amount of Payments on the Offered Certificates. The amount, rate and timing of payments and other collections on the underlying mortgage loans will be unpredictable because of possible borrower defaults and prepayments on the underlying mortgage loans and possible casualties or condemnations with respect to the mortgaged real properties.

The investment performance of the offered certificates may vary materially and adversely from your expectations due to—

- the rate of prepayments and other unscheduled collections of principal on the underlying mortgage loans being faster or slower than you anticipated;

- the rate of defaults on the underlying mortgage loans being faster, or the severity of losses on the underlying mortgage loans being greater, than you anticipated;

- the actual net cash flow for the underlying mortgage loans being different than the underwritten net cash flow for the underlying mortgage loans as presented in this information circular; or

- the debt service coverage ratios for the underlying mortgage loans as set forth in the related loan documents being different than the debt service coverage ratios for the underlying mortgage loans as presented in this information circular.

The actual yield to you, as a holder of an offered certificate, may not equal the yield you anticipated at the time of your purchase, and the total return on investment that you expected may not be realized. In deciding whether to purchase any offered certificates, you should make an independent decision as to the appropriate prepayment, default and loss assumptions to be used.

Prepayments on the Underlying Mortgage Loans Will Affect the Average Lives of the Offered Certificates; and the Rate and Timing of Those Prepayments May Be Highly Unpredictable. Payments of principal and/or interest on the offered certificates will depend on, among other things, the rate and timing of payments on the underlying mortgage loans. Prepayments on the underlying mortgage loans may result in a faster rate of principal payments on the Offered Principal Balance Certificates, thereby resulting in shorter average lives for the offered certificates than if those prepayments had not occurred. The rate and timing of principal prepayments on pools of mortgage loans is influenced by a variety of economic, demographic, geographic, social, tax and legal factors. Although all of the underlying mortgage loans provide for prepayment lockout periods which cover a substantial portion of the loan terms, prepayments may still occur during such periods as a result of a casualty or condemnation event. In addition, prepayments may occur in connection with a release of a mortgaged real property securing a cross-collateralized underlying mortgage loan or in connection with a permitted partial release of a mortgaged real property. See "Description of the Underlying Mortgage Loans—Certain Terms and Conditions of the Underlying Mortgage Loans—Release of Property Through Prepayment" in this information circular.

In addition, any repurchase of an underlying mortgage loan by the mortgage loan seller due to a defect or breach of a representation or warranty will have the same effect as a prepayment of such underlying mortgage loan. See "Description of the Underlying Mortgage Loans—Cures, Repurchases and Substitutions" in this information circular.

Accordingly, we cannot predict the rate and timing of principal prepayments on the underlying mortgage loans. As a result, repayment of the offered certificates could occur significantly earlier or later, and the average lives of the offered certificates could be significantly shorter or longer, than you expected.

The extent to which prepayments on the underlying mortgage loans ultimately affect the average lives of the offered certificates depends on the terms and provisions of the offered certificates. A class of offered certificates may entitle the holders to a *pro rata* share of any prepayments on the underlying mortgage loans, to all or a disproportionately large share of those prepayments, or to none or a disproportionately small share of those prepayments. If you are entitled to a disproportionately large share of any prepayments on the underlying mortgage loans, the offered certificates may be retired at an earlier date. If, however, you are only entitled to a small share of the prepayments on the underlying mortgage loans, the average lives of the offered certificates may be extended. Your entitlement to receive payments, including prepayments, of principal of the underlying mortgage loans may—

- vary based on the occurrence of specified events, such as the retirement of one or more other classes of certificates; or

- be subject to various contingencies, such as prepayment and default rates with respect to the underlying mortgage loans.

Potential Conflicts of Interest of the Mortgage Loan Seller, the Depositor and the Depositor's Affiliates. The mortgage loan seller and certain of the depositor's affiliates own, lease or manage a number of properties other than the mortgaged real properties and may acquire additional properties in the future. Such other properties, similar to other third-party owned real estate, may compete with the mortgaged real properties for existing and potential tenants. We cannot assure you that the activities of the mortgage loan seller or the depositor's affiliates with respect to such other properties will not adversely impact the performance of the mortgaged real properties.

The mortgage loan seller may also have ongoing relationships with the borrowers under the underlying mortgage loans or the sponsors of the borrowers. If any of the underlying mortgage loans are refinanced, the mortgage loan seller may purchase the refinanced loan. The mortgage loan seller may be influenced by its desire to maintain good ongoing relationships with the borrowers or their sponsors.

The mortgage loan seller, the depositor and the depositor's affiliates (including one of the placement agents of the SPCs and the initial purchaser of the class B certificates) may benefit from this offering in a number of ways, some of which may be inconsistent with the interests of purchasers of the certificates. The mortgage loan seller, the depositor and their affiliates may benefit from a completed offering of the certificates because the offering would establish a market precedent and a valuation data point for securities similar to the certificates, thus enhancing the ability of the mortgage loan seller, the depositor and their affiliates to conduct similar offerings in the future and permitting them to write up, avoid writing down or otherwise adjust the fair value of the underlying mortgage loans or other similar loans or securities held on their balance sheet.

Each of these relationships should be considered carefully by you before you invest in any of the certificates.

Potential Conflicts of Interest of the Placement Agents and Their Affiliates. We expect that Freddie Mac will include the offered certificates in pass-through pools that it will form in connection with the issuance of its SPCs, which we expect Freddie Mac will offer to investors through placement agents. The activities of those placement agents and their respective affiliates (collectively, the "Placement Agent Entities") may result in certain conflicts of interest. The Placement Agent Entities may retain, or own in the future, classes of SPCs or certificates and any voting rights of those classes could be exercised by any such Placement Agent Entity in a manner that could adversely impact one or more classes of SPCs or one or more classes of certificates. If that were to occur, that Placement Agent Entity's interests may not be aligned with the interests of the holders of the SPCs or the certificates.

The Placement Agent Entities include broker-dealers whose businesses include executing securities and derivative transactions on their own behalf as principals and on behalf of clients. As such, they actively make markets in and trade financial instruments for their own accounts and for the accounts of customers. These financial instruments include debt and equity securities, currencies, commodities, bank loans, indices, baskets and other products. The Placement Agent Entities' activities include, among other things, executing large block trades and taking long and short positions directly and indirectly, through derivative instruments or otherwise. The securities and instruments in which the Placement Agent Entities take positions, or expect to take positions, include loans similar to the underlying mortgage loans, securities and instruments similar to the SPCs and the certificates, and other securities and instruments. Market making is an activity where the Placement Agent Entities buy and sell on behalf of customers, or for their own accounts, to satisfy the expected demand of customers. By its nature, market making involves facilitating transactions among market participants that have differing views of securities and instruments. As a result, you should expect that the Placement Agent Entities will take positions that are inconsistent with, or adverse to, the investment objectives of investors in one or more classes of SPCs or one or more classes of certificates.

As a result of the Placement Agent Entities' various financial market activities, including acting as a research provider, investment advisor, market maker or principal investor, you should expect that personnel in various businesses throughout the Placement Agent Entities will have and express research or investment views and make recommendations that are inconsistent with, or adverse to, the objectives of investors in one or more classes of SPCs or one or more classes of certificates.

To the extent a Placement Agent Entity makes a market in the SPCs or certificates (which it is under no obligation to do), it would expect to receive income from the spreads between its bid and offer prices for the SPCs or certificates. The price at which a Placement Agent Entity may be willing to purchase SPCs or certificates, if it makes a market, will depend on market conditions and other relevant factors and may be significantly lower than the issue price for the SPCs or certificates and significantly lower than the price at which it may be willing to sell the SPCs or certificates.

In addition, the Placement Agent Entities will have no obligation to monitor the performance of the SPCs, the certificates or the actions of the master servicer, the special servicer, the certificate administrator, the trustee, Freddie Mac or the directing certificateholder, and will have no authority to advise such parties or to direct their

actions. Furthermore, the Placement Agent Entities may have ongoing relationships with, render services to, and engage in transactions with the borrowers, the sponsors of the borrowers and their respective affiliates, which relationships and transactions may create conflicts of interest between the Placement Agent Entities, on the one hand, and the issuing entity, on the other hand.

Furthermore, the Placement Agent Entities expect that a completed offering will enhance their ability to assist clients and counterparties in the transaction or in related transactions (including assisting clients in additional purchases and sales of the certificates and hedging transactions). The Placement Agent Entities expect to derive fees and other revenues from these transactions. In addition, participating in a successful offering and providing related services to clients may enhance the Placement Agent Entities' relationships with various parties, facilitate additional business development, and enable them to obtain additional business and generate additional revenue.

The Placement Agent Entities are playing several roles in this transaction. Wells Fargo Securities, LLC, one of the placement agents for the SPCs, will also be the initial purchaser of the class B certificates and is an affiliate of the depositor and of Wells Fargo Bank, National Association, which will be the master servicer, the special servicer, the certificate administrator, the custodian and the certificate registrar. Each of these relationships should be considered carefully before making an investment in any class of SPCs or any class of certificates.

Your Lack of Control Over the Issuing Entity Can Adversely Impact Your Investment. Except as described below, investors in the certificates do not have the right to make decisions with respect to the administration of the issuing entity. These decisions are generally made, subject to the express terms of the Pooling and Servicing Agreement, by the master servicer, the special servicer, the certificate administrator and the trustee. Any decision made by any of those parties in respect of the issuing entity in accordance with the terms of the Pooling and Servicing Agreement, even if it determines that decision to be in your best interests, may be contrary to the decision that you would have made and may negatively affect your interests.

However, the directing certificateholder and Freddie Mac or its designee have the right to exercise various rights and powers in respect of the issuing entity as described under "The Pooling and Servicing Agreement—Realization Upon Mortgage Loans" and "—Resignation, Removal and Replacement of Servicers; Transfer of Servicing Duties" in this information circular.

In addition, in certain limited circumstances, certificateholders have the right to vote on matters affecting the issuing entity. In some cases, these votes are by certificateholders taken as a whole and in others the vote is by class. Your interests as a certificateholder of a particular class may not be aligned with the interests of certificateholders of one or more other classes of certificates in connection with any such vote. In all cases, voting is based on the outstanding certificate balance, which is reduced by Realized Losses. These limitations on voting could adversely affect your ability to protect your interests with respect to matters voted on by certificateholders. See "Description of the Certificates—Voting Rights" in this information circular.

A certificate registered in the name of the trustee, the certificate administrator, the master servicer, the special servicer, Freddie Mac, or any affiliate of any of them, as applicable, will be deemed not to be outstanding and the voting rights to which it is entitled will not be taken into account for the purposes of giving any consent, approval or waiver pursuant to the Pooling and Servicing Agreement with respect to the rights, obligations or liabilities of such party, as further described under "Description of the Certificates—Voting Rights" in this information circular.

The Interests of the Directing Certificateholder or Freddie Mac May Be in Conflict with the Interests of the Offered Certificateholders. Any advice provided by Freddie Mac (in its capacity as servicing consultant or otherwise) may conflict with the interests of one or more classes of certificateholders. In addition, the directing certificateholder and Freddie Mac or their respective designees (or any Junior Loan Holder that is a transferee of Freddie Mac) have the right to exercise the various rights and powers in respect of the mortgage pool described under "The Pooling and Servicing Agreement—Realization Upon Mortgage Loans" in this information circular. Any such junior lien mortgages and related securities may be purchased by certificateholders in this transaction, including the directing certificateholder, in which case the directing certificateholder could experience conflicts of interest when exercising consent rights with respect to the underlying mortgage loans and any related junior lien mortgages or related securities. You should expect that the directing certificateholder and Freddie Mac or their respective designees will each exercise those rights and powers on behalf of itself, and they will not be liable to any certificateholders for doing so. However, certain matters relating to Affiliated Borrower Loans will require the

special servicer to act in place of the directing certificateholder. See "The Pooling and Servicing Agreement—Realization Upon Mortgage Loans—Asset Status Report" in this information circular.

In certain instances, the directing certificateholder will be entitled under the Pooling and Servicing Agreement to receive a portion of certain borrower-paid transfer fees and collateral substitution fees. See "The Pooling and Servicing Agreement—The Master Servicer and the Special Servicer" in this information circular. The directing certificateholder may have an incentive to maximize the amount of fees it collects by approving borrower actions that will result in the payment of such fees. As a result, the directing certificateholder may have interests that conflict with those of other holders of certificates. See "Description of the Certificates—Fees and Expenses" in this information circular.

In addition, subject to the conditions described under "The Pooling and Servicing Agreement—Resignation, Removal and Replacement of Servicers; Transfer of Servicing Duties" in this information circular, the directing certificateholder may remove the special servicer, with or without cause, and appoint a successor special servicer chosen by it without the consent of the holders of any other certificates, the trustee, the certificate administrator or the master servicer, but with the approval of Freddie Mac, which approval may not be unreasonably withheld. Also, if at any time an Affiliated Borrower Special Servicer Loan Event occurs, the Pooling and Servicing Agreement will require that the special servicer promptly resign as special servicer of the related Affiliated Borrower Special Servicer Loan and, in the case where such Affiliated Borrower Special Servicer Loan is not an Affiliated Borrower Loan, the directing certificateholder will have the right to select the successor Affiliated Borrower Special Servicer to act as the special servicer with respect to such Affiliated Borrower Special Servicer Loan, in accordance with the requirements of the Pooling and Servicing Agreement. See "The Pooling and Servicing Agreement—Resignation, Removal and Replacement of Servicers; Transfer of Servicing Duties—Resignation of the Master Servicer or the Special Servicer" and "—Removal of the Master Servicer, the Special Servicer and the Sub-Servicer." In the absence of significant losses on the underlying mortgage loans, the directing certificateholder will be a holder of a non-offered class of certificates. The directing certificateholder is therefore likely to have interests that conflict with those of the holders of the offered certificates. See "The Pooling and Servicing Agreement—Realization Upon Mortgage Loans—Directing Certificateholder" in this information circular.

You May Be Bound by the Actions of Other Certificateholders. In some circumstances, the consent or approval of the holders of a specified percentage of the certificates will be required in order to direct, consent to or approve certain actions, including amending the Pooling and Servicing Agreement. In these cases, this consent or approval will be sufficient to bind all holders of certificates.

The Volatile Economy and Credit Disruptions May Adversely Affect the Value and Liquidity of Your Investment. In recent years, the real estate and securitization markets, including the market for CMBS, as well as global financial markets and the economy generally, experienced significant dislocations, illiquidity and volatility and thus affected the values of such CMBS. We cannot assure you that another dislocation in CMBS will not occur.

Any economic downturn may adversely affect the financial resources of borrowers and may result in the inability of borrowers to make principal and interest payments on, or to refinance, their underlying mortgage loans when due or to sell their mortgaged real properties for an amount sufficient to pay off such underlying mortgage loans when due. In the event of default by any borrower, the issuing entity may suffer a partial or total loss with respect to the related underlying mortgage loan. Any delinquency or loss on any underlying mortgage loan would have an adverse effect on the distributions of principal and interest received by certificateholders.

Other Events or Circumstances May Affect the Value and Liquidity of Your Investment. The value and liquidity of your investment in the certificates may be affected by general economic conditions and financial markets, as well as the following events or circumstances:

- wars, revolts, terrorist attacks, armed conflicts, energy supply or price disruptions, political crises, natural disasters, civil unrest and/or protests and man-made disasters may have an adverse effect on the mortgaged real properties and/or the certificates;

- defaults on the underlying mortgage loans may occur in large concentrations over a period of time, which might result in rapid declines in the value of the certificates;

- although all of the underlying mortgage loans were recently underwritten and originated, the values of the mortgaged real properties may have declined since the related underlying mortgage loans were originated and may decline following the issuance of the certificates and such declines may be substantial and occur in a relatively short period following the issuance of the certificates; and such declines may occur for reasons largely unrelated to the circumstances of the particular mortgaged real property;

- if the underlying mortgage loans default, then the yield on your investment may be substantially reduced notwithstanding that Liquidation Proceeds may be sufficient to result in the repayment of the principal of and accrued interest on the offered certificates; an earlier than anticipated repayment of principal (even in the absence of losses) in the event of a default in advance of the maturity date would tend to shorten the weighted average period during which you earn interest on your investment; and a later than anticipated repayment of principal (even in the absence of losses) in the event of a default upon the maturity date would tend to delay your receipt of principal and the interest on your investment may be insufficient to compensate you for that delay;

- even if Liquidation Proceeds received on Defaulted Loans are sufficient to cover the principal and accrued interest on those underlying mortgage loans, the issuing entity may experience losses in the form of special servicing fees and other expenses, and you may bear losses as a result, or your yield may be adversely affected by such losses;

- the time periods to resolve Defaulted Loans may be long, and those periods may be further extended because of borrower bankruptcies and related litigation; this may be especially true in the case of loans made to borrowers that have, or whose affiliates have, substantial debts other than the underlying mortgage loan, including related subordinate or mezzanine financing;

- trading activity associated with indices of CMBS may drive spreads on those indices wider than spreads on CMBS, thereby resulting in a decrease in the value of such CMBS, including the offered certificates, and spreads on those indices may be affected by a variety of factors, and may or may not be affected for reasons involving the commercial and multifamily real estate markets and may be affected for reasons that are unknown and cannot be discerned;

- if you determine to sell the certificates, you may be unable to do so or you may be able to do so only at a substantial discount from the price you paid; this may be the case for reasons unrelated to the then-current performance of the certificates or the underlying mortgage loans; and this may be the case within a relatively short period following the issuance of the certificates; and

- even if CMBS are performing as anticipated, the value of such CMBS in the secondary market may nevertheless decline as a result of a deterioration in general market conditions for other asset-backed securities or structured products, and you may be required to report declines in the value of the certificates, and/or record losses, on your financial statements or regulatory or supervisory reports, and/or repay or post additional collateral for any secured financing, hedging arrangements or other financial transactions that you are entering into that are backed by or make reference to the certificates, in each case as if the certificates were to be sold immediately.

Legal and Regulatory Provisions Affecting Investors Could Adversely Affect the Liquidity of Your Investment. We make no representation as to the proper characterization of the certificates for legal investment, financial institution regulatory, financial reporting or other purposes, as to the ability of particular investors to purchase the certificates under applicable legal investment or other restrictions or as to the consequences of an investment in the certificates for such purposes or under such restrictions. Changes in federal banking and securities laws and other laws and regulations may have an adverse effect on issuers, investors, or other participants in the asset-backed securities markets including the CMBS market. While the general effects of such changes are uncertain, regulatory or legislative provisions applicable to certain investors may have the effect of limiting or restricting their ability to hold or acquire CMBS, which in turn may adversely affect the ability of investors in the certificates who are not subject to those provisions to resell their certificates in the secondary market. For example:

- Investors should be aware of the risk retention and due diligence requirements in Europe (the "EU Risk Retention and Due Diligence Requirements") which currently apply, or are expected to apply in the future, to various types of EU regulated investors including credit institutions, authorized alternative investment fund managers, investment firms, insurance and reinsurance undertakings and Undertakings for Collective Investment in Transferable Securities funds. Among other things, such requirements restrict an investor who is subject to the EU Risk Retention and Due Diligence Requirements from investing in securitizations unless: (i) the originator, sponsor or original lender in respect of the relevant securitization has explicitly disclosed that it will retain, on an on-going basis, a net economic interest of not less than 5% in respect of certain specified credit risk tranches or securitized exposures; and (ii) such investor is able to demonstrate that they have undertaken certain due diligence in respect of various matters including but not limited to its securities position, the underlying assets and (in the case of certain types of investors) the relevant sponsor or originator. Failure to comply with one or more of the requirements may result in various penalties including, in the case of those investors subject to regulatory capital requirements, the imposition of a punitive capital charge on the securities acquired by the relevant investor.

- On September 30, 2015, the European Commission published a proposal to amend the EU Risk Retention and Due Diligence Requirements (the "Draft CRR Amendment Regulation") and a proposed regulation relating to a European framework for simple, transparent and standardized securitization (such proposed regulation, including any implementing regulation, technical standards and official guidelines related thereto, together with the Draft CRR Amendment Regulation, the "Securitization Regulation") which would, among other things, re-cast the EU risk retention rules as part of wider changes to establish a "Capital Markets Union" in Europe. The Presidency of the Council of Ministers of the European Union has also published compromise proposals concerning the Securitization Regulation. The Securitization Regulation will need to be considered, finalized and adopted by the European Parliament and Council of Ministers. It is unclear at this time when the Securitization Regulation will become effective. You should be aware that there are material differences between the current EU Risk Retention and Due Diligence Requirements and the Securitization Regulation. The Securitization Regulation may go into effect in a form that differs from the published proposals and drafts.

- None of Freddie Mac, the depositor, their respective affiliates or any other person intends to retain a material net economic interest in the securitization constituted by the issue of the certificates in accordance with the EU Risk Retention and Due Diligence Requirements or to take any other action that may be required by investors regulated by the European Economic Area ("EEA") for the purposes of their compliance with the EU Risk Retention and Due Diligence Requirements. Consequently, the certificates are not a suitable investment for EEA-credit institutions, EEA-investment firms or the other types of EEA-regulated investors mentioned above. As a result, the price and liquidity of the certificates in the secondary market may be adversely affected. EEA-regulated investors are encouraged to consult with their own investment and legal advisors regarding the suitability of the certificates for investment.

- Recent changes in federal banking and securities laws, including those resulting from the Dodd-Frank Act enacted in the United States, may have an adverse effect on issuers, investors, or other participants in the asset-backed securities markets. In particular, new capital regulations were issued by the U.S. banking regulators in July 2013; these regulations implement the increased capital requirements established under the Basel Accord and are being phased in over time. These new capital regulations eliminate reliance on credit ratings and otherwise alter, and in most cases increase, the capital requirements imposed on depository institutions and their holding companies, including with respect to ownership of asset-backed securities such as CMBS. Further changes in capital requirements have been announced by the Basel Committee on Banking Supervision and it is uncertain when such changes will be implemented in the United States. When fully implemented in the United States, these changes may have an adverse effect with respect to investments in asset-backed securities, including CMBS. As a result of these regulations, investments in CMBS, such as the certificates, by financial institutions subject to bank capital regulations may result in greater capital charges to these financial institutions and these new regulations may otherwise adversely affect the treatment of CMBS for their regulatory capital purposes.

- The Financial Accounting Standards Board has adopted changes to the accounting standards for structured products. These changes, or any future changes, may affect the accounting for entities such as the issuing

entity, could under certain circumstances require an investor or its owner generally to consolidate the assets of the issuing entity in its financial statements and record third parties' investments in the issuing entity as liabilities of that investor or owner or could otherwise adversely affect the manner in which the investor or its owner must report an investment in CMBS for financial reporting purposes.

Accordingly, all investors whose investment activities are subject to legal investment laws and regulations, regulatory capital requirements or review by regulatory authorities should consult with their own legal, accounting and other advisors in determining whether, and to what extent, the certificates will constitute legal investments for them or are subject to investment or other restrictions, unfavorable accounting treatment, capital charges or reserve requirements.

The Prospective Performance of the Mortgage Loans Included in the Issuing Entity Should Be Evaluated Separately from the Performance of the Mortgage Loans in Any of Our Other Trusts. While there may be certain common factors affecting the performance and value of income-producing real properties in general, those factors do not apply equally to all income-producing real properties and, in many cases, there are unique factors that will affect the performance and/or value of a particular income-producing real property. Moreover, the effect of a given factor on a particular mortgaged real property will depend on a number of variables, including but not limited to property type, geographic location, competition, sponsorship and other characteristics of the property and the related underlying mortgage loan. Each income-producing mortgaged real property represents a separate and distinct business venture and, as a result each mortgage loan requires a unique underwriting analysis. Furthermore, economic and other conditions affecting mortgaged real properties, whether worldwide, national, regional or local, vary over time. The performance of a pool of mortgage loans originated and outstanding under a given set of economic conditions may vary significantly from the performance of an otherwise comparable mortgage pool originated and outstanding under a different set of economic conditions. Accordingly, investors should evaluate the underlying mortgage loans independently from the performance of mortgage loans underlying any other series of certificates.

In addition, in this transaction, all of the underlying mortgage loans are secured by independent living facility mortgaged properties. See "—Risks Related to the Underlying Mortgage Loans—Senior Housing Properties Pose Risks Not Associated with Other Types of Multifamily Properties" above for a further description of issues applicable to healthcare related properties.

The Market Value of the Certificates Will Be Sensitive to Factors Unrelated to the Performance of the Certificates and the Underlying Mortgage Loans. The market value of the certificates can decline even if the certificates and the underlying mortgage loans are performing at or above your expectations. The market value of the certificates will be sensitive to fluctuations in current interest rates. However, a change in the market value of the certificates as a result of an upward or downward movement in current interest rates may not equal the change in the market value of the certificates as a result of an equal but opposite movement in interest rates.

The market value of the certificates will also be influenced by the supply of and demand for CMBS generally. The supply of CMBS will depend on, among other things, the amount of commercial and multifamily mortgage loans, whether newly originated or held in portfolio, that are available for securitization. A number of factors will affect investors' demand for CMBS, including—

- the availability of alternative investments that offer high yields or are perceived as being a better credit risk, having a less volatile market value or being more liquid;

- legal and other restrictions that prohibit a particular entity from investing in CMBS or limit the amount or types of CMBS that it may acquire;

- investors' perceptions regarding the commercial and multifamily real estate markets which may be adversely affected by, among other things, a decline in real estate values or an increase in defaults and foreclosures on mortgage loans secured by income-producing properties; and

- investors' perceptions regarding the capital markets in general, which may be adversely affected by political, social and economic events completely unrelated to the commercial and multifamily real estate markets.

If you decide to sell the certificates, you may have to sell at a discount from the price you paid for reasons unrelated to the performance of the certificates or the related underlying mortgage loans. Pricing information regarding the certificates may not be generally available on an ongoing basis.

The Certificates Will Not Be Rated. We have not engaged any NRSRO to rate any class of certificates. The absence of ratings may adversely affect the ability of an investor to purchase or retain, or otherwise impact the liquidity, market value and regulatory characteristics of, the certificates.

If your investment activities are subject to legal investment laws and regulations, regulatory capital requirements or review by regulatory authorities, then you may be subject to restrictions on investment in the certificates. You should consult your own legal advisors for assistance in determining the suitability of and consequences to you of the purchase, ownership and sale of the certificates.

Risks Relating to the Mortgage Loan Seller and Guarantor

The Conservator May Repudiate Freddie Mac's Contracts, Including Its Guarantee and Other Obligations Related to the Offered Certificates. On September 6, 2008, the Federal Housing Finance Agency ("FHFA") was appointed Freddie Mac's conservator by the FHFA director. See "Description of the Mortgage Loan Seller and Guarantor—Freddie Mac Conservatorship" in this information circular. The conservator has the right to transfer or sell any asset or liability of Freddie Mac, including its guarantee obligation, without any approval, assignment or consent. If the conservator were to transfer Freddie Mac's guarantee obligation to another party, holders of the offered certificates would have to rely on that party for the satisfaction of the guarantee obligation and would be exposed to the credit risk of that party. Freddie Mac is also the mortgage loan seller and as such has certain obligations to repurchase underlying mortgage loans in the event of material breaches of certain representations or warranties. If the conservator were to transfer Freddie Mac's obligations as mortgage loan seller to another party, holders of the certificates would have to rely on that party for satisfaction of the repurchase obligation and would be exposed to credit risk of that party.

Future Legislation and Regulatory Actions Will Likely Affect the Role of Freddie Mac. Future legislation will likely materially affect the role of Freddie Mac, its business model, its structure and future results of operations. Some or all of Freddie Mac's functions could be transferred to other institutions, and it could cease to exist as a stockholder-owned company or at all.

On February 11, 2011, the Obama Administration delivered a report to Congress that lays out the Administration's plan to reform the U.S. housing finance market, including options for structuring the government's long-term role in a housing finance system in which the private sector is the dominant provider of mortgage credit. The report recommends winding down Freddie Mac and Fannie Mae, stating that the Administration will work with FHFA to determine the best way to responsibly reduce the role of Freddie Mac and Fannie Mae in the market and ultimately wind down both institutions. The report recommends using a combination of policy levers to wind down Freddie Mac and Fannie Mae, shrink the government's footprint in housing finance, and help bring private capital back to the mortgage market, including: (i) increasing guarantee fees; (ii) increasing private capital ahead of Freddie Mac and Fannie Mae guarantees and phasing in a 10% down payment requirement; (iii) reducing conforming loan limits; and (iv) winding down Freddie Mac and Fannie Mae's investment portfolios.

In addition to legislative actions, FHFA has expansive regulatory authority over Freddie Mac, and the manner in which FHFA will use its authority in the future is unclear. FHFA could take a number of regulatory actions that could materially adversely affect Freddie Mac, such as changing or reinstating current capital requirements, which are not binding during conservatorship.

FHFA Could Terminate the Conservatorship by Placing Freddie Mac into Receivership, Which Could Adversely Affect the Freddie Mac Guarantee. Under the Federal Housing Finance Regulatory Reform Act (the "Reform Act"), FHFA must place Freddie Mac into receivership if FHFA determines in writing that Freddie Mac's assets are less than its obligations for a period of 60 days. FHFA has notified Freddie Mac that the measurement period for any mandatory receivership determination with respect to Freddie Mac's assets and obligations would commence no earlier than the SEC public filing deadline for its quarterly or annual financial statements and would continue for 60 calendar days after that date. FHFA has also advised Freddie Mac that, if, during that 60-day period, Freddie Mac receives funds from the U.S. Department of the Treasury ("Treasury") in an amount at least equal to

the deficiency amount under the senior preferred stock purchase agreement between FHFA, as conservator of Freddie Mac, and Treasury (as amended, the "Purchase Agreement"), the Director of FHFA will not make a mandatory receivership determination.

In addition, Freddie Mac could be put into receivership at the discretion of the Director of FHFA at any time for other reasons, including conditions that FHFA has already asserted existed at the time Freddie Mac was placed into conservatorship. These include: a substantial dissipation of assets or earnings due to unsafe or unsound practices; the existence of an unsafe or unsound condition to transact business; an inability to meet its obligations in the ordinary course of business; a weakening of its condition due to unsafe or unsound practices or conditions; critical undercapitalization; the likelihood of losses that will deplete substantially all of its capital; or by consent. A receivership would terminate the conservatorship. The appointment of FHFA (or any other entity) as Freddie Mac's receiver would terminate all rights and claims that its creditors may have against Freddie Mac's assets or under its charter arising as a result of their status as creditors, other than the potential ability to be paid upon Freddie Mac's liquidation. Unlike a conservatorship, the purpose of which is to conserve Freddie Mac's assets and return it to a sound and solvent condition, the purpose of a receivership is to liquidate Freddie Mac's assets and resolve claims against Freddie Mac.

In the event of a liquidation of Freddie Mac's assets, there can be no assurance that there would be sufficient proceeds to pay the secured and unsecured claims of the company, repay the liquidation preference of any series of its preferred stock or make any distribution to the holders of its common stock. To the extent that Freddie Mac is placed in receivership and does not or cannot fulfill its guarantee or other contractual obligations to the holders of its mortgage-related securities, including the certificates, such holders could become unsecured creditors of Freddie Mac with respect to claims made under Freddie Mac's guarantee or its other contractual obligations.

As receiver, FHFA could repudiate any contract entered into by Freddie Mac prior to its appointment as receiver if FHFA determines, in its sole discretion, that performance of the contract is burdensome and that repudiation of the contract promotes the orderly administration of Freddie Mac's affairs. The Reform Act requires that any exercise by FHFA of its right to repudiate any contract occur within a reasonable period following its appointment as receiver.

If FHFA, as receiver, were to repudiate Freddie Mac's guarantee obligations, the receivership estate would be liable for actual direct compensatory damages as of the date of receivership under the Reform Act. Any such liability could be satisfied only to the extent that Freddie Mac's assets were available for that purpose.

Moreover, if Freddie Mac's guarantee obligations were repudiated, payments of principal and/or interest to the holders of the offered certificates would be reduced in the event of any borrower's late payment or failure to pay or a servicer's failure to remit borrower payments into the issuing entity or advance borrower payments. Any actual direct compensatory damages owed as a result of the repudiation of Freddie Mac's guarantee obligations may not be sufficient to offset any shortfalls experienced by the holders of the offered certificates.

During a receivership, certain rights of the holders of the offered certificates under the Pooling and Servicing Agreement and mortgage loan purchase agreement may not be enforceable against FHFA, or enforcement of such rights may be delayed.

The Reform Act also provides that no person may exercise any right or power to terminate, accelerate or declare an event of default under certain contracts to which Freddie Mac is a party, or obtain possession of or exercise control over any property of Freddie Mac, or affect any contractual rights of Freddie Mac, without the approval of FHFA as receiver, for a period of 90 days following the appointment of FHFA as receiver.

If Freddie Mac is placed into receivership and does not or cannot fulfill its guarantee obligations or other contractual obligations under the Pooling and Servicing Agreement, holders of the certificates could become unsecured creditors of Freddie Mac with respect to claims made under its guarantee or other contractual obligations.

CAPITALIZED TERMS USED IN THIS INFORMATION CIRCULAR

From time to time we use capitalized terms in this information circular. A capitalized term used throughout this information circular will have the meaning assigned to it in the "Glossary" to this information circular.

FORWARD-LOOKING STATEMENTS

This information circular includes the words "expects," "intends," "anticipates," "likely," "estimates," and similar words and expressions. These words and expressions are intended to identify forward-looking statements. Any forward-looking statements are made subject to risks and uncertainties that could cause actual results to differ materially from those stated. These risks and uncertainties include, among other things, declines in general economic and business conditions, increased competition, changes in demographics, changes in political and social conditions, regulatory initiatives and changes in customer preferences, many of which are beyond our control and the control of any other person or entity related to this offering. The forward-looking statements made in this information circular are accurate as of the date stated on the cover of this information circular. We have no obligation to update or revise any forward-looking statement.

DESCRIPTION OF THE ISSUING ENTITY

The entity issuing the certificates will be FREMF 2016-KS07 Mortgage Trust, which we refer to in this information circular as the "issuing entity." The issuing entity is a New York common law trust that will be formed on the Closing Date pursuant to the Pooling and Servicing Agreement. The only activities that the issuing entity may perform are those set forth in the Pooling and Servicing Agreement, which are generally limited to owning and administering the underlying mortgage loans and any REO Property, disposing of Defaulted Loans and REO Property, issuing the certificates and making distributions and providing reports to certificateholders. Accordingly, the issuing entity may not issue securities other than the certificates, or invest in securities, other than investment of funds in certain accounts maintained under the Pooling and Servicing Agreement in certain short-term, high-quality investments. The issuing entity may not lend or borrow money, except that the master servicer or the trustee may make advances to the issuing entity only to the extent it deems such advances to be recoverable from the related underlying mortgage loan. Such advances are intended to be in the nature of a liquidity, rather than a credit facility. The Pooling and Servicing Agreement may be amended as set forth under "The Pooling and Servicing Agreement—Amendment" in this information circular. The issuing entity administers the underlying mortgage loans through the master servicer and the special servicer. A discussion of the duties of the servicers, including any discretionary activities performed by each of them, is set forth under "The Pooling and Servicing Agreement" in this information circular.

The only assets of the issuing entity other than the underlying mortgage loans and any REO Properties are certain accounts maintained pursuant to the Pooling and Servicing Agreement, the obligations of Freddie Mac pursuant to the Freddie Mac Guarantee and the short-term investments in which funds in the collection accounts and other accounts are invested. The issuing entity has no present liabilities, but has potential liability relating to ownership of the underlying mortgage loans and any REO Properties, and indemnity obligations to the trustee, the custodian, the certificate administrator, the master servicer, the special servicer and Freddie Mac (in its capacity as servicing consultant). The fiscal year of the issuing entity is the calendar year. The issuing entity has no executive officers or board of directors. It acts through the trustee, the custodian, the certificate administrator, the master servicer and the special servicer.

The depositor is contributing the underlying mortgage loans to the issuing entity. The depositor is purchasing the underlying mortgage loans from the mortgage loan seller pursuant to a mortgage loan purchase agreement, as described in "Summary of Information Circular—The Underlying Mortgage Loans—Source of the Underlying Mortgage Loans" and "Description of the Underlying Mortgage Loans—Representations and Warranties" in this information circular.

As a common-law trust, it is anticipated that the issuing entity would not be subject to the Bankruptcy Code. In connection with the sale of the underlying mortgage loans from the depositor to the issuing entity, a legal opinion is required to be rendered to the effect that if the depositor were to become a debtor in a case under the Bankruptcy Code, a federal bankruptcy court, which acted reasonably and correctly applied the law to the facts as set forth in

such legal opinion after full consideration of all relevant factors, would hold that the transfer of the underlying mortgage loans from the depositor to the issuing entity was a true sale rather than a pledge such that (i) the underlying mortgage loans, and payments under the underlying mortgage loans and identifiable proceeds from the underlying mortgage loans would not be property of the estate of the depositor under Section 541(a)(1) of the Bankruptcy Code and (ii) the automatic stay arising pursuant to Section 362(a) of the Bankruptcy Code upon the commencement of a bankruptcy case of the depositor is not applicable to payments on the certificates. This legal opinion is based on numerous assumptions, and we cannot assure you that all of such assumed facts are true, or will continue to be true. Moreover, we cannot assure you that a court would rule as anticipated in the foregoing legal opinion.

The issuing entity will be relying on an exclusion or exemption under the Investment Company Act contained in Section 3(c)(5) of the Investment Company Act or Rule 3a-7 under the Investment Company Act, although there may be additional exclusions or exemptions available to the issuing entity. Accordingly, the issuing entity is being structured so as not to constitute a "covered fund" for purposes of the regulations adopted on December 10, 2013 to implement Section 619 of the Dodd-Frank Act (such statutory provision, together with such implementing regulations, the "Volcker Rule"). The Volcker Rule generally prohibits "banking entities" (which is broadly defined to include U.S. banks and bank holding companies and many non-U.S. banking entities, together with their respective subsidiaries and other affiliates) from (i) engaging in proprietary trading, (ii) acquiring or retaining an ownership interest in or sponsoring a "covered fund" and (iii) entering into certain relationships with such funds. The Volcker Rule became effective on July 21, 2012, and final regulations implementing the Volcker Rule were adopted on December 10, 2013. Banking entities are required to be in conformance with the Volcker Rule by July 21, 2015, although ownership interests or sponsorships in covered funds in existence prior to December 31, 2013 are not required to be brought into conformance until July 21, 2017 (with the possibility of an additional five-year extension for certain illiquid funds). Prior to the applicable conformance date expiration, banking entities must make good faith efforts to conform their activities and investments to the Volcker Rule. Under the Volcker Rule, unless otherwise jointly determined otherwise by specified federal regulators, a "covered fund" does not include an issuer that may rely on an exclusion or exemption from the definition of "investment company" under the Investment Company Act other than the exclusions contained in Section 3(c)(1) and Section 3(c)(7) of the Investment Company Act. The general effects of the Volcker Rule remain uncertain. Any prospective investor in the certificates, including a U.S. or foreign bank or a subsidiary or other bank affiliate, should consult its own legal advisors regarding such matters and other effects of the Volcker Rule.

There are no legal proceedings pending against the issuing entity that are material to the certificateholders.

DESCRIPTION OF THE DEPOSITOR

The depositor is Wells Fargo Commercial Mortgage Securities, Inc., a North Carolina corporation. The depositor is an affiliate of Wells Fargo Securities, LLC, which will be the initial purchaser of the class B certificates and is one of the placement agents for the SPCs, and of Wells Fargo Bank, National Association, which will be the master servicer, the special servicer, the certificate administrator, the custodian and the certificate registrar.

The depositor maintains its principal office at 375 Park Avenue, 2nd Floor, New York, New York 10152. Its telephone number is (212) 214-5600. The depositor does not have, nor is it expected in the future to have, any significant assets or liabilities.

The depositor will have minimal ongoing duties with respect to the offered certificates and the underlying mortgage loans. The depositor's duties pursuant to the Pooling and Servicing Agreement include, without limitation, the duty to appoint a successor trustee or certificate administrator in the event of the resignation or removal of the trustee or the certificate administrator, to provide information in its possession to the certificate administrator to the extent necessary to perform REMIC tax administration and to indemnify the trustee, the certificate administrator, the master servicer, the special servicer, the custodian, Freddie Mac and the issuing entity for any liability, assessment or costs arising from its willful misconduct, bad faith, fraud or negligence in providing such information. The depositor is required under the certificate purchase agreement relating to the offered certificates to indemnify Freddie Mac for certain liabilities.

Under the Pooling and Servicing Agreement, the depositor and various related persons and entities will be entitled to be indemnified by the issuing entity for certain losses and liabilities incurred by the depositor as described in "The Pooling and Servicing Agreement—Certain Indemnities" in this information circular.

There are no legal proceedings pending against the depositor that are material to the certificateholders.

Neither we nor any of our affiliates will guarantee any of the underlying mortgage loans. Furthermore, no governmental agency or instrumentality will guarantee or insure any of those underlying mortgage loans.

DESCRIPTION OF THE MORTGAGE LOAN SELLER AND GUARANTOR

The Mortgage Loan Seller and Guarantor

All of the underlying mortgage loans were sold to us by Freddie Mac, the mortgage loan seller. Each underlying mortgage loan was purchased by the mortgage loan seller from W&D and was re-underwritten by the mortgage loan seller.

Freddie Mac is one of the largest participants in the U.S. mortgage market. Freddie Mac is a stockholder-owned government-sponsored enterprise chartered by Congress on July 24, 1970 under the Freddie Mac Act to stabilize residential mortgage markets in the United States and expand opportunities for homeownership and affordable rental housing.

Freddie Mac's statutory purposes are:

- to provide stability in the secondary market for residential mortgages;
- to respond appropriately to the private capital markets;
- to provide ongoing assistance to the secondary market for residential mortgages (including mortgages on housing for low- and moderate-income families involving a reasonable economic return that may be less than the return earned on other activities) by increasing the liquidity of mortgage investments and improving the distribution of investment capital available for residential mortgage financing; and
- to promote access to mortgage credit throughout the United States (including central cities, rural areas and other underserved areas) by increasing the liquidity of mortgage investments and improving the distribution of investment capital available for residential mortgage financing.

Freddie Mac fulfills the requirements of its charter by purchasing residential mortgages and mortgage-related securities in the secondary mortgage market and securitizing such mortgages into mortgage-related securities for its mortgage-related investment portfolio. It also purchases multifamily residential mortgages in the secondary mortgage market and holds these loans either for investment or sale. Freddie Mac finances the purchases of its mortgage-related securities and mortgage loans, and manages its interest-rate and other market risks, primarily by issuing a variety of debt instruments and entering into derivative contracts in the capital markets. Although it is chartered by Congress, Freddie Mac is solely responsible for making payments on its obligations. Neither the U.S. government nor any agency or instrumentality of the U.S. government other than Freddie Mac guarantees its obligations.

Freddie Mac Conservatorship

Freddie Mac continues to operate under the conservatorship that commenced on September 6, 2008, conducting its business under the direction of the FHFA, Freddie Mac's conservator (the "Conservator"). FHFA was established under the Reform Act. Prior to the enactment of the Reform Act, HUD had general regulatory authority over Freddie Mac, including authority over Freddie Mac's affordable housing goals and new programs. Under the Reform Act, FHFA now has general regulatory authority over Freddie Mac, though HUD still has authority over Freddie Mac with respect to fair lending.

Upon its appointment, FHFA, as Conservator, immediately succeeded to all rights, titles, powers and privileges of Freddie Mac and of any stockholder, officer or director of Freddie Mac with respect to Freddie Mac and its assets,

and succeeded to the title to all books, records and assets of Freddie Mac held by any other legal custodian or third party. During the conservatorship, the Conservator has delegated certain authority to Freddie Mac's Board of Directors to oversee, and to Freddie Mac's management to conduct, day-to-day operations so that Freddie Mac can continue to operate in the ordinary course of business. There is significant uncertainty as to whether or when Freddie Mac will emerge from conservatorship, as it has no specified termination date, and as to what changes may occur to Freddie Mac's business structure during or following conservatorship, including whether Freddie Mac will continue to exist. While Freddie Mac is not aware of any current plans of its Conservator to significantly change its business structure in the near term, there are likely to be significant changes beyond the near-term that will be decided by the Obama Administration and Congress.

To address deficits in Freddie Mac's net worth, FHFA, as Conservator, entered into the Purchase Agreement with Treasury, and (in exchange for an initial commitment fee of senior preferred stock and warrants to purchase common stock) Treasury made a commitment to provide funding, under certain conditions. Freddie Mac is dependent upon the continued support of Treasury and FHFA in order to continue operating its business. Freddie Mac's ability to access funds from Treasury under the Purchase Agreement is critical to keeping it solvent and avoiding appointment of a receiver by FHFA under statutory mandatory receivership provisions.

On February 11, 2011, the Obama Administration delivered a report to Congress that lays out the Administration's plan to reform the U.S. housing finance market, including options for structuring the government's long-term role in a housing finance system in which the private sector is the dominant provider of mortgage credit. The report recommends winding down Freddie Mac and Fannie Mae, stating that the Administration will work with FHFA to determine the best way to responsibly reduce the role of Freddie Mac and Fannie Mae in the market and ultimately wind down both institutions. The report states that these efforts must be undertaken at a deliberate pace, which takes into account the impact that these changes will have on borrowers and the housing market.

The report states that the government is committed to ensuring that Freddie Mac and Fannie Mae have sufficient capital to perform under any guarantees issued now or in the future and the ability to meet any of their debt obligations, and further states that the Administration will not pursue policies or reforms in a way that would impair the ability of Freddie Mac and Fannie Mae to honor their obligations. The report states the Administration's belief that under the companies' senior preferred stock purchase agreements with Treasury, there is sufficient funding to ensure the orderly and deliberate wind down of Freddie Mac and Fannie Mae, as described in the Administration's plan.

Additional information regarding the conservatorship, the Purchase Agreement and other matters concerning Freddie Mac is available in the annual reports on Form 10-K, quarterly reports on Form 10-Q and other reports filed with the SEC by Freddie Mac.

Proposed Operation of Multifamily Mortgage Business on a Stand-Alone Basis

Legislation has been proposed in Congress that, if passed into law, would require Freddie Mac to transition its multifamily operations to a stand-alone entity. Because proposed legislation ultimately may not be passed into law or may be changed before it is passed into law, it is uncertain whether Freddie Mac will be required to transition its multifamily operations to a stand-alone entity by such proposed legislation or any other method.

If Freddie Mac were to transition its multifamily operations to one or more stand-alone entities, such entities may be entitled to exercise the rights and perform the obligations of Freddie Mac under the Pooling and Servicing Agreement, the mortgage loan purchase agreement and other transaction documents. However, Freddie Mac's obligations under the Freddie Mac Guarantee and as mortgage loan seller would continue to be the obligations of Freddie Mac in its capacity as Guarantor of the Guaranteed Certificates and mortgage loan seller, respectively.

Litigation Involving Mortgage Loan Seller and Guarantor

For more information on Freddie Mac's involvement as a party to various legal proceedings, see the annual reports on Form 10-K, quarterly reports on Form 10-Q and other reports filed with the SEC by Freddie Mac.

Mortgage Loan Purchase and Servicing Standards of the Mortgage Loan Seller

General. Any mortgage loans that Freddie Mac purchases must satisfy the mortgage loan purchase standards that are contained in the Freddie Mac Act. These standards require Freddie Mac to purchase mortgage loans of a quality, type and class that meet generally the purchase standards imposed by private institutional mortgage loan investors. This means the mortgage loans must be readily marketable to institutional mortgage loan investors.

The Guide. In addition to the standards in the Freddie Mac Act, which Freddie Mac cannot change, Freddie Mac has established its own multifamily mortgage loan purchase standards, appraisal guidelines and servicing policies and procedures. These are in Freddie Mac's Multifamily Seller/Servicer Guide which can be accessed by subscribers at www.allregs.com (the "Guide"). Forms of Freddie Mac's current loan documents can be found on Freddie Mac's website, www.freddiemac.com. The master servicer, special servicer and the sub-servicer will be required to service the underlying mortgage loans other than REO Loans, REO Properties and Specially Serviced Mortgage Loans pursuant to, among other things, Freddie Mac Servicing Practices, including the Guide, as described in "The Pooling and Servicing Agreement—Servicing Under the Pooling and Servicing Agreement" in this information circular.

Freddie Mac may waive or modify its mortgage loan purchase standards and guidelines and servicing policies and procedures when it purchases any particular mortgage loan or afterward. We have described those changes in this information circular if we believe they will materially change the prepayment behavior of the underlying mortgage loans. Freddie Mac also reserves the right to change its mortgage loan purchase standards, credit, appraisal, underwriting guidelines and servicing policies and procedures at any time. This means that the underlying mortgage loans may not conform at any particular time to all of the provisions of the Guide or Freddie Mac's mortgage loan purchase documents.

Certain aspects of Freddie Mac's mortgage loan purchase and servicing guidelines are summarized below. However, this summary is qualified in its entirety by the Guide, any applicable mortgage loan purchase documents, any applicable servicing agreement and any applicable supplemental disclosure.

Mortgage Loan Purchase Standards. Freddie Mac uses mortgage loan information available to it to determine which mortgage loans it will purchase, the prices it will pay for mortgage loans, how to pool the mortgage loans it purchases and which mortgage loans it will retain in its portfolio. The information Freddie Mac uses varies over time, and may include:

- the loan-to-value and debt service coverage ratios of the mortgage loan;
- the strength of the market in which the mortgaged real property is located;
- the strength of the mortgaged real property's operations;
- the physical condition of the mortgaged real property;
- the financial strength of the borrower and its principals;
- the management experience and ability of the borrower and its principals or the property manager, as applicable; and
- Freddie Mac's evaluation of and experience with the seller of the mortgage loan.

To the extent allowed by the Freddie Mac Act, Freddie Mac has discretion to determine its mortgage loan purchase standards and whether the mortgage loans it purchases will be securitized or held in its portfolio.

Eligible Sellers, Servicers and Warranties. Freddie Mac approves sellers and servicers of mortgage loans based on a number of factors, including their financial condition, operational capability and mortgage loan origination and servicing experience. The seller or servicer of a mortgage loan need not be the originator of that mortgage loan.

In connection with its purchase of a mortgage loan, Freddie Mac relies on the representations and warranties of the seller with respect to certain matters, as is customary in the secondary market. These warranties cover such matters as:

- the accuracy of the information provided by the borrower;
- the accuracy and completeness of any third-party reports prepared by a qualified professional;
- the validity of each mortgage as a first or second lien, as applicable;
- the timely payments on each mortgage loan at the time of delivery to Freddie Mac;
- the physical condition of the mortgaged real property;
- the accuracy of rent schedules; and
- the originator's compliance with applicable state and federal laws.

Mortgage Loan Servicing Policies and Procedures. Freddie Mac generally supervises servicing of the mortgage loans according to its written policies, procedures and the Guide. Each servicer must diligently perform all services and duties customary to the servicing of multifamily mortgages and as required by Freddie Mac Servicing Practices, which includes the Guide. These include:

- collecting and posting payments on the mortgage loans;
- investigating delinquencies and defaults;
- analyzing and recommending any special borrower requests, such as requests for assumptions, subordinate financing and partial release;
- submitting monthly electronic remittance reports and annual financial statements obtained from borrowers;
- administering escrow accounts;
- inspecting properties;
- responding to inquiries of borrowers or government authorities; and
- collecting insurance claims.

Servicers service the mortgage loans, either directly or through approved sub-servicers, and receive fees for their services. Freddie Mac monitors the servicer's performance through periodic and special reports and inspections to ensure it complies with its obligations. A servicer may remit payments to Freddie Mac under various arrangements but these arrangements do not affect the timing of payments to investors. Freddie Mac invests those payments at its own risk and for its own benefit until it passes through the payments to investors. The master servicer and the special servicer will be required to service the underlying mortgage loans other than REO Loans, REO Properties and Specially Serviced Mortgage Loans pursuant to, among other things, the Guide, as described in "The Pooling and Servicing Agreement—Servicing Under the Pooling and Servicing Agreement" in this information circular.

DESCRIPTION OF THE BORROWERS

Each borrower is a single purpose Delaware corporation structured to be bankruptcy remote. The borrowers are (a) directly or indirectly owned by affiliates of New Senior Investment Group Inc., a Delaware corporation, ("New Senior Investment Group") and (b) indirectly controlled by New Senior Investment Group. Each borrower was formed for the purpose of acquiring, developing, owning and operating the mortgaged real properties. The majority of the borrowers are recycled single purpose limited liability companies. Each borrower will not have significant

assets other than the mortgaged real properties that it owns. See "Risk Factors—Risks Related to the Underlying Mortgage Loans—The Type of Borrower May Entail Risk" in this information circular.

DESCRIPTION OF NEW SENIOR INVESTMENT GROUP

New Senior Investment Group is a publicly traded real estate investment trust with a diversified portfolio of senior housing properties located across the United States. New Senior Investment Group is one of the largest owners of senior housing properties in the United States, with a portfolio, as of June 30, 2016, of 154 primarily private pay senior housing properties located in 37 states.

DESCRIPTION OF THE MASTER MANAGEMENT AGREEMENTS AND SUB-MANAGEMENT AGREEMENTS

Each mortgaged real property is managed by an affiliate of the related borrower (each, a "Property Manager") pursuant to a property management agreement, dated as of August 12, 2015 (each, a "Master Management Agreement"), between such borrower and such Property Manager. Each mortgaged real property is further managed by Holiday AL Management Sub LLC (the "Sub-Manager") pursuant to a sub-management agreement, dated as of August 12, 2015 (each, a "Sub-Management Agreement"), between the related Property Manager and the Sub-Manager.

Master Management Agreements

Pursuant to each Master Management Agreement, the related Property Manager is entitled to a monthly management fee (the "Master Management Fee") equal to 4.0% of (i) such Property Manager's direct monthly costs of arranging and administering the related Sub-Management Agreement plus (ii) the related Sub-Management Fee (as defined below). Each Master Management Agreement commenced on August 12, 2015, and, unless terminated earlier in accordance with the provisions described below, will terminate on the fifth anniversary of the date of such Master Management Agreement (such period, the "Initial Term"). Such Initial Term will be extended continuously and automatically for 1 year periods (each, an "Extended Period") unless the related borrower or Property Manager delivers a written notice of termination of such Master Management Agreement at least 90 days prior to commencement of the next Extended Period. In addition, each Master Management Agreement will terminate when the related borrower terminates it in accordance with one of the following provisions:

- The borrower may terminate the Master Management Agreement upon written notice of the Property Manager's failure to cure any default under such Master Management Agreement within the specified time period by providing written notice to the Property Manager.
- The borrower may terminate the Master Management Agreement upon the Property Manager's bankruptcy, insolvency, or reorganization or any assignment for the benefit of the creditors of such Property Manager. In addition, the borrower may terminate the Master Management Agreement upon the occurrence of (i) any fraud, gross negligence or willful misconduct by the Property Manager affecting the borrower or the mortgaged real property or (ii) the conviction of any of the Property Manager's employees or agents providing services at the mortgaged real property unless the Property Manager terminates such employee.
- The borrower may terminate the Master Management Agreement upon the occurrence of any casualty or condemnation resulting in the temporary or permanent closure of all or substantially all of the mortgaged real property or if, pursuant to the related loan documents, such borrower is required to restrict access to the mortgaged real property following a casualty or condemnation affecting all or any portion of the mortgaged real property.
- The borrower may terminate the Master Management Agreement without cause at any time upon 90 days written notice to the Property Manager. However, if the borrower is terminating the Master Management Agreement to protect the REIT status of the borrower's owners, such written notice is effective 10 days after delivery of such notice to the Property Manager.

- The borrower may terminate the Master Management Agreement for cause at any time upon 30 days written notice if the earnings before interest, income taxes, depreciation, amortization, rent and management fees (the "EBITDARM") for any calendar year are less than 80.0% of the lessor of (a) the EBITDARM as set forth in the applicable annual budget for such calendar year and (b) the EBITDARM during the prior calendar year.

- The borrower may terminate the Master Management Agreement upon 30 days written notice upon a sale, transfer or other disposition that results in a change in control of the Property Manager.

- The borrower may terminate the Master Management Agreement by providing 10 days written notice to the related borrower if any other management agreement between such borrower or its affiliates and the Property Manager or its affiliates is terminated by such borrower or any of its affiliates. However, that such borrower will be obligated to pay the Property Manager's reasonable and documented out-of-pocket costs and expenses up to $16,000 in connection with the termination of such Master Management Agreement.

In addition, each Master Management Agreement will terminate when the related Property Manager terminates such Master Management Agreement in accordance with one of the following provisions:

- The Property Manager may terminate the Master Management Agreement upon written notice of the borrower's failure to cure any default under such Master Management Agreement within the specified time period. In addition, such borrower will be obligated to pay the Property Manager's reasonable and documented out-of-pocket costs and expenses up to $16,000 in connection with such termination.

- The Property Manager may terminate the Master Management Agreement upon the related borrower's bankruptcy, insolvency or reorganization or any assignment for the benefit of the creditors of such borrower.

- The Property Manager may terminate the Master Management Agreement upon the occurrence of any casualty or condemnation resulting in the temporary or permanent closure of all or substantially all of the mortgaged real property.

- The Property Manager may terminate the Master Management Agreement if (i) the mortgaged real property is not generating sufficient revenue to pay the related costs and expenses of managing such mortgaged real property, (ii) there are insufficient funds in the operating accounts established pursuant to such Master Management Agreement and (iii) the borrower fails to deposit sufficient funds in such operating account within 5 days receipt of notice of such insufficiency. In addition, the borrower will be obligated to pay the Property Manager's reasonable and documented out-of-pocket costs and expenses up to $16,000 in connection with such termination.

- The Property Manager may terminate the Master Management Agreement without cause at any time upon 90 days written notice to the related borrower.

- The Property Manager may terminate the Master Management Agreement upon 5 days written notice if it reasonably believes that any amounts in the annual budget are not sufficient to operate the mortgaged real property in compliance with the terms of such Master Management Agreement.

- The Property Manager may terminate the Master Management Agreement upon 30 days written notice upon a sale, transfer or other disposition that results in a change in control of the related borrower or that results in a transfer of the mortgaged real property to an unaffiliated party.

In addition, each Master Management Agreement will terminate if the lender exercises its right to terminate such Master Management Agreement upon the occurrence of a default under the related loan documents. However, that the related borrower will be obligated to pay the related Property Manager's reasonable and documented out-of-pocket costs and expenses up to $16,000 in connection with such termination if the termination was the fault of such borrower or its affiliates.

Pursuant to each Master Management Agreement, the related borrower granted the related Property Manager the sole and exclusive right to lease, rent and manage the related mortgaged real property. Among other things, each

Property Manager is required to: (a) annually prepare and submit to the borrower, for such borrower's approval, a proposed budget for the mortgaged real property, in a form reasonably acceptable to such borrower, for the promotion, operation, repair and maintenance of such mortgaged real property, (b) maintain adequate and separate books and records for the mortgaged real property, (c) provide monthly reports of balance sheets as of month end, detailed profit and loss statements as well as a 12-month profit and loss trend report, a rent roll as of month end, a general ledger, a cash disbursements journal and a cash receipts journal and annual financial statements, (d) employ a sufficient number of capable employees to enable the Property Manager to manage, operate and maintain the mortgaged real property properly, adequately, safely and economically, (e) maintain all insurance required to be obtained under the Master Management Agreement, (f) maintain and develop operational policies, procedures and manuals as may be necessary to operate the mortgaged real property as an independent living facility in compliance with any applicable licensing requirements, (g) establish the schedule of recommended charges for occupancy, products and services at the mortgaged real property, (h) enter into service and utility contracts as may be required for the operation of the mortgaged real property, (i) purchase inventories, provisions, supplies and operating equipment necessary for the maintenance and operation of the mortgaged real property, (j) coordinate the repair and maintenance of the mortgaged real property in a condition that is substantially the same or better than existed as of the date of such Master Management Agreement, (k) develop and implement the overall business and marketing plans, (l) use its commercially reasonable efforts to enter into agreements with residents that contain economic terms which are consistent with the applicable annual budget and perform the duties and responsibilities imposed under the terms of such agreements and (m) use its commercially reasonable efforts to operate and manage the mortgaged real property as an independent living facility in compliance with all applicable laws.

Sub-Management Agreements

Pursuant to each Sub-Management Agreement, the related Sub-Manager is entitled to a monthly management fee (the "Sub-Management Fee") equal to 5.0% of all revenues derived during such monthly period from the operation of the healthcare facility located at the related mortgaged real property, subject to certain limitations set forth in such Sub-Management Agreement. In addition, each Sub-Manager may be entitled to certain annual incentive fees as described in the related Sub-Management Agreement. Each Sub-Management Agreement commenced on August 12, 2015, and, unless earlier terminated in accordance with its terms, will terminate after the Initial Term. However, such Initial Term will be extended continuously and automatically for an Extended Period unless the related Property Manager or Sub-Manager delivers to the other a written notice of termination of such Sub-Management Agreement at least 90 days prior to commencement of the next Extended Period. In addition, each Sub-Management Agreement will terminate when the related Property Manager terminates such Sub-Management Agreement in accordance with one of the following provisions:

- The Property Manager may terminate the Sub-Management Agreement by providing written notice to the Sub-Manager of the Sub-Manager's failure to cure any default under such agreement within the specified time period.

- The Property Manager may terminate the Sub-Management Agreement upon the Sub-Manager's bankruptcy, insolvency or reorganization or any assignment for the benefit of the creditors of such Sub-Manager. In addition, the Property Manager may terminate the Sub-Management Agreement upon the occurrence of (i) any fraud, gross negligence or willful misconduct by the Sub-Manager affecting the Property Manager or the mortgaged real property or (ii) the conviction of any of the Sub-Manager's employees or agents providing services at the mortgaged real property unless the Sub-Manager terminates such employee.

- The Property Manager may terminate the Sub-Management Agreement upon the occurrence of any casualty or condemnation resulting in the temporary or permanent closure of all or substantially all of the mortgaged real property or if, pursuant to the related loan documents, such Property Manager is required to restrict access to the mortgaged real property following a casualty or condemnation affecting all or any portion of the mortgaged real property.

- The Property Manager may terminate the Sub-Management Agreement without cause at any time upon 90 days written notice. However, if the Property-Manager is terminating the agreement to protect the REIT status of the borrower's owners, such written notice is effective 10 days after delivery.

- The Property Manager may terminate the Sub-Management Agreement for cause at any time upon 30 days written notice if the EBITDARM for any calendar year is less than 80.0% of the lessor of (a) the EBITDARM as set forth in the applicable annual budget for such calendar year and (b) the EBITDARM during the prior calendar year.

- The Property Manager may terminate the Sub-Management Agreement upon 30 days written notice upon a sale, transfer or other disposition that results in a change in control of the Sub-Manager.

- The Property Manager may terminate the Sub-Management Agreement upon 10 days written notice if any other management agreement between such Property Manager or its affiliates and the Sub-Manager or its affiliates is terminated by such Property Manager or any affiliates. However, such Property Manager will be obligated to pay the Sub-Manager's reasonable and documented out-of-pocket costs and expenses up to $16,000 in connection with such termination.

In addition, each Sub-Management Agreement will terminate when the related Sub-Manager terminates such Sub-Management Agreement in accordance with one of the following provisions:

- The Sub-Manager may terminate the Sub-Management Agreement by providing written notice to the Property Manager of the Property Manager's failure to cure any default under such Sub-Management Agreement within the specified time period. In addition, the Property Manager will be obligated to pay the Sub-Manager's reasonable and documented out-of-pocket costs and expenses up to $16,000 in connection with the termination of such agreement.

- The Sub-Manager may terminate the Sub-Management Agreement upon the Property Manager's bankruptcy, insolvency or reorganization or any assignment for the benefit of the creditors of such Property Manager.

- The Sub-Manager may terminate the Sub-Management Agreement upon the occurrence of any casualty or condemnation resulting in the temporary or permanent closure of all or substantially all of the mortgaged real property.

- The Sub-Manager may terminate the Sub-Management Agreement if (i) the mortgaged real property is not generating sufficient revenue to pay the related costs and expenses of managing such mortgaged real property, (ii) there are insufficient funds in the operating accounts established pursuant to such agreement and (iii) the Property Manager has failed to deposit sufficient funds in such operating account within 5 days receipt of notice of such insufficiency. In addition, the Property Manager will be obligated to pay the Sub-Manager's reasonable and documented out-of-pocket costs and expenses up to $16,000 in connection with such termination.

- The Sub-Manager may terminate the Sub-Management Agreement without cause at any time upon 90 days written notice.

- The Sub-Manager may terminate the Sub-Management Agreement upon 5 days written notice if such Sub-Manager reasonably believes that any amounts in the annual budget are not sufficient to operate the mortgaged real property in compliance with the terms of such agreement.

- The Sub-Manager may terminate the Sub-Management Agreement upon 30 days written notice upon the occurrence of a sale, transfer or other disposition that results in a change in control of the Property Manager or that results in a transfer of the mortgaged real property to an unaffiliated party.

- The Sub-Manager may terminate the Sub-Management Agreement by providing 10 days written notice following any default by such Property Manager under the related Master Management Agreement.

In addition, each Sub-Management Agreement will terminate if the related Master Management Agreement is terminated. Further, each Sub-Management Agreement will terminate if related lender exercises its right to terminate such Sub-Management Agreement upon the occurrence of a default under the related loan documents. However, the related Property Manager will be obligated to pay the related Sub-Manager's reasonable and documented out-of-pocket costs and expenses up to $16,000 in connection with such termination if the termination was the fault of the borrower, the Property Manager, or any of their affiliates.

Pursuant to each Sub-Management Agreement, the related Property Manager granted the related Sub-Manager the sole and exclusive right to lease, rent and manage the related mortgaged real property. Among other things, each Sub-Manager is required to: (a) annually prepare and submit to the related Property Manager for approval a proposed budget, in a form reasonably acceptable to such Property Manager, for the promotion, operation, repair and maintenance of such mortgaged real property, (b) maintain adequate and separate books and records for the mortgaged real property, (c) provide monthly reports of balance sheets as of month end, detailed profit and loss statements as well as a 12-month profit and loss trend report, a rent roll as of month end, a general ledger, a cash disbursements journal and a cash receipts journal and annual financial statements, (d) employ a sufficient number of capable employees to enable the Sub-Manager to manage, operate and maintain the mortgaged real property properly, adequately, safely and economically, (e) maintain all insurance required to be obtained under the Sub-Management Agreement, (f) maintain and develop operational policies, procedures and manuals as may be necessary to operate the mortgaged real property as an independent living facility in compliance with any applicable licensing requirements, (g) establish the schedule of recommended charges for occupancy, products and services at the mortgaged real property, (h) enter into service and utility contracts as may be required for the operation of the mortgaged real property, (i) purchase inventories, provisions, supplies and operating equipment necessary for the maintenance and operation of the mortgaged real property, (j) coordinate the repair and maintenance of the mortgaged real property in a condition that is substantially the same or better than existed as of August 12, 2015, (k) develop and implement the overall business and marketing plans, (l) use its commercially reasonable efforts to enter into agreements with residents that contain economic terms which are consistent with the applicable annual budget and perform the duties and responsibilities imposed under the terms of such agreements and (m) use commercially reasonable efforts to operate and manage the mortgaged real property as an independent living facility in compliance with all applicable laws.

DESCRIPTION OF THE UNDERLYING MORTGAGE LOANS

General

All of the mortgaged real properties are senior housing facilities which offer independent living services. Pursuant to the terms of each underlying mortgage loan, each related mortgaged real property may, in the future, contain a mix of assisted living, independent living and/or memory care services. In general, assisted living facilities provide housing, 24-hour staffing, and a variety of services including assistance with activities of daily living, such as bathing, dressing, and medication administration. In general, independent living refers to residential apartments/units that provide limited services, such as congregate meals and planned activities, but do not ordinarily provide any nursing care. In general, memory care units within the facilities provide specialized services for people with Alzheimer's disease, memory conditions and other dementias.

See "Risk Factors—Risks Related to the Underlying Mortgage Loans" in this information circular for a description of some of the risks relating to senior housing facility properties. Also see "Senior Housing Facility Operations" for further discussion of assisted living, independent living and memory care facility properties.

The assets of the issuing entity will consist primarily of 28 fixed rate mortgage loans, secured by 28 multifamily properties. Each underlying mortgage loan is secured by a mortgaged real property that consists of a single parcel or two or more contiguous or non-contiguous parcels, and we refer to such parcel or parcels collectively as a "mortgaged real property" securing the related underlying mortgage loan. We refer to these loans that we intend to include in the issuing entity collectively in this information circular as the "underlying mortgage loans." The underlying mortgage loans will have an initial total principal balance of approximately $464,680,000 as of their applicable due dates in October 2016 (which will be October 1, 2016, subject, in some cases, to a next succeeding business day convention) (which we refer to in this information circular as the "Cut-off Date"), subject to a variance of plus or minus 5%.

The Cut-off Date Principal Balance of any underlying mortgage loan is equal to its outstanding principal balance as of the Cut-off Date, after application of all monthly debt service payments due with respect to the underlying mortgage loan on or before that date, whether or not those payments were received. Exhibit A-1 shows the Cut-off Date Principal Balance of each underlying mortgage loan.

Each of the underlying mortgage loans is an obligation of the related borrower to repay a specified sum with interest. Each of those underlying mortgage loans is evidenced by one or more promissory notes and secured by a

mortgage, deed of trust or other similar security instrument that creates a mortgage lien on the fee interest of the related borrower or another party in one or more independent living facilities. That mortgage lien will, in all cases, be a first priority lien subject to certain standard permitted encumbrances and/or any subordinate liens described in this information circular.

Except for certain limited nonrecourse carveouts, each of the underlying mortgage loans is a nonrecourse obligation of the related borrower. In the event of a payment default by the borrower, recourse will be limited to the corresponding mortgaged real property or properties for satisfaction of that borrower's obligations. None of the underlying mortgage loans will be insured or guaranteed by any governmental entity or by any other person.

We provide in this information circular a variety of information regarding the underlying mortgage loans. When reviewing this information, please note that—

- All numerical information provided with respect to the underlying mortgage loans is provided on an approximate basis.

- All weighted average information provided with respect to the underlying mortgage loans reflects a weighting by their respective Cut-off Date Principal Balances.

- In calculating the Cut-off Date Principal Balances of the underlying mortgage loans, we have assumed that—

    1. all scheduled payments of principal and/or interest due on the underlying mortgage loans on or before their respective due dates in October 2016 are timely made; and

    2. there are no prepayments or other unscheduled collections of principal with respect to any underlying mortgage loans during the period from their due dates in September 2016 up to and including October 1, 2016.

- When information with respect to mortgaged real properties is expressed as a percentage of the initial mortgage pool balance, the percentages are based on the Cut-off Date Principal Balances of the related underlying mortgage loans.

- 6 groups of underlying mortgage loans (each, a "Crossed Loan Group"), collectively representing 96.6% of the initial mortgage pool balance, are each made up of underlying mortgage loans that are cross-collateralized with each other. In addition, all of the underlying mortgage loans are cross-defaulted with each other, but each underlying mortgage loan is only cross-collateralized with other underlying mortgage loans within the related Crossed Loan Group, if applicable. Unless otherwise indicated, we present the information regarding each Crossed Loan Group as separate loans. However, each underlying mortgage loan in any Crossed Loan Group is treated as having the Cut-off Date Loan-to-Value Ratio, the Maturity Loan-to-Value Ratio, the Cut-off Date Balance/Unit and the historical and Underwritten Debt Service Coverage Ratios of such Crossed Loan Group. None of the underlying mortgage loans is cross-collateralized or cross-defaulted with any mortgage loan that is not in the issuing entity.

- Whenever we refer to a particular mortgaged real property by name, we mean the property identified by that name on Exhibit A-1. Whenever we refer to a particular underlying mortgage loan by name, we mean the underlying mortgage loan secured by the mortgaged real property identified by that name on Exhibit A-1.

- Statistical information regarding the underlying mortgage loans may change prior to the Closing Date due to changes in the composition of the mortgage pool prior to that date.

Cross-Collateralized Mortgage Loans and Mortgage Loans Made to Affiliated Borrowers

The mortgage pool will include 6 Crossed Loan Groups. The underlying mortgage loans in each Crossed Loan Group are cross-collateralized by each mortgaged real property securing each other underlying mortgage loan in such Crossed Loan Group. However, the amount of the mortgage lien encumbering any particular one of those properties may be less than the full amount of the total principal balance of the Crossed Loan Group, generally to

minimize recording tax. The mortgage amount may equal the appraised value or allocated loan amount for the particular real property. This would limit the extent to which proceeds from that property would be available to offset declines in value of a Crossed Loan Group in the issuing entity. The table below identifies underlying mortgage loans that are in a Crossed Loan Group:

Cross-Collateralized Loans

Loan Name	Cut-off Date Principal Balance	% of Initial Mortgage Pool Balance[(1)]
Crossed Portfolio I		
Echo Ridge	$20,910,000	4.5%
Greenwood Terrace	19,643,000	4.2
Alexis Gardens	17,384,000	3.7
Redbud Hills	16,500,000	3.6
The Jefferson	13,394,000	2.9
Total	**$87,831,000**	**18.9%**
Southeastern Crossed Portfolio		
The Woods At Holly Tree	$27,382,000	5.9%
Cedar Ridge	15,637,000	3.4
Indigo Pines	15,334,000	3.3
Elm Park Estates	13,582,000	2.9
Pinegate	12,902,000	2.8
Total	**$84,837,000**	**18.3%**
Crossed Portfolio II		
Kalama Heights	$22,896,000	4.9%
Quail Run Estates	18,799,000	4.0
Andover Place	13,995,000	3.0
Niagara Village	12,845,000	2.8
Holiday Hills Estates	12,063,000	2.6
Total	**$80,598,000**	**17.3%**
Western Crossed Portfolio		
Stone Lodge	$19,675,000	4.2%
Quincy Place	16,435,000	3.5
Aspen View	14,110,000	3.0
Parkrose Chateau	12,569,000	2.7
Montara Meadows	11,670,000	2.5
Total	**$74,459,000**	**16.0%**
California Crossed Portfolio		
Arcadia Place	$16,575,000	3.6%
The Springs Of Napa	15,408,000	3.3
The Springs Of Escondido	15,375,000	3.3
The Remington	13,628,000	2.9
Total	**$60,986,000**	**13.1%**

Loan Name	Cut-off Date Principal Balance	% of Initial Mortgage Pool Balance[(1)]
Florida Crossed Portfolio		
University Pines	$21,057,000	4.5%
Marion Woods	19,936,000	4.3
Augustine Landing	19,076,000	4.1
Total	**$60,069,000**	**12.9%**

(1) Amounts may not add up to the totals shown due to rounding.

All of the underlying mortgage loans are made to affiliated borrowers.

See "Risk Factors—Risks Related to the Underlying Mortgage Loans—Mortgage Loans to Related Borrowers May Result in More Severe Losses on the Offered Certificates" in this information circular.

Certain Terms and Conditions of the Underlying Mortgage Loans

Changes in Resident Acuity Mix. The borrower under each of the underlying mortgage loans may be permitted to transition a percentage of the units at the related mortgaged real property to assisted living or memory care units as described in "Risk Factors—Risks Related to the Underlying Mortgage Loans—Changes in Resident Acuity Mix May Present Risks" in this information circular. Changes in the relative percentage of assisted living, independent living and/or memory care units at a mortgaged real property may affect the operating income at that mortgaged real property. Certain of the underlying mortgage loans may permit additional upward adjustments with the prior consent of the lender.

Due Dates. Subject, in some cases, to a next business day convention, monthly installments of principal and/or interest will be due on the first of the month with respect to each of the underlying mortgage loans.

Mortgage Interest Rates; Calculations of Interest. Each of the underlying mortgage loans bears interest at a mortgage interest rate that, in the absence of default or modification, is fixed until maturity.

Exhibit A-1 shows the current mortgage interest rate for each of the underlying mortgage loans.

None of the underlying mortgage loans provides for negative amortization or for the deferral of interest.

All of the underlying mortgage loans accrue interest on an Actual/360 Basis.

Term to Maturity. All of the underlying mortgage loans had initial terms to maturity of 120 months.

Balloon Loans. All of the underlying mortgage loans are Balloon Loans that have an amortization schedule that is significantly longer than the actual term of the underlying mortgage loans.

Additional Amortization Considerations. All of the underlying mortgage loans provide for an initial interest-only period of 60 months, followed by an amortization period for the balance of the loan term.

Prepayment Provisions. As of origination, all of the underlying mortgage loans provided for certain restrictions and/or requirements with respect to prepayments during some portion of their respective loan terms. The relevant restrictions and requirements will generally consist of the following:

1. a prepayment consideration period during which voluntary principal prepayments must be accompanied by the greater of a Static Prepayment Premium and a Yield Maintenance Charge, followed by;

2. a prepayment consideration period during which voluntary principal prepayments are restricted by requiring that any voluntary principal prepayments made be accompanied by a Static Prepayment Premium, followed by;

3. an open prepayment period prior to maturity during which voluntary principal prepayments may be made without payment of any prepayment consideration.

The open prepayment period for any underlying mortgage loan will generally begin 3 months prior to the month in which such underlying mortgage loan matures.

Exhibit A-1 more particularly describes the prepayment terms of the underlying mortgage loans.

Unless an underlying mortgage loan is relatively near its stated maturity date or unless the sale price or the amount of the refinancing of the related mortgaged real property is considerably higher than the current outstanding principal balance of that underlying mortgage loan due to an increase in the value of the mortgaged real property or otherwise, the prepayment consideration may, even in a relatively low interest rate environment, offset entirely or render insignificant any economic benefit to be received by the borrower upon a refinancing or sale of the mortgaged real property. The prepayment consideration provision is intended to create an economic disincentive for the borrower to prepay an underlying mortgage loan voluntarily.

However, we cannot assure you that the imposition of a Static Prepayment Premium or a Yield Maintenance Charge will provide a sufficient disincentive to prevent a voluntary principal prepayment. Furthermore, certain state laws limit the amounts that a lender may collect from a borrower as an additional charge in connection with the prepayment of an underlying mortgage loan.

We do not make any representation as to the enforceability of the provision of any underlying mortgage loan requiring the payment of a Static Prepayment Premium or a Yield Maintenance Charge, or of the collectability of any Static Prepayment Premium or Yield Maintenance Charge and the Freddie Mac Guarantee excludes the payment of Static Prepayment Premiums or Yield Maintenance Charges.

Casualty and Condemnation. In the event of a condemnation or casualty at the mortgaged real property securing any of the underlying mortgage loans, the borrower will generally be required to restore that mortgaged real property. However, the lender may under certain circumstances apply the condemnation award or insurance proceeds to the repayment of debt, which will not require payment of any prepayment premium.

Lockboxes. None of the underlying mortgage loans provide for a soft lockbox with springing cash management.

Escrow and Reserve Accounts. Most of the underlying mortgage loans provide for the establishment of escrow and/or reserve accounts for the purpose of holding amounts required to be on deposit as reserves for—

- taxes and insurance;
- capital improvements; and/or
- various other purposes.

As of the Closing Date, these accounts will be under the sole control of the master servicer or an approved sub-servicer. Most of the underlying mortgage loans that provide for such accounts require that the accounts be funded out of monthly escrow and/or reserve payments by the related borrower.

Tax Escrows. In the case of each of the underlying mortgage loans, escrows were funded or will be funded for taxes. The related borrower is generally required to deposit on a monthly basis an amount equal to one-twelfth of the annual real estate taxes and assessments. If an escrow was funded, the funds will be applied by the master servicer to pay for taxes and assessments at the related mortgaged real property.

Insurance Escrows. In the case of each of the underlying mortgage loans, escrows were funded or will be funded for insurance premiums. Each borrower is generally required to deposit on a monthly basis an amount equal to one-twelfth of the annual premiums payable on insurance policies that the borrower is required to maintain. If an escrow was funded, the funds will be applied by the master servicer to pay for insurance premiums at the related mortgaged real property.

Under some of the other underlying mortgage loans, the insurance carried by the related borrower is in the form of a blanket policy. In these cases, the amount of the escrow is an estimate of the proportional share of the premium allocable to the mortgaged real property, or the borrower pays the premium directly. See "—Property Damage, Liability and Other Insurance" below.

Recurring Replacement Reserves. The column titled "Replacement Reserve (Monthly)" on Exhibit A-1 shows for each applicable underlying mortgage loan the reserve deposits that the related borrower has been or is required to make into a separate account for capital replacements and repairs.

In the case of some of the mortgaged real properties, those reserve deposits are initial amounts and may vary over time. In these cases, the related mortgage instrument and/or other related loan documents may provide for applicable reserve deposits to cease upon achieving predetermined maximum amounts in the related reserve account. Under some of the underlying mortgage loans, the related borrowers may be permitted to deliver letters of credit from third parties in lieu of establishing and funding the reserve accounts or may substitute letters of credit and obtain release of established reserve accounts.

Engineering/Deferred Maintenance Reserves. The column titled "Engineering Escrow/Deferred Maintenance" on Exhibit A-1 shows the engineering reserves established at the origination of the corresponding underlying mortgage loans for repairs and/or deferred maintenance items that are generally required to be corrected within 12 months from origination. In certain cases, the engineering reserve for a mortgaged real property may be less than the cost estimate in the related inspection report because—

- the mortgage loan seller may not have considered various items identified in the related inspection report significant enough to require a reserve; and/or
- various items identified in the related inspection report may have been corrected.

In the case of some of the mortgaged real properties securing the underlying mortgage loans, the engineering reserve was a significant amount and substantially in excess of the cost estimate set forth in the related inspection report because the mortgage loan seller required the borrower to establish reserves for the completion of major work that had been commenced. In the case of some mortgaged real properties acquired with the proceeds of the related underlying mortgage loan, the related borrower escrowed an amount substantially in excess of the cost estimate set forth in the related inspection report because it contemplated completing repairs in addition to those shown in the related inspection report. Not all engineering reserves are required to be replenished. We cannot provide any assurance that the work for which reserves were required will be completed in a timely manner or that the reserved amounts will be sufficient to cover the entire cost of the required work.

Release of Property Through Prepayment.

Prepayment.

With respect to the underlying mortgage loans secured by the Crossed Portfolio I, collectively representing 18.9% of the initial mortgage pool balance, pursuant to the related loan documents, each related borrower has the right to release its related mortgaged real property (the "Release Property") from the lien of the related underlying mortgage loan and the related cross-collateralization agreement on or after the second anniversary of the origination of such underlying mortgage loan upon satisfaction of certain conditions. Those conditions include, but are not limited to: (i) the indebtedness secured by the Release Property is paid in full including any accrued and unpaid interest and any prepayment premium pursuant to the applicable loan agreement; (ii) the loan-to-value ratio of the remaining mortgaged real properties in the related Crossed Loan Group (the "Remaining Properties") is equal to or less than 125%, or as otherwise may be required at such times by then-current REMIC Regulations; (iii) receipt by the lender of an opinion of counsel that the issuing entity will not fail to meet applicable federal income tax requirements as a result of the partial release and (iv) immediately after such release, the lender determines that the following conditions (the "Cross-Collateralized Sub-Pool 1 Release Requirements") have been satisfied: (a) the loan-to-value ratio of the Remaining Properties is not greater than the lesser of (1) 69.6% and (2) the loan-to-value ratio of the related Crossed Loan Group immediately prior to the release and (b) the debt service coverage ratio of the Remaining Properties, in addition to all of the remaining mortgaged real properties in the mortgage pool (the "Other Sponsor Properties"), is not less than the greater of (1) 1.32x or (2) the debt service coverage ratio of the

Remaining Properties and the Other Sponsor Properties immediately prior to the release. In addition, the borrower will be required to pay a release price equal to the greatest of (i) 20.0% of the outstanding principal balance of the underlying mortgage loan secured by the Release Property, (ii) any associated costs, taxes and expenses as well as an administrative fee of at least $15,000 and (iii) any amount necessary to satisfy the Cross-Collateralized Sub-Pool 1 Release Requirements. However, if all of the following conditions are met, such release price will equal only the amount necessary to satisfy the Cross-Collateralized Sub-Pool 1 Release Requirements without regard to clause (i) and (ii) above: (i) at least $46,468,000 of the total indebtedness secured by the Remaining Properties and the Other Sponsor Properties has been paid; (ii) the aggregate debt service coverage ratio of the Remaining Properties and the Other Sponsor Properties is at least 1.47x and (iii) the aggregate loan-to-value ratio of the Remaining Properties is no greater than 59.6%.

With respect to the underlying mortgage loans secured by the Southeastern Crossed Portfolio, collectively representing 18.3% of the initial mortgage pool balance, pursuant to the related loan documents, each related borrower has the right to release its related Release Property from the lien of the related underlying mortgage loan and the related cross-collateralization agreement on or after the second anniversary of the origination of such underlying mortgage loan upon satisfaction of certain conditions. Those conditions include, but are not limited to: (i) the indebtedness secured by the Release Property is paid in full including any accrued and unpaid interest and any prepayment premium pursuant to the applicable loan agreement; (ii) the loan-to-value ratio of the related Remaining Properties is equal to or less than 125%, or as otherwise may be required at such times by then-current REMIC Regulations; (iii) receipt by the lender of an opinion of counsel that the issuing entity will not fail to meet applicable federal income tax requirements as a result of the partial release and (iv) immediately after such release, the lender determines that the following conditions (the "Cross-Collateralized Sub-Pool 2 Release Requirements") have been satisfied: (a) the loan-to-value ratio of the Remaining Properties is not greater than the lesser of (1) 64.0% and (2) the loan-to-value ratio of the related Crossed Loan Group immediately prior to the release and (b) the debt service coverage ratio of the Remaining Properties and the Other Sponsor Properties is not less than the greater of (1) 1.32x or (2) the debt service coverage ratio of the Remaining Properties and the Other Sponsor Properties immediately prior to the release. In addition, the borrower will be required to pay a release price equal to the greatest of (i) 20.0% of the outstanding principal balance of the underlying mortgage loan secured by the Release Property, (ii) any associated costs, taxes and expenses as well as an administrative fee of at least $15,000 and (iii) any amount necessary to satisfy the Cross-Collateralized Sub-Pool 2 Release Requirements. However, if all of the following conditions are met, such release price will equal only the amount necessary to satisfy the Cross-Collateralized Sub-Pool 2 Release Requirements without regard to clause (i) and (ii) above: (i) at least $46,468,000 of the total indebtedness secured by the Remaining Properties and the Other Sponsor Properties has been paid; (ii) the aggregate debt service coverage ratio of the Remaining Properties and the Other Sponsor Properties is at least 1.47x and (iii) the aggregate loan-to-value ratio of the Remaining Properties is no greater than 54.0%.

With respect to the underlying mortgage loans secured by the Crossed Portfolio II, collectively representing 17.3% of the initial mortgage pool balance, pursuant to the related loan documents, each related borrower has the right to release its related Release Property from the lien of the related underlying mortgage loan and the related cross-collateralization agreement on or after the second anniversary of the origination of such underlying mortgage loan upon satisfaction of certain conditions. Those conditions include, but are not limited to: (i) the indebtedness secured by the Release Property is paid in full including any accrued and unpaid interest and any prepayment premium pursuant to the applicable loan agreement; (ii) the loan-to-value ratio of the related Remaining Properties is equal to or less than 125%, or as otherwise may be required at such times by then-current REMIC Regulations; (iii) receipt by the lender of an opinion of counsel that the issuing entity will not fail to meet applicable federal income tax requirements as a result of the partial release and (iv) immediately after such release, the lender determines that the following conditions (the "Cross-Collateralized Sub-Pool 3 Release Requirements") have been satisfied: (a) the loan-to-value ratio of the Remaining Properties is not greater than the lesser of (1) 63.1% and (2) the loan-to-value ratio of the related Crossed Loan Group immediately prior to the release and (b) the debt service coverage ratio of the Remaining Properties and the Other Sponsor Properties is not less than the greater of (1) 1.32x or (2) the debt service coverage ratio of the Remaining Properties and the Other Sponsor Properties immediately prior to the release. In addition, the borrower will be required to pay a release price equal to the greatest of (i) 20.0% of the outstanding principal balance of the underlying mortgage loan secured by the Release Property, (ii) any associated costs, taxes and expenses as well as an administrative fee of at least $15,000 and (iii) any amount necessary to satisfy the Cross-Collateralized Sub-Pool 3 Release Requirements. However, if all of the following conditions are met, such release price will equal only the amount necessary to satisfy the Cross-Collateralized Sub-

Pool 3 Release Requirements without regard to clause (i) and (ii) above: (i) at least $46,468,000 of the total indebtedness secured by the Remaining Properties and the Other Sponsor Properties has been paid; (ii) the aggregate debt service coverage ratio of the Remaining Properties and the Other Sponsor Properties is at least 1.47x and (iii) the aggregate loan-to-value ratio of the Remaining Properties is no greater than 53.1%.

With respect to the underlying mortgage loans secured by the Western Crossed Portfolio, collectively representing 16.0% of the initial mortgage pool balance, pursuant to the related loan documents, each related borrower has the right to release its related Release Property from the lien of the related underlying mortgage loan and the related cross-collateralization agreement on or after the second anniversary of the origination of such underlying mortgage loan upon satisfaction of certain conditions. Those conditions include, but are not limited to: (i) the indebtedness secured by the Release Property is paid in full including any accrued and unpaid interest and any prepayment premium pursuant to the applicable loan agreement; (ii) the loan-to-value ratio of the related Remaining Properties is equal to or less than 125%, or as otherwise may be required at such times by then-current REMIC Regulations; (iii) receipt by the lender of an opinion of counsel that the issuing entity will not fail to meet applicable federal income tax requirements as a result of the partial release and (iv) immediately after such release, the lender determines that the following conditions (the "Cross-Collateralized Sub-Pool 4 Release Requirements") have been satisfied: (a) the loan-to-value ratio of the Remaining Properties is not greater than the lesser of (1) 60.7% and (2) the loan-to-value ratio of the related Crossed Loan Group immediately prior to the release and (b) the debt service coverage ratio of the Remaining Properties and the Other Sponsor Properties is not less than the greater of (1) 1.32x or (2) the debt service coverage ratio of the Remaining Properties and the Other Sponsor Properties immediately prior to the release. In addition, the borrower will be required to pay a release price equal to the greatest of (i) 20.0% of the outstanding principal balance of the underlying mortgage loan secured by the Release Property, (ii) any associated costs, taxes and expenses as well as an administrative fee of at least $15,000 and (iii) any amount necessary to satisfy the Cross-Collateralized Sub-Pool 4 Release Requirements. However, if all of the following conditions are met, such release price will equal only the amount necessary to satisfy the Cross-Collateralized Sub-Pool 4 Release Requirements without regard to clause (i) and (ii) above: (i) at least $46,468,000 of the total indebtedness secured by the Remaining Properties and the Other Sponsor Properties has been paid; (ii) the aggregate debt service coverage ratio of the Remaining Properties and the Other Sponsor Properties is at least 1.47x and (iii) the aggregate loan-to-value ratio of the Remaining Properties is no greater than 50.7%.

With respect to the underlying mortgage loans secured by the California Crossed Portfolio, collectively representing 13.1% of the initial mortgage pool balance, pursuant to the related loan documents, each related borrower has the right to release its related Release Property from the lien of the related underlying mortgage loan and the related cross-collateralization agreement on or after the second anniversary of the origination of such underlying mortgage loan upon satisfaction of certain conditions. Those conditions include, but are not limited to: (i) the indebtedness secured by the Release Property is paid in full including any accrued and unpaid interest and any prepayment premium pursuant to the applicable loan agreement; (ii) the loan-to-value ratio of the related Remaining Properties is equal to or less than 125%, or as otherwise may be required at such times by then-current REMIC Regulations; (iii) receipt by the lender of an opinion of counsel that the issuing entity will not fail to meet applicable federal income tax requirements as a result of the partial release and (iv) immediately after such release, the lender determines that the following conditions (the "Cross-Collateralized Sub-Pool 5 Release Requirements") have been satisfied: (a) the loan-to-value ratio of the Remaining Properties is not greater than the lesser of (1) 71.6% and (2) the loan-to-value ratio of the related Crossed Loan Group immediately prior to the release and (b) the debt service coverage ratio of the Remaining Properties and the Other Sponsor Properties is not less than the greater of (1) 1.32x or (2) the debt service coverage ratio of the Remaining Properties and the Other Sponsor Properties immediately prior to the release. In addition, the borrower will be required to pay a release price equal to the greatest of (i) 20.0% of the outstanding principal balance of the underlying mortgage loan secured by the Release Property, (ii) any associated costs, taxes and expenses as well as an administrative fee of at least $15,000 and (iii) any amount necessary to satisfy the Cross-Collateralized Sub-Pool 5 Release Requirements. However, if all of the following conditions are met, such release price will equal only the amount necessary to satisfy the Cross-Collateralized Sub-Pool 5 Release Requirements without regard to clause (i) and (ii) above: (i) at least $46,468,000 of the total indebtedness secured by the Remaining Properties and the Other Sponsor Properties has been paid; (ii) the aggregate debt service coverage ratio of the Remaining Properties and the Other Sponsor Properties is at least 1.47x and (iii) the aggregate loan-to-value ratio of the Remaining Properties is no greater than 61.6%.

With respect to the underlying mortgage loans secured by the Florida Crossed Portfolio, collectively representing 12.9% of the initial mortgage pool balance, pursuant to the related loan documents, each related borrower has the right to release its related Release Property from the lien of the related underlying mortgage loan and the related cross-collateralization agreement on or after the second anniversary of the origination of such underlying mortgage loan upon satisfaction of certain conditions. Those conditions include, but are not limited to: (i) the indebtedness secured by the Release Property is paid in full including any accrued and unpaid interest and any prepayment premium pursuant to the applicable loan agreement; (ii) the loan-to-value ratio of the related Remaining Properties is equal to or less than 125%, or as otherwise may be required at such times by then-current REMIC Regulations; (iii) receipt by the lender of an opinion of counsel that the issuing entity will not fail to meet applicable federal income tax requirements as a result of the partial release and (iv) immediately after such release, the lender determines that the following conditions (the "Cross-Collateralized Sub-Pool 6 Release Requirements") have been satisfied: (a) the loan-to-value ratio of the Remaining Properties is not greater than the lesser of (1) 70.3% and (2) the loan-to-value ratio of the related Crossed Loan Group immediately prior to the release and (b) the debt service coverage ratio of the Remaining Properties and the Other Sponsor Properties is not less than the greater of (1) 1.32x or (2) the debt service coverage ratio of the Remaining Properties and the Other Sponsor Properties immediately prior to the release. In addition, the borrower will be required to pay a release price equal to the greatest of (i) 20.0% of the outstanding principal balance of the underlying mortgage loan secured by the Release Property, (ii) any associated costs, taxes and expenses as well as an administrative fee of at least $15,000 and (iii) any amount necessary to satisfy the Cross-Collateralized Sub-Pool 6 Release Requirements. However, if all of the following conditions are met, such release price will equal only the amount necessary to satisfy the Cross-Collateralized Sub-Pool 6 Release Requirements without regard to clause (i) and (ii) above: (i) at least $46,468,000 of the total indebtedness secured by the Remaining Properties and the Other Sponsor Properties has been paid; (ii) the aggregate debt service coverage ratio of the Remaining Properties and the Other Sponsor Properties is at least 1.47x and (iii) the aggregate loan-to-value ratio of the Remaining Properties is no greater than 60.3%.

In addition, each of the underlying mortgage loans in a Crossed Loan Group may be released from its related cross-collateralization agreement in connection with an assumption of the related underlying mortgage loan, subject to the satisfaction of (i) the conditions set forth in the related loan documents with respect to such assumption and (ii) the release requirements set forth in the related cross-collateralization agreement; *provided that*, in connection with any such assumption, the related borrower will not be required to prepay in full the related underlying mortgage loan.

Due-on-Sale and Due-on-Encumbrance Provisions. All of the underlying mortgage loans contain both a due-on-sale clause and a due-on-encumbrance clause. In general, except for the requested transfers discussed in the next paragraph and subject to the discussion under "—Permitted Additional Debt" below, these clauses either—

- permit the holder of the mortgage to accelerate the maturity of the subject underlying mortgage loan if the related borrower sells or otherwise transfers an interest in the corresponding mortgaged real property, borrower or controlling entity or encumbers the corresponding mortgaged real property without the consent of the holder of the mortgage, unless such sale, transfer or encumbrance is permitted by the loan documents; or

- unless permitted by the loan documents, prohibit the borrower from otherwise selling, transferring or encumbering the corresponding mortgaged real property without the consent of the holder of the mortgage.

All of the underlying mortgage loans permit one or more of the following types of transfers:

- transfer of the mortgaged real property if specified conditions are satisfied, without any adjustment to the interest rate or to any other economic terms of an underlying mortgage loan, which conditions typically include, among other things—

    1. the transferee meets lender's eligibility, credit, management and other standards satisfactory to lender in its sole discretion;

    2. the transferee's organization, credit and experience in the management of similar properties are deemed by the lender, in its discretion, to be appropriate to the overall structure and documentation of the existing financing;

3. the corresponding mortgaged real property will be managed by a property manager meeting the requirements set forth in the loan documents; and

4. the corresponding mortgaged real property, at the time of the proposed transfer, meets all standards as to its physical condition, occupancy, net operating income and the collection of reserves satisfactory to lender in its sole discretion;

- a transfer that occurs by devise, descent, or by operation of law upon the death of a natural person to one or more members of the decedent's immediate family or to a trust or family conservatorship established for the benefit of such immediate family member or members, if specified conditions are satisfied, which conditions typically include, among other things—

  1. the property manager (or a replacement property manager approved by lender), if applicable, continues to be responsible for the management of the corresponding mortgaged real property, and such transfer may not result in a change in the day-to-day operations of the corresponding mortgaged real property; and

  2. those persons responsible for the management and control of the applicable borrower remain unchanged as a result of such transfer, or any replacement management is approved by lender;

- any transfer of an interest in an applicable borrower or any interest in a controlling entity, such as the transfers set forth below:

  1. a sale or transfer to one or more of the transferor's immediate family members (a spouse, parent, child, stepchild, grandchild or step-grandchild);

  2. a sale or transfer to any trust having as its sole beneficiaries the transferor and/or one or more of the transferor's immediate family members (a spouse, parent, child, stepchild, grandchild or step-grandchild);

  3. a sale or transfer from a trust to any one or more of its beneficiaries who are immediate family members (a spouse, parent, child, stepchild, grandchild or step-grandchild) of the transferor;

  4. the substitution or replacement of the trustee of any trust with a trustee who is an immediate family member (a spouse, parent, child, stepchild, grandchild or step-grandchild) of the transferor;

  5. a sale or transfer to an entity owned and controlled by the transferor or the transferor's immediate family members (a spouse, parent, child, stepchild, grandchild or step-grandchild); or

  6. a transfer of non-controlling ownership interests in the related borrower;

if, in each case, specified conditions are satisfied. If title to the mortgaged real property is not being transferred, these conditions typically include, among other things, that a specified entity or person retain control of the applicable borrower and manage the day-to-day operations of the corresponding mortgaged real property.

We make no representation as to the enforceability of any due-on-sale or due-on-encumbrance provision in any underlying mortgage loan.

Permitted Additional Debt.

General. Other than as described below, the underlying mortgage loans generally prohibit the borrowers from incurring, without lender consent, any additional debt secured or unsecured, direct or contingent other than (i) permitted subordinate supplemental mortgages as described under "—Permitted Subordinate Mortgage Debt" below, and (ii) customary unsecured trade payables incurred in the ordinary course of owning and operating the corresponding mortgaged real property that do not exceed, in the aggregate, at any time a maximum amount of up to 2.0% of the original principal amount of the corresponding underlying mortgage loan and are paid within 60 days of the date incurred.

Permitted Subordinate Mortgage Debt. The borrowers under all of the underlying mortgage loans are permitted to incur an additional limited amount of indebtedness secured by the related mortgaged real properties generally beginning 6 to 12 months after the origination date of each related underlying mortgage loan unless otherwise provided in the related loan documents, and which may be incurred at any time, including on or before the Closing Date. It is a condition to the incurrence of any future secured subordinate loan that, among other things: (i) the total loan-to-value ratio of these loans be below, and the debt service coverage ratio be above, certain thresholds set out in the related loan documents and (ii) subordination agreements and intercreditor agreements be put in place between the issuing entity and the related lenders. In the event a borrower satisfies these conditions, the borrower will be permitted to obtain secured subordinate debt from certain approved lenders who will make such subordinate financing exclusively for initial purchase by Freddie Mac. A default under the subordinate loan documents will constitute a default under the related senior underlying mortgage loan. Freddie Mac may subsequently transfer the junior lien loans it holds in secondary market transactions, including securitizations.

The loan documents require that any such subordinate debt be governed by an intercreditor agreement which will, in general, govern the respective rights of the holder of the subordinate loan and the issuing entity as the holder of the related Senior Loan. The following paragraphs describe certain provisions that will be included in the intercreditor agreements, but they do not purport to be complete and are subject, and qualified in their entirety by reference to the actual provisions of each intercreditor agreement. The issuing entity as the holder of the Senior Loan is referred to in these paragraphs as the "Senior Loan Holder" and the related underlying mortgage loan included in the issuing entity is referred to as the "Senior Loan". Any related subordinate loan is referred to as the "Junior Loan".

Allocations of Payments. The right of any holder of a Junior Loan to receive payments of interest, principal and other amounts will be subordinated to the rights of the Senior Loan Holder. Generally, as long as no event of default has occurred under the Senior Loan or a Junior Loan, the related borrower will make separate payments of principal and interest to any holder of a Junior Loan and the Senior Loan Holder, respectively. If an event of default occurs with respect to the Senior Loan or a Junior Loan, or the related borrower becomes a subject of any bankruptcy, insolvency or reorganization proceeding, then, prior to any application of payments to a Junior Loan, all amounts tendered by the related borrower or otherwise available for payment will be applied, net of certain amounts, to satisfy the interest (other than default interest), principal and other amounts owed with respect to the related Senior Loan until these amounts are paid in full. Any payments received by any holder of a Junior Loan during this time are required to be forwarded to the Senior Loan Holder.

Modifications. The Senior Loan Holder will be permitted to enter into any amendment, deferral, extension, modification, increase, renewal, replacement, consolidation, supplement or waiver of any term or provision of any Senior Loan without the consent of any holder of a Junior Loan unless such modification will (i) increase the interest rate or principal amount of the Senior Loan, (ii) increase in any other material respect any monetary obligations of related borrower under the Senior Loan, (iii) extend or shorten the scheduled maturity date of the Senior Loan (other than pursuant to extension options exercised in accordance with the terms and provisions of the related loan documents), (iv) convert or exchange the Senior Loan into or for any other indebtedness or subordinate any of the Senior Loan to any indebtedness of related borrower, (v) amend or modify the provisions limiting transfers of interests in the related borrower or the related mortgaged real property, (vi) modify or amend the terms and provisions of the Senior Loan cash management agreement with respect to the manner, timing and method of the application of payments under the related loan documents, (vii) cross-default the Senior Loan with any other indebtedness, (viii) consent to a higher strike price with respect to any new or extended interest rate cap agreement entered into in connection with the extended term of the Senior Loan, (ix) obtain any contingent interest, additional interest or so-called "kicker" measured on the basis of the cash flow or appreciation of the mortgaged real property (or other similar equity participation), or (x) extend the period during which voluntary prepayments are prohibited or during which prepayments require the payment of a Static Prepayment Premium or Yield Maintenance Charge or increase the amount of any such Static Prepayment Premium or Yield Maintenance Charge. However, in no event will the Senior Loan Holder be obligated to obtain the consent of the holder of a Junior Loan in the case of a workout or other surrender, compromise, release, renewal, or modification of the Senior Loan during the existence of a continuing Senior Loan event of default, except that under all conditions Senior Loan Holder will obtain the consent of any holder of a Junior Loan to a modification with respect to clause (i) (with respect to increasing the principal amount of the Senior Loan only) and clause (x) of this paragraph.

Any holder of a Junior Loan will be permitted to enter into any amendment, deferral, extension, modification, increase, renewal, replacement, consolidation, supplement or waiver of any term or provision of any Junior Loan without the consent of the Senior Loan Holder unless such modification will (i) increase the interest rate or principal amount of such Junior Loan, (ii) increase in any other material respect any monetary obligations of related borrower under the related loan documents with respect to such Junior Loan, (iii) extend or shorten the scheduled maturity date of such Junior Loan (other than pursuant to extension options exercised in accordance with the terms and provisions of the related loan documents), (iv) convert or exchange such Junior Loan into or for any other indebtedness or subordinate any Junior Loan to any indebtedness of the related borrower, (v) amend or modify the provisions limiting transfers of interests in the related borrower or the related mortgaged real property, (vi) consent to a higher strike price with respect to any new or extended interest rate cap agreement entered into in connection with the extended term of such Junior Loan, (vii) cross-default such Junior Loan with any other indebtedness, (viii) obtain any contingent interest, additional interest or so-called "kicker" measured on the basis of the cash flow or appreciation of the related mortgaged real property (or other similar equity participation) or (ix) extend the period during which voluntary prepayments are prohibited or during which prepayments require the payment of a Static Prepayment Premium or Yield Maintenance Charge or increase the amount of any such Static Prepayment Premium or Yield Maintenance Charge. However, in no event will any holder of a Junior Loan be obligated to obtain the Senior Loan Holder's consent to a modification or amendment in the case of a workout or other surrender, compromise, release, renewal, or modification of such Junior Loan if an event of default has occurred and is continuing with respect to such Junior Loan, except that under all conditions any holder of a Junior Loan will be required to obtain the Senior Loan Holder's consent to a modification with respect to clause (i) (with respect to increasing the principal amount of such Junior Loan only), clause (ii), clause (iii) (with respect to shortening the scheduled maturity date of such Junior Loan only), clause (iv), clause (viii) and clause (ix) of this paragraph.

Cure. Upon the occurrence of any default that would permit the Senior Loan Holder under the related loan documents to commence an enforcement action, a holder of a Junior Loan will have the right to receive notice from the Senior Loan Holder of the default and the right to cure that default after or prior to the expiration of the related borrower's cure period or in some cases for a period extending beyond the related borrower's cure period. A holder of a Junior Loan generally will have a specified period of time, set forth in the related intercreditor agreement, to cure any default, depending on whether the default is monetary or non-monetary. A holder of a Junior Loan is prohibited from curing monetary defaults for longer than four consecutive months. Before the lapse of such cure period, neither the master servicer nor the special servicer may foreclose on the related mortgaged real property or exercise any other remedies with respect to the mortgaged real property.

Purchase Option. If the Senior Loan becomes a Defaulted Loan (in accordance with the Pooling and Servicing Agreement), pursuant to the intercreditor agreement and the Pooling and Servicing Agreement, (i) each of the Junior Loan Holder and, if the Defaulted Loan is not an Affiliated Borrower Loan, the directing certificateholder will have an option to purchase the Senior Loan at a purchase price equal to at least the Fair Value of such Senior Loan, in accordance with the bidding procedures described in "The Pooling and Servicing Agreement—Realization Upon Mortgage Loans—Purchase Option" in this information circular and (ii) the Junior Loan Holder will have the first option to purchase such Defaulted Loan at the Purchase Price; *provided* that if any such Junior Loan Holder elects to not exercise such option, then the holder of the next most subordinate Junior Loan (if any) will be entitled to exercise such right. If the Defaulted Loan is an Affiliated Borrower Loan, the directing certificateholder will only be able to purchase such Senior Loan at a cash price equal to the Purchase Price. See "The Pooling and Servicing Agreement—Realization Upon Mortgage Loans—Purchase Option" in this information circular.

Cross-Collateralization of Certain Underlying Mortgage Loans. The underlying mortgage loans in each Crossed Loan Group are cross-collateralized with each other. Because certain states exact a mortgage recording or documentary stamp tax based on the principal amount of debt secured by a mortgage, the individual mortgages recorded with respect to certain of these crossed mortgage loans collateralized by mortgaged real properties in such states may secure an amount less than the total initial principal balance of those crossed mortgage loans. For the same reason, the mortgages recorded with respect to certain underlying mortgage loans may secure only a multiple of the initial principal balance of the note applicable to the related mortgaged real property rather than the entire initial principal balance of those crossed mortgage loans. See "Risk Factors—Risks Related to the Underlying Mortgage Loans— Enforceability of Cross-Collateralization Provisions May Be Challenged and the Benefits of Cross-Collateralization and Cross-Default Provisions May Otherwise Be Limited" in this information circular.

Property Damage, Liability and Other Insurance. The loan documents for each of the underlying mortgage loans generally require that with respect to the related mortgaged real property the related borrower maintain property damage, flood (if any portion of the improvements of the subject property is in a flood zone), commercial general liability and business income/rental value insurance in the amounts required by the loan documents, subject to exceptions in some cases for tenant insurance.

We cannot assure you regarding the extent to which the mortgaged real properties securing the underlying mortgage loans will be insured against earthquake risks. In the case of those properties located in seismic zones 3 or 4 or a geographic location with a horizontal peak ground acceleration equal to or greater than 0.15g, a seismic assessment was performed to assess the scenario expected loss or probable maximum loss for the property. Earthquake insurance was not required with respect to the mortgaged real properties located in seismic zones 3 or 4 or a geographic location with a horizontal peak ground acceleration equal to or greater than 0.15g for which a scenario expected loss assessment or probable maximum loss assessment was performed because the scenario expected loss or probable maximum loss for each of those mortgaged real properties is less than or equal to 20% of the amount of the replacement cost of the improvements.

Subject to the discussion below regarding insurance for acts of terrorism, the master servicer will be required to use reasonable efforts in accordance with the Servicing Standard to cause each borrower to maintain, and, if such borrower does not so maintain, the master servicer will itself cause to be maintained, for each mortgaged real property (including each mortgaged real property relating to any Specially Serviced Mortgage Loan) all insurance coverage as is required under the related loan documents or the Servicing Standard. The master servicer will not be required to require the related borrower to obtain or maintain earthquake or flood insurance coverage that is not available at commercially reasonable rates, as determined by the master servicer in accordance with the Servicing Standard. If such borrower fails to do so, the master servicer must maintain that insurance coverage, to the extent—

- the trustee has an insurable interest;
- the insurance coverage is available at commercially reasonable rates, as determined by the master servicer in accordance with the Servicing Standard; and
- any related Servicing Advance is deemed by the master servicer to be recoverable from collections on the related underlying mortgage loan.

However, the master servicer will not be required to declare a default under an underlying mortgage loan if the related borrower fails to maintain insurance providing for coverage for property damage resulting from a terrorist or similar act, and the master servicer need not maintain (or require the borrower to obtain) such insurance, if the special servicer has determined (after due inquiry in accordance with the Servicing Standard and with the consent of the directing certificateholder, which consent is subject to certain limitations and a specified time period as set forth in the Pooling and Servicing Agreement; *provided* that the special servicer will not follow any such direction, or refrain from acting based on the lack of any such direction, of the directing certificateholder, if following any such direction of the directing certificateholder or refraining from taking such action based on the lack of any such direction of the directing certificateholder would violate the Servicing Standard), in accordance with the Servicing Standard, that either:

- such insurance is not available at commercially reasonable rates and such hazards are not at the time commonly insured against for properties similar to the related mortgaged real property and located in and around the region in which the mortgaged real property is located; or
- such insurance is not available at any rate.

The insurance coverage required to be maintained by the borrowers may not cover any physical damage resulting from, among other things, war, revolution, or nuclear, biological, chemical or radiological materials. In addition, even if a type of loss is covered by the insurance policies required to be in place at the mortgaged real property, the mortgaged real property may suffer losses for which the insurance coverage is inadequate. For example, in the case where terrorism coverage is included under a policy, if the terrorist attack is, for example, nuclear, biological or chemical in nature, the policy may include an exclusion that precludes coverage for such terrorist attack.

Various forms of insurance maintained with respect to one or more of the mortgaged real properties securing the underlying mortgage loans, including casualty insurance, may be provided under a blanket insurance policy. That blanket insurance policy will also cover other real properties, some of which may not secure underlying mortgage loans. As a result of total limits under any of those blanket policies, losses at other properties covered by the blanket insurance policy may reduce the amount of insurance coverage with respect to a property securing one of the underlying mortgage loans.

The underlying mortgage loans generally provide that insurance and condemnation proceeds are to be applied either—

- to restore the related mortgaged real property (with any balance to be paid to the borrower); or
- towards payment of the underlying mortgage loan.

The special servicer will be required to maintain for REO Properties one or more insurance policies sufficient to provide no less coverage than was previously required of the borrower under the related loan documents or any such lesser amount of coverage previously required by the master servicer when such REO Loan was a non-Specially Serviced Mortgage Loan or, at the special servicer's election and with the directing certificateholder's consent (which consent is subject to certain limitations and a specified time period as set forth in the Pooling and Servicing Agreement), coverage satisfying insurance requirements consistent with the Servicing Standard, *provided* that such coverage is available at commercially reasonable rates and to the extent the trustee as mortgagee of record on behalf of the issuing entity has an insurable interest. The special servicer, to the extent consistent with the Servicing Standard, may maintain earthquake insurance on REO Properties, provided that coverage is available at commercially reasonable rates and to the extent the trustee as mortgagee of record on behalf of the issuing entity has an insurable interest.

The master servicer and the special servicer may each satisfy its obligations regarding maintenance of the property damage insurance policies by maintaining a lender placed insurance policy that provides protection equivalent to the individual policies otherwise required by the loan documents or the Servicing Standard (including containing a deductible clause consistent with the Servicing Standard) insuring against hazard losses with respect to all of the mortgaged real properties and/or REO Properties in the issuing entity for which it is responsible. Solely in the event that Accepted Servicing Practices is the applicable Servicing Standard, the deductible clause (if any) in the lender placed insurance policy referred to in the preceding sentence is required to be in an amount not in excess of customary amounts, in which case if (i) an insurance policy complying with the loan documents or the Servicing Standard or, in the case of REO Properties, as permitted by the Pooling and Servicing Agreement or consistent with the Servicing Standard, if applicable, is not maintained on the related mortgaged real property or REO Property and (ii) there are losses which would have been covered by such insurance policy had it been maintained, the master servicer or the special servicer, as applicable, must deposit into the collection account from the master servicer's or the special servicer's, as applicable, own funds the portion of such loss or losses that would have been covered under such insurance policy but is not covered under the lender placed insurance policy because such deductible exceeds the deductible limitation required by the related loan documents or the Servicing Standard or, in the case of REO Properties, as permitted by the Pooling and Servicing Agreement or, in the absence of any such deductible limitation, the deductible limitation which is consistent with the Servicing Standard. Any incremental costs (excluding any minimum or standby premium payable for a lender placed insurance policy, whether or not any mortgaged real property or REO Property is covered thereby) incurred by the master servicer or the special servicer, as applicable, if such master servicer or special servicer causes any mortgaged real property or REO Property to be covered by a lender placed insurance policy will be paid by the master servicer as a Servicing Advance (subject to a nonrecoverability determination).

Mortgage Pool Characteristics

Exhibits A-1, A-2 and A-3 present in detail various characteristics of the underlying mortgage loans and of the corresponding mortgaged real properties, on an individual basis and in tabular format. The statistics in the tables and schedules on Exhibits A-1, A-2 and A-3 were derived, in many cases, from information and operating statements furnished by or on behalf of the respective borrowers. The information and the operating statements were generally unaudited and have not been independently verified by us or Freddie Mac.

Additional Loan and Property Information

Borrower Structures. With respect to all of the underlying mortgage loans, the related borrowers are single purpose entities whose organizational documents or the terms of the underlying mortgage loans limit their activities to the ownership of only the related mortgaged real property or properties and, subject to exceptions, including relating to subordinate debt secured by the related mortgaged real properties, generally limit the borrowers' ability to incur additional indebtedness other than trade payables and equipment financing relating to the mortgaged real properties in the ordinary course of business.

With respect to some of the underlying mortgage loans, the related nonrecourse carveout provisions of the related loan documents may be guaranteed, in whole or in part, by non-U.S. individuals or entities, which may decrease the likelihood of recovery under such guarantee. In addition, some of the underlying mortgage loans may have nonrecourse carveout guarantees given by the related sponsors of the respective borrowers or other parties that are funds or other entities, the terms of which may be subject to expiration or other structural contingencies. In such cases, such loan documents may require such entities to extend their terms or to otherwise take action or provide additional security to the lender regarding the continued existence of such entities during the terms of such underlying mortgage loans.

See "Risk Factors—Risks Related to the Underlying Mortgage Loans—The Type of Borrower May Entail Risk" in this information circular for a further description of each of these borrower structures.

Delinquencies. None of the underlying mortgage loans was, as of October 1, 2016, 30 days or more delinquent with respect to any monthly debt service payment.

Title, Survey and Similar Issues. The permanent improvements on certain of the mortgaged real properties may encroach over an easement or a setback line or onto another property. In other instances, certain oil, gas or water estates may affect a property. Generally, in those cases, either (i) the related lender's title policy insures against loss if a court orders the removal of the improvements causing the encroachment or (ii) the respective title and/or survey issue was analyzed by the originating lender and determined not to materially affect the respective mortgaged real property for its intended use. There is no assurance, however, that any such analysis in this regard is correct, or that such determination was made in each and every case.

Underwriting Matters

General. Each underlying mortgage loan was originated by W&D substantially in accordance with the standards in the Freddie Mac Act and the Guide, each as described in "Description of the Mortgage Loan Seller and Guarantor—Mortgage Loan Purchase and Servicing Standards of the Mortgage Loan Seller" in this information circular. In connection with the origination or acquisition of each of the underlying mortgage loans, W&D evaluated the corresponding mortgaged real property or properties in a manner generally consistent with the standards described in this "—Underwriting Matters" section.

The information provided by us in this information circular regarding the condition of the mortgaged real properties, any environmental conditions at the mortgaged real properties, valuations of or market information relating to the mortgaged real properties or legal compliance of the mortgaged real properties is based on reports described below under "—Environmental Assessments," "—Property Condition Assessments," "—Appraisals and Market Studies" and "—Zoning and Building Code Compliance," provided by certain third-party independent contractors. Such reports have not been independently verified by any of the parties to the Pooling and Servicing Agreement, the mortgage loan seller or the affiliates of any of these parties.

Subject to certain exceptions, the property condition assessments and appraisals described in this section were generally performed in connection with the origination of the underlying mortgage loans, which were originated on August 12, 2015. Neither we nor the mortgage loan seller obtained updated property condition assessments or appraisals in connection with this securitization. We cannot assure you that the information in such property condition reports and appraisals reflect the current condition of or estimate of the value of the mortgaged real properties.

Environmental Assessments. With respect to all of the mortgaged real properties securing the underlying mortgage loans, Phase I environmental site assessments were prepared in connection with the origination of the underlying mortgage loans. The environmental site assessments, meeting criteria consistent with the Servicing Standard, were prepared pursuant to ASTM International standards for "Phase I" environmental site assessments. In addition to the Phase I standards, many of the environmental reports included additional research, such as limited sampling for asbestos-containing material, lead-based paint and radon, depending on the property use and/or age. We cannot assure you that the environmental assessments or investigations, as applicable, identified all environmental conditions and risks at, or that any environmental conditions will not have a material adverse effect on the value of or cash flow from, one or more of the mortgaged real properties.

The Pooling and Servicing Agreement will require that the special servicer obtain an environmental site assessment of a mortgaged real property within 12 months prior to acquiring title to the property or assuming its operation. This requirement precludes enforcement of the security for the related underlying mortgage loan until a satisfactory environmental site assessment is obtained or until any required remedial action is taken. We cannot assure you that the requirements of the Pooling and Servicing Agreement will effectively insulate the issuing entity from potential liability for a materially adverse environmental condition at any mortgaged real property.

Property Condition Assessments. With respect to all of the mortgaged real properties, a third-party engineering firm inspected the property to assess exterior walls, roofing, interior construction, mechanical and electrical systems and general condition of the site, buildings and other improvements located at each of the mortgaged real properties.

The inspections identified various deferred maintenance items and necessary capital improvements at some of the mortgaged real properties. The resulting inspection reports generally included an estimate of cost for any recommended repairs or replacements at a mortgaged real property. When repairs or replacements were recommended and deemed material by the Originator, the related borrower was required to carry out necessary repairs or replacements and, in some instances, to establish reserves, generally in the amount of 100% to 125% of the cost estimated in the inspection report, to fund deferred maintenance or replacement items that the reports characterized as in need of prompt attention. See the columns titled "Engineering Escrow/Deferred Maintenance," "Replacement Reserve (Initial)" and "Replacement Reserve (Monthly)" on Exhibit A-1. We cannot assure you that another inspector would not have discovered additional maintenance problems or risks, or arrived at different, and perhaps significantly different, judgments regarding the problems and risks disclosed by the respective inspection reports and the cost of corrective action. In addition, some of the required repairs or replacements may be in progress as of the date of this information circular, and we cannot assure you that the related borrowers will complete any such required repairs or replacements in a timely manner or in accordance with the requirements set forth in the loan documents.

Appraisals and Market Studies. An independent appraiser that is state-certified and/or a member of the American Appraisal Institute conducted an appraisal reflecting a valuation as of a date occurring within the 18-month period ending on October 1, 2016, in order to establish an appraised value with respect to all of the mortgaged real properties. Those appraisal valuations are the basis for the Appraised Values for the respective mortgaged real properties set forth on Exhibit A-1 and provide values as of the dates set forth on Exhibit A-1.

In general, appraisals seek to establish the amount a typically motivated buyer would pay a typically motivated seller. However, this amount could be significantly higher than the amount obtained from the sale of a particular mortgaged real property under a distress or liquidation sale. Implied in the Appraised Values shown on Exhibit A-1, is the contemplation of a sale at a specific date and the passing of ownership from seller to buyer under the following conditions:

- buyer and seller are motivated;
- both parties are well informed or well advised, and each is acting in what he considers his own best interests;
- a reasonable time is allowed to show the property in the open market;
- payment is made in terms of cash in U.S. dollars or in comparable financial arrangements; and
- the price paid for the property is not adjusted by special or creative financing or sales concessions granted by anyone associated with the sale.

Each appraisal of a mortgaged real property referred to above involved a physical inspection of the property and reflects a correlation of the values established through the Sales Comparison Approach, the Income Approach and/or the Cost Approach.

Either the appraisal itself, or a separate letter, contains a statement to the effect that the appraisal guidelines set forth in Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 were followed in preparing that appraisal. However, we have not independently verified the accuracy of this statement.

In the case of any underlying mortgage loan, the related borrower may have acquired the mortgaged real property at a price less than the Appraised Value on which the underlying mortgage loan was underwritten.

Zoning and Building Code Compliance. In connection with the origination of each underlying mortgage loan, the Originator examined whether the use and operation of the related mortgaged real property were in material compliance with zoning, land-use, building, fire and health ordinances, rules, regulations and orders then-applicable to the mortgaged real property. Evidence of this compliance may have been in the form of certifications and other correspondence from government officials or agencies, title insurance endorsements, engineering, consulting or zoning reports, appraisals, legal opinions, surveys, recorded documents, temporary or permanent certificates of occupancy and/or representations by the related borrower. Where a material noncompliance was found or the property as currently operated is a legal non-conforming use and/or structure, an analysis was generally conducted as to—

- whether, in the case of material noncompliance, such noncompliance constitutes a legal non-conforming use and/or structure, and if not, whether an escrow or other requirement was appropriate to secure the taking of necessary steps to remediate any material noncompliance or constitute the condition as a legal non-conforming use or structure;
- the likelihood that a material casualty would occur that would prevent the property from being rebuilt in its current form; and
- whether existing replacement cost property damage insurance or, if necessary, supplemental law or ordinance coverage would, in the event of a material casualty, be sufficient—

    1. to satisfy the entire underlying mortgage loan; or
    2. taking into account the cost of repair, to pay down the underlying mortgage loan to a level that the remaining collateral would be adequate security for the remaining loan amount.

We cannot assure you that any such analysis in this regard is correct, or that the above determinations were made in each and every case.

Significant Mortgage Loans

For summary information on the underlying groups of cross-collateralized mortgage loans, see Exhibits A-1, A-2 and A-3.

Originator

Walker & Dunlop, LLC, a Delaware limited liability company ("W&D"), originated all of the underlying mortgage loans. As of June 30, 2016, W&D serviced 812 loans with an aggregate $13.8 billion outstanding unpaid principal balance that were previously sold to Freddie Mac for securitization in transactions similar to this one. With respect to multifamily mortgage loans that W&D originates for resale to Freddie Mac, W&D originates such mortgage loans substantially in accordance with the standards in the Freddie Mac Act and the Guide as described in "Description of the Mortgage Loan Seller and Guarantor—Mortgage Loan Purchase and Servicing Standards of the Mortgage Loan Seller" in this information circular.

Mortgage loans originated for purchase by Freddie Mac are underwritten to the standards of a prudent commercial real estate lender, with specific focus on complying with the standards and requirements of the Guide, and program requirements for the specific transaction and product type, and are approved and purchased by Freddie Mac prior to each securitization. W&D's Freddie Mac portfolio had a delinquency rate of 0.00% as of June 30, 2016. The underwriting standards of W&D are consistent with the standards and practices set forth in "—Underwriting Matters" in this information circular. With respect to the description of "—Underwriting Matters—Appraisals and Market Studies" above, an independent appraiser that is state certified and/or a member of the Appraisal Institute conducts an appraisal of each mortgaged real property within 90 days of the closing of the underlying mortgage loan, in order to establish an appraised value with respect to all of the mortgaged real properties securing the underlying mortgage loans.

The information set forth in this section "Description of the Underlying Mortgage Loans—Originator" has been provided by W&D. Neither the depositor nor any other person other than W&D makes any representation or warranty as to the accuracy or completeness of such information.

Assignment of the Underlying Mortgage Loans

On or before the Closing Date, the mortgage loan seller will transfer the underlying mortgage loans to us, and we will transfer all of those underlying mortgage loans to the trustee. The trustee will hold those underlying mortgage loans for the benefit of the certificateholders and Freddie Mac within the meaning of Section 1367(b)(19)(B) of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992, as amended. In each case, the transferor will assign the underlying mortgage loans, without recourse, to the transferee.

In connection with these transfers, on the Closing Date or at such later date as is permitted under the Pooling and Servicing Agreement, the mortgage loan seller will generally be required to deliver or cause the delivery of the mortgage file to the custodian with respect to each of the underlying mortgage loans, which mortgage file will consist of the following documents, among others:

- either—

    1. the original promissory note, endorsed without recourse, representation or warranty (other than as set forth in the mortgage loan purchase agreement) to the order of the trustee or in blank, or

    2. if the original promissory note has been lost, a copy of that note (or an original or a copy of the consolidated debt instrument, as applicable), together with a lost note affidavit and indemnity;

- the original, certified copy or a copy of the mortgage instrument, and if the particular document has been returned from the applicable recording office, together with originals, certified copies or copies of any intervening assignments of that document, in each case, with evidence of recording on the document or certified by the applicable recording office;

- an original of any related loan agreement (if separate from the related mortgage);

- an executed original assignment of the related mortgage instrument in favor of the trustee or in blank, in recordable form except for any missing recording information relating to that mortgage instrument;

- originals or copies of all assumption agreements, modification agreements, written assurance agreements and substitution agreements, if any, in those instances where the terms or provisions of the related mortgage instrument, loan agreement or promissory note have been modified or the underlying mortgage loan has been assumed;

- with respect to any other debt of a borrower or mezzanine borrower permitted under the related underlying mortgage loan, an original or copy of a subordination agreement, standstill agreement or other intercreditor, co-lender or similar agreement relating to such other debt, if any, including any mezzanine loan documents and a copy of the promissory note relating to such other debt (if such other debt is also secured by the related mortgage);

- original letters of credit, if any, relating to the underlying mortgage loans and all appropriate assignment or amendment documentation related to the assignment to the issuing entity of any letter of credit securing the underlying mortgage loan which entitle the issuing entity to draw on such letter of credit; *provided* that in connection with the delivery of the mortgage file to the issuing entity, such originals will be delivered to the master servicer and copies of such originals will be delivered to the custodian on behalf of the trustee;

- the original or a copy of any environmental indemnity agreements and copies of any environmental insurance policies pertaining to the mortgaged real properties required in connection with the origination of the underlying mortgage loan, if any;

- the original or copy of any (i) intercreditor agreements and any associated certificates, assignments, assumption agreements or other related documents, (ii) subordination agreement, standstill agreement or other intercreditor, co-lender or similar agreement related to any affiliate debt and (iii) indemnification agreement;

- an original or copy of the lender's title insurance policy or, if a title insurance policy has not yet been issued, a *pro forma* title policy or a "marked up" commitment for title insurance, which in either case is binding on the title insurance company;

- the original or a counterpart of any guaranty of the obligations of the borrower under the underlying mortgage loan, if any;

- an original or counterpart UCC financing statement and an original or counterpart of any intervening assignments from the Originator to the mortgage loan seller, in the form submitted for recording, or if recorded, with evidence of recording indicated on such UCC financing statement or intervening assignment;

- original UCC financing statement assignments, sufficient to assign each UCC financing statement filed in connection with the related underlying mortgage loan to the trustee;

- the original or a copy of each related cash management agreement, if any;

- the original or a copy of any ground lease and any related estoppel certificates, if available;

- with respect to each Crossed Loan Group, the original or a copy of the related cross-collateralization agreement; and

- the original or a copy of each related insurance agreement, if any.

The custodian is required to hold all of the documents delivered to it with respect to the underlying mortgage loans in trust for the benefit of the certificateholders under the terms of the Pooling and Servicing Agreement. Within a specified period of time following that delivery, the custodian will be further required to conduct a review of those documents. The scope of the custodian's review of those documents will, in general, be limited solely to

confirming that they have been received, that they appear regular on their face (handwritten additions, changes or corrections will not be considered irregularities if initialed by the borrower), that (if applicable) they appear to have been executed and that they purport to relate to an underlying mortgage loan. The trustee, the certificate administrator and the custodian are under no duty or obligation to inspect, review or examine any of the documents in the mortgage file to determine whether the document is valid, effective, enforceable, in recordable form or otherwise appropriate for the represented purpose.

If—

- any of the above-described documents required to be delivered by the mortgage loan seller to the custodian is not delivered or is otherwise defective, and

- that omission or defect materially and adversely affects the value of the underlying mortgage loan, or the interests of any class of certificateholders,

then the omission or defect will constitute a material document defect as to which the issuing entity will have the rights against the mortgage loan seller as described under "—Cures, Repurchases and Substitutions" below.

Within a specified period of time as set forth in the Pooling and Servicing Agreement, the mortgage loan seller or a third-party independent contractor will be required to submit for recording in the real property records of the applicable jurisdiction each of the assignments of recorded loan documents in the trustee's favor described above. Because some of the underlying mortgage loans are newly originated, some of those assignments may not be completed and recorded until the related mortgage instrument, reflecting the necessary recording information, is returned from the applicable recording office.

Representations and Warranties

As of the Closing Date (or as of the date otherwise indicated on Exhibit C-1 or in the mortgage loan purchase agreement), the mortgage loan seller will make, with respect to each underlying mortgage loan that it is selling to us for inclusion in the issuing entity, representations and warranties that are expected to be generally in the form set forth on Exhibit C-1, subject to exceptions that are expected to be generally in the form set forth on Exhibit C-2. The final forms of those representations and warranties and those exceptions will be made in the mortgage loan purchase agreement between Freddie Mac and us, and will be assigned by us to the trustee under the Pooling and Servicing Agreement. You should carefully consider both those representations and warranties and those exceptions.

If—

- there exists a breach of any of those representations and warranties made by the mortgage loan seller, and

- that breach materially and adversely affects the value of the underlying mortgage loan, or the interests of any class of certificateholders,

then that breach will be a material breach of the representation and warranty. The rights of the certificateholders against the mortgage loan seller with respect to any material breach are described under "—Cures, Repurchases and Substitutions" below.

Cures, Repurchases and Substitutions

If the mortgage loan seller has been notified of, or itself has discovered, a defect in any mortgage file or a breach of any of its representations and warranties that, in either case, materially and adversely affects the value of any underlying mortgage loan (including any REO Property acquired in respect of any foreclosed mortgage loan) or any interests of the holders of any class of certificates, then the mortgage loan seller will be required to take one of the following courses of action:

- cure such breach or defect in all material respects;

- repurchase the affected mortgage loan at the Purchase Price;

- replace the affected mortgage loan with one or more Qualified Substitute Mortgage Loans; *provided* no such substitution may occur after the second anniversary of the Closing Date; or

- for certain breaches, reimburse the issuing entity for certain costs.

If the mortgage loan seller replaces an affected mortgage loan with one or more Qualified Substitute Mortgage Loans, then it will be required to pay to the issuing entity the amount, if any, by which—

- the price at which it would have had to purchase the removed mortgage loan, as described in the second bullet of the preceding paragraph, exceeds

- the Stated Principal Balance of the Qualified Substitute Mortgage Loans as of the due date during the month that it is added to the issuing entity.

The mortgage loan seller must generally complete the cure, repurchase or substitution described above within 90 days following its receipt of notice of the material breach or material document defect. However, unless the material breach or material document defect relates to any mortgage note (or lost note affidavit or indemnity with respect to such mortgage note), if the material breach or material document defect is capable of being cured, if the mortgage loan seller is diligently attempting to correct the material breach or material document defect and with respect to a material document defect, such loan is not then a Specially Serviced Mortgage Loan and the missing or defective document is not needed to adequately pursue the lender's rights prior to such time, then the mortgage loan seller will generally be entitled to as much as an additional 90 days to complete that cure, repurchase or substitution (unless such material breach or material document defect causes any mortgage loan to not be a "qualified mortgage" within the meaning of the REMIC Provisions) if any underlying mortgage loan is required to be cured, repurchased or substituted as contemplated above.

In addition to the foregoing, if—

- any underlying mortgage loan is required to be repurchased or substituted as contemplated above, and

- such underlying mortgage loan is cross-defaulted or cross-collateralized with any other underlying mortgage loan in the issuing entity,

then the applicable defect or breach (as the case may be) will be deemed to constitute a defect or breach (as the case may be) as to any related crossed mortgage loan for purposes of the above provisions, and the mortgage loan seller will be required to repurchase or replace any related crossed mortgage loan in accordance with the provisions above unless the special servicer determines that the Crossed Mortgage Loan Repurchase Criteria would be satisfied if the mortgage loan seller were to repurchase or replace only the affected crossed mortgage loan as to which a defect or breach had initially occurred. The "Crossed Mortgage Loan Repurchase Criteria" are, with respect to any underlying mortgage loan and any date of determination, as follows:

- the weighted average debt service coverage ratio for any related crossed mortgage loans that remain in the issuing entity for the four calendar quarters immediately preceding the repurchase or substitution is not less than the greater of (a) the weighted average debt service coverage ratio for all such crossed mortgage loans, including the affected crossed mortgage loan, for the four calendar quarters immediately preceding the repurchase or substitution and (b) 1.25x;

- the weighted average loan-to-value ratio for any related crossed mortgage loans that remain in the issuing entity determined at the time of repurchase or substitution based on an appraisal (or any other determination of value determined by the special servicer to be a commercially reasonable method permitted to a REMIC, which may include, provided that it is determined by the special servicer to be commercially reasonable, an existing or updated appraisal, a broker's price opinion or a tax assessed value) obtained by the special servicer at the expense of the mortgage loan seller is not greater than the least of (a) the weighted average loan to value ratio for such crossed mortgage loans including the affected crossed mortgage loan set forth in the tables on Exhibit A-1, (b) the weighted average loan-to-value ratio for such crossed mortgage loans including the affected crossed mortgage loan determined at the time of repurchase

or substitution based on an appraisal (or any other determination of value determined by the special servicer to be a commercially reasonable method permitted to a REMIC, which may include, provided that it is determined by the special servicer to be commercially reasonable, an existing or updated appraisal, a broker's price opinion or a tax assessed value) obtained by the special servicer at the expense of the mortgage loan seller and (c) 75%; and

- each of the trustee, the certificate administrator, the master servicer and the special servicer receives an opinion of independent counsel (at the expense of the mortgage loan seller) to the effect that such repurchase or substitution will not result in an Adverse REMIC Event at any time that any certificate is outstanding.

For purposes of the Crossed Mortgage Loan Repurchase Criteria, weighted average calculations will be made based on the respective Stated Principal Balances. If each of the Crossed Mortgage Loan Repurchase Criteria would be so satisfied (as determined by the special servicer), the mortgage loan seller may elect either to repurchase or, within two years of the Closing Date, substitute only the affected crossed mortgage loan as to which the defect or breach exists or to repurchase or, within two years of the Closing Date, substitute all of the related crossed mortgage loans. The determination of the special servicer as to whether the Crossed Mortgage Loan Repurchase Criteria have been satisfied will be conclusive and binding in the absence of manifest error. However, the mortgage loan seller may not repurchase or substitute for an affected crossed mortgage loan in the manner prescribed above while any other underlying mortgage loan which is cross-collateralized or cross-defaulted with such affected crossed mortgage loan remains in the issuing entity, unless (i) the master servicer or the special servicer, as applicable, and each related borrower have agreed to modify, upon such repurchase or substitution, the related loan documents in a manner whereby (A) such affected crossed mortgage loan would no longer be cross-collateralized or cross-defaulted with any underlying mortgage loan that remains in the issuing entity, (B) all underlying mortgage loans that are cross-defaulted with such affected crossed mortgage loan that remain in the issuing entity, if any, will continue to be cross-defaulted with one another and (C) all underlying mortgage loans in the related Crossed Loan Group that remain in the issuing entity, if any, will continue to be cross-collateralized with one another and (ii) the purchaser of such affected crossed mortgage loan will have furnished each of the trustee, the certificate administrator, the master servicer and the special servicer, at such purchaser's expense, with an opinion of counsel that such modification will not cause an Adverse REMIC Event.

Any of the following document defects in an underlying mortgage loan will be conclusively presumed to materially and adversely affect the interests of a class of certificateholders:

- the absence from the mortgage file of the original signed mortgage note, unless the mortgage file contains a signed lost note affidavit, indemnity and endorsement;

- the absence from the mortgage file of the original signed mortgage, unless there is included in the mortgage file (i) a copy of the mortgage and the related recording information; or (ii) prior to the expiration of an applicable cure period, a certified copy of the mortgage in the form sent for recording, with a certificate stating that the original signed mortgage was sent for recordation;

- the absence from the mortgage file of the original lender's title insurance policy or a copy of the original lender's title insurance policy (together with all endorsements or riders that were issued with or subsequent to the issuance of such policy), or, if the policy has not yet been issued, a binding written commitment (including a *pro forma* or specimen title insurance policy, which has been accepted or approved in writing by the related title insurance company) relating to the underlying mortgage loan;

- the absence from the mortgage file of any intervening assignments or endorsements required to create an effective assignment to the trustee on behalf of the issuing entity, unless there is included in the mortgage file a copy of the intervening assignment that will be or was sent for recordation; or

- the absence from the mortgage file of any required original letter of credit (unless such original has been delivered to the master servicer and a copy of such letter of credit is part of the mortgage file); *provided* that such defect may be cured by providing a substitute letter of credit or a cash reserve.

Any defect or any breach that, in either case, causes any mortgage loan not to be a "qualified mortgage" within the meaning of the REMIC Provisions will be deemed a material breach or material document defect, requiring the

mortgage loan seller to purchase or substitute the affected mortgage loan from the issuing entity within 90 days from the discovery of the defect or breach at the applicable purchase price described above and in conformity with the mortgage loan purchase agreement.

This obligation to cure, repurchase, substitute one or more Qualified Substitute Mortgage Loans or reimburse the issuing entity will constitute the sole remedies available to the certificateholders and the trustee for any defect in a mortgage file or any breach on the part of the mortgage loan seller of its representations or warranties regarding the underlying mortgage loans.

We cannot assure you that the mortgage loan seller has or will have sufficient assets with which to fulfill any cure, repurchase or substitution obligations on its part that may arise.

Changes in Mortgage Pool Characteristics

The description in this information circular of the mortgage pool is based on the mortgage pool as it is expected to be constituted at the time the offered certificates are issued, with adjustments for the monthly debt service payments due on the underlying mortgage loans on or before their respective due dates in October 2016. Prior to the issuance of the offered certificates, one or more mortgage loans may be removed from the mortgage pool if we consider the removal necessary or appropriate. A limited number of other mortgage loans may be included in the mortgage pool prior to the issuance of the offered certificates, unless including those underlying mortgage loans would materially alter the characteristics of the mortgage pool as described in this information circular. We believe that the information in this information circular will be generally representative of the characteristics of the mortgage pool as it will be constituted at the time the offered certificates are issued. However, the range of mortgage interest rates and maturities, as well as the other characteristics of the underlying mortgage loans described in this information circular, may vary, and the actual initial mortgage pool balance may be as much as 5% larger or smaller than the initial mortgage pool balance specified in this information circular.

Certain Legal Aspects of the Underlying Mortgage Loans

The following discussion contains summaries of certain legal aspects related to underlying mortgage loans secured by mortgaged real properties located in California and Florida, in which mortgaged real properties securing underlying mortgage loans collectively representing approximately 13.1% and 12.9%, respectively, of the initial mortgage pool balance are located. The summaries are general in nature, do not purport to be complete and are qualified in their entirety by reference to the applicable federal and state laws governing the underlying mortgage loans.

Various states have imposed statutory prohibitions or limitations that limit the remedies of a mortgagee under a mortgage or a beneficiary under a deed of trust. The underlying mortgage loans are limited recourse loans and are, therefore, generally not recourse to the borrowers but limited to the mortgaged real properties. Even if recourse is available pursuant to the terms of an underlying mortgage loan, certain states have adopted statutes which impose prohibitions against or limitations on such recourse. The limitations described below and similar or other restrictions in other jurisdictions where mortgaged real properties are located may restrict the ability of the master servicer or the special servicer, as applicable, to realize on the underlying mortgage loans and may adversely affect the amount and timing of receipts on the underlying mortgage loans.

Certain Legal Aspects of Mortgaged Real Properties Located in California. Mortgage loans in California are generally secured by deeds of trust on the related real estate. Foreclosure of a deed of trust in California may be accomplished by a non-judicial trustee's sale (so long as it is permitted under a specific provision in the deed of trust) or by judicial foreclosure, in each case subject to and in accordance with the applicable procedures and requirements of California law. Public notice of either the trustee's sale or the judgment of foreclosure is given for a statutory period of time after which the mortgaged real estate may be sold by the trustee, if foreclosed pursuant to the trustee's power of sale, or by court appointed sheriff under a judicial foreclosure. Following a judicial foreclosure sale, the borrower or its successor-in-interest may, for a period of up to one year, redeem the property; however, there is no redemption following a sale pursuant to a trustee's power of sale. California's "security first" and "one action" rules require the lender to complete foreclosure of all real estate provided as security under the deed of trust in a single action in an attempt to satisfy the full debt before bringing a personal action (if otherwise permitted) against the borrower for recovery of the debt, except in certain cases involving environmentally impaired

real property where foreclosure of the real property is not required before making a claim under the indemnity. This restriction may apply to property which is not located in California if a single promissory note is secured by property located in California and other jurisdictions. California case law has held that acts such as (but not limited to) an offset of an unpledged account constitute violations of such statutes. Violations of such statutes may result in the loss of some or all of the security under the mortgage loan and a loss of the ability to sue for the debt. A sale by the trustee under the deed of trust does not constitute an "action" for purposes of the "one action rule". Other statutory provisions in California limit any deficiency judgment (if otherwise permitted) against the borrower following a judicial foreclosure to the amount by which the indebtedness exceeds the fair value at the time of the public sale and in no event greater than the difference between the foreclosure sale price and the amount of the indebtedness. Further, under California law, once a property has been sold pursuant to a power of sale clause contained in a deed of trust (and in the case of certain types of purchase money acquisition financings, under all circumstances), the lender is precluded from seeking a deficiency judgment from the borrower or, under certain circumstances, guarantors.

On the other hand, under certain circumstances, California law permits separate and even contemporaneous actions against both the borrower (as to the enforcement of the interests in the collateral securing the loan) and any guarantors. California statutory provisions regarding assignments of rents and leases require that a lender whose loan is secured by such an assignment must exercise a remedy with respect to rents as authorized by statute in order to establish its right to receive the rents after an event of default. Among the remedies authorized by statute is the lender's right to have a receiver appointed under certain circumstances.

Certain Legal Aspects of Mortgaged Real Properties Located in Florida. Loans involving real property in Florida are secured by mortgages which must be recorded in the county in which the property is located. There is no power of sale in Florida. A mortgage must be foreclosed in a judicial proceeding. The mortgagee must file an action for foreclosure and must obtain a final judgment of foreclosure against the borrower. After the lender secures a final judgment of foreclosure against the borrower, such judgment will provide that the property be sold at a public auction at the courthouse (or on-line depending on the county) if the full amount of the judgment is not paid prior to the scheduled sale. Fla Statute 45.031 describes the judicial sales procedure in Florida. It requires that the foreclosure sale be held no earlier than 21 (but not more than 35) days after the judgment is entered. However, given the backlog of foreclosure cases in many counties, it is not unusual for foreclosure sales to be held later than the 35 day period specified in the statute. After the foreclosure judgment is entered and prior to the foreclosure sale, a notice of sale must be published once a week for two consecutive weeks in the county in which the property is located and stating when/where the sale is to be held. The lender has a "judgment credit" in the amount of the foreclosure judgment, which the lender may bid at the sale. Everyone else must bid cash. The clerk of the court issues the certificate of sale to the highest bidder on the day of the sale. There generally is no right of redemption after the filing of the clerk's certificate at the conclusion of the foreclosure sale, with the exception of certain federal agencies such as the Small Business Administration. If no objections to the sale are filed within ten days after filing the certificate of sale, the clerk issues the certificate of title to the property. Deficiency judgments are permitted under Florida law to the extent not prohibited by the applicable loan documents. Deficiency judgments can be obtained either as part of the same foreclosure action or as a separate proceeding. If the lender is the purchaser of the property, the deficiency is generally the difference between the value of the property as of the date of the foreclosure sale and the amount of the foreclosure judgment. Florida law permits the lender to enforce an assignment of rents in the loan documents in the foreclosure action and a lender may have a receiver appointed during the pendency of the foreclosure action. The appointment of a receiver is an equitable remedy and is granted or denied in the discretion of the court.

SENIOR HOUSING FACILITY OPERATIONS

Following is a summary of certain aspects of the senior housing industry. See also "Risk Factors" in this information circular.

Independent Living

Independent living refers to residential apartments/units with limited services such as congregate meals and planned activities. Such facilities offer seniors an independent lifestyle in the environment of a retirement community, and do not ordinarily provide any healthcare services. Providers of independent living facilities may

use different types of contractual and fee arrangements with their residents. Facilities offering independent living may be regulated in some states, but generally are not. The lack of licensure also limits the regulatory oversight by the applicable state regulatory authority of such facilities. Those facilities providing memory care services may be required to meet certain licensure, staffing, training and facility criteria. There is no federal agency which oversees facilities offering independent living. A typical facility offering independent living receives most of its revenues from its residents' own resources.

Assisted Living

Facilities offering assisted living generally provide personal support services designed to assist seniors with the activities of daily living, as well as room, board, housekeeping, laundry and services that do not necessarily require a professional nursing staff to perform. Assisted living is designed to provide services to persons who are, generally, ambulatory or mobile (with assisted devices) but who may need assistance with bathing, eating, dressing, ambulation and toileting. Facilities offering assisted living typically provide personal care services and supervision of residents' activities and may offer certain medical care. Those facilities providing memory care services may be required to meet certain additional state licensure, staffing, training and facility criteria. An assisted living wing in a senior housing facility may have its own dining room, lobby, nurses' stations, storage facilities and its own separate entryway and access.

In recent years, states have increased their monitoring and oversight of the quality of services provided at assisted living facilities, and are requiring that such facilities implement costly corrective measures to improve both the physical premises and operations. These initiatives could have an adverse effect on the net revenues of the operators of facilities that are operated as assisted living facilities.

Memory Care

Memory care services, when provided, are typically provided in a secure assisted living facility setting, usually in a separate floor or wing. Residents may live in semi-private apartments or private rooms and have structured activities delivered by staff members trained specifically on caring for residents with memory impairment. As Alzheimer's disease or dementia progresses, the level of care and assistance a person requires increases. Often, a person who suffers from dementia or Alzheimer's disease will eventually require 24-hour supervised care in catered settings. Alzheimer's disease, dementia and memory care facilities or units typically have secured areas to prevent wandering, a common symptom of the disease. Typically, residents in memory care facilities require help with medications, bathing, grooming eating dressing and other daily tasks. Memory care facilities are designed to provide intensive, long-term medical care to seniors with serious health and dementia conditions in a fully-staffed and monitored facility. Facilities providing Alzheimer's disease, dementia and/or memory care are typically required to meet certain state licensure, staffing, training and facility criteria.

Senior Housing Facility Expenses

Labor costs typically account for a large percentage of a senior housing facility's expenses. Healthcare providers, including assisted living providers, are experiencing a shortage of nurses and nursing assistants and physical and other types of therapists, which requires many providers, including assisted living providers, to use temporary personnel, potentially at an increase in cost. Although the federal government has proposed a number of initiatives to address the problem, including easing restrictions on the recruitment of foreign healthcare personnel, providing grants for training and educations, and establishing loan forgiveness programs, shortages remain.

In addition, various state governments are presently considering or have enacted legislation or regulations on staffing. The majority of the states in which the facilities that provide assisted living services are located have enacted specific minimum staffing legislation with respect to such services. Some areas of the country are experiencing active organized labor campaigns that have targeted healthcare facilities.

On May 18, 2016, the U.S. Department of Labor published a Final Rule updating the application of the Fair Labor Standards Act minimum wage and overtime pay protections to executive, administrative, and professional employees (white collar workers). The effective date of the Final Rule is December 1, 2016. The Final Rule updates the salary and compensation levels required for white collar workers to be exempt. Specially, the salary requirements for full time workers to be exempt increases from $455 per week ($23,660 per year) to $913 per week

($47,476 per year). The Final Rule also sets annual compensation for highly compensated employees to be exempt at $134,004, subject to a minimum duties test. For both groups, the Final Rule provides a mechanism to update salary levels based on inflation. The Final Rule may result in certain additional employees at the facilities operated at the mortgaged real properties being entitled to overtime pay. In addition, the federal government and various state governments have enacted or are considering enacting legislation which would require certain employers to provide their employees with paid sick time-off. As of May 2016, five states, California, Connecticut, Massachusetts, Oregon and Vermont, have passed laws enacting state-wide paid sick leave. The proposed Federal legislation, referred to as the Healthy Families Act (H.R. 1286/S. 631), would require employers with 15 or more employees to allow workers to earn up to seven days of paid sick time per year. Employees would be able use this time for themselves or for a family member.

Because of these initiatives or others, labor costs at the facilities may increase in the future, and there can be no assurance that any labor cost increases will be offset by higher revenue. The increases to Medicare, Medicaid or other third party payor reimbursement rates may not keep pace with the increases in labor costs.

The increase of other operating costs, such as food service, energy, non-skilled labor, real estate taxes and regulatory compliance may not be offset by higher revenues. Occurrences outside the control of the borrower and/or operators, such as changes in consumer preferences, changes in zoning laws, acts of war or terrorism or natural disasters, may also increase costs and/or necessitate large capital expenditures. If competing facilities are better able to control such costs, the operators may have difficulty maintaining or increasing occupancy levels at the facilities.

Regulation by State and Local Authorities

The assisted living industry is generally regulated by state and/or local authorities. In certain states, facilities offering assisted living services may be regulated at the time of establishment, prior to and during construction, during their operation, and at the time of closure or cessation of business. For example, in certain states, prior to commencing operations, any facility intending to offer such services may be required to comply with, among other requirements, applicable federal, state and local construction, licensing and certification requirements, which may change at any time. See "Risk Factors—Risks Related to the Underlying Mortgage Loans—The Inability To Maintain Licensure May Adversely Affect Revenue; License Requirements May Adversely Affect the Rights of the Issuing Entity to Realize on the Mortgaged Real Properties" in this information circular.

Once established, facilities offering assisted living and/or memory care services may be subject to state and/or local operating requirements including, but not limited to, those mandated by the state departments of health or other agency, and, if applicable, Medicaid. The cost of complying with such regulations may be substantial and significant changes in state or local laws or regulations may have a material adverse effect on the operators. See "Risk Factors—Risks Related to the Underlying Mortgage Loans—The Operations of the Mortgaged Real Properties May Be Subject to Regulations Promulgated by Federal, State and Local Governments, and any Failure To Comply with such Regulations May Adversely Affect the Borrower's Ability To Repay the Underlying Mortgage Loans" in this information circular.

Licensing Requirements

States generally require that facilities offering assisted living services be licensed in order to operate. A growing number are regulating the supply of assisted living beds through health planning legislation. The most common method of control, which exists in many states is the requirement that a state authority first make a determination of need, evidenced by its issuance of a "certificate of need" or "CON", before a long term care provider can establish a new facility, increase or decrease beds or services to an existing facility or, in some states, take certain other actions (for example, acquire major medical equipment, make major capital expenditures, add services, refinance long term debt, or transfer ownership of a facility). Another method of control sometimes used in non-CON states is to restrict or impose moratoriums on the issuance of licenses. In states that have no CON laws, which is the case in many of the states in which the mortgaged real properties are located, or that set relatively high dollar-level thresholds for review of expenditures, competition in the form of new services, facilities and capital spending is more prevalent. To the extent that CON or other similar approvals such as licensing approvals are required for the opening of a facility or the expansion of the operations of a facility, such opening or expansion could be adversely affected by the failure or inability to obtain the necessary approvals.

Government Regulation Regarding Quality of Care

In the ordinary course of business, operators offering assisted living are subject to surveys annually, biannually or at other specified intervals as determined appropriate by the state regulatory agency responsible for regulating such facilities, and may be subject to additional surveys such as complaint investigation surveys and life safety code surveys. The surveys are conducted to determine whether the facility is in compliance with state laws and regulations, including those relating to participation in the Medicaid program. The state and local regulations affecting these facilities may include, but are not limited to, regulations relating to licensure, admission agreement requirements, quality and conduct of operations, ownership of facilities, addition of facility beds, services and prices for services. These regulatory agencies may issue statements of deficiencies for failure to comply with various regulatory requirements and may provide the facility with an opportunity to correct such deficiencies by preparing and implementing a plan of correction.

The regulatory environment for senior care services has intensified, particularly the regulatory environment for large, for-profit, multi-facility providers. Many state governments have increased oversight and enforcement policies resulting in an increase in the number of surveys and inspections, citations of regulatory deficiencies, and regulatory sanctions.

Singly or in combination, available sanctions for quality deficiencies or a failure to satisfy state regulatory requirements can have a material adverse effect on the results of operations, reputation, liquidity and financial position of the operators. Generally, the operators can contest such sanctions. However, there are often significant delays in the process for contesting sanctions and certain sanctions continue for long periods of time. Proceedings to contest sanctions often involve significant legal expense and facility resources, and may not be successful.

Some states require that operators of facilities providing care to seniors report to state regulatory authorities whenever there is reasonable cause to believe that abuse, neglect, mistreatment or misappropriation of resident property may have occurred, as those terms are defined, in some cases broadly, in state laws and accompanying regulations. Providers may be sanctioned for a failure to so report.

With respect to healthcare facilities participating in the Medicaid program, federal prosecutors have also focused on pursuing quality of care investigations under the federal False Claims Act for reported instances of patient abuse and neglect, falsification of records, failure to report adverse events, improper use of restraints and certain other care issues. Since owners or operators of facilities convicted under the federal False Claims Act may be liable for treble damages plus mandatory civil penalties and exclusion from federal and state healthcare programs, owners or operators of healthcare facilities often settle these cases for a substantial amount of money.

All 21 states where the mortgaged real properties are located have a Medicaid Fraud Control Unit ("MFCU"), which typically operates as a division of the state Attorney General's Office or equivalent, and is empowered to and often does conduct criminal and civil investigations into allegations of potential abuse, neglect, mistreatment and/or misappropriation of resident property. In fiscal year 2015, MFCUs reported more than 17,600 investigations, resulting in 1,892 individuals being criminally charged or indicted. In total, in fiscal year 2015 MFCUs recovered more than $740 million and helped secure 1,553 convictions and 795 civil judgments and settlements. In some states, the investigations may be handled by local authorities. In some cases, the allegations may be investigated by both the state Attorney General or local authority and federal and/or state survey agencies. MFCU and/or state Attorney General investigations are pending and, from time to time, threatened against providers relating to or arising out of allegations of potential resident abuse, neglect or mistreatment. For more information regarding pending governmental investigations regarding the mortgaged real properties, see "Risk Factors—Litigation May Adversely Affect Property Performance" in this information circular.

Annual surveys that occur periodically, and complaint surveys in response to specific complaints, are conducted by state regulatory agencies and are typically unannounced. Often deficiencies are identified during those surveys. When deficiencies are found, plans of corrective action are required to be developed and implemented. Failure to timely submit and implement such corrective action plans can result in sanctions such as, among other things, licensure suspension or revocation. See "Risk Factors—Risks Related to the Underlying Mortgage Loans—The Inability To Maintain Licensure May Adversely Affect Revenue; License Requirements May Adversely Affect the Rights of the Issuing Entity to Realize on the Mortgaged Real Properties" in this information circular.

Failure to comply with government certification requirements may result in additional sanctions, including civil monetary penalties, bans on admissions, termination of Medicaid payments or termination of the facility Medicaid provider agreements after which the facility would be unable to receive payment for services provided to Medicaid patients until the facility is reinstated or re-certified to participate in Medicaid.

As set forth above, some of the operators providing licensed services may receive from time to time statements of deficiencies for failure to comply with regulatory requirements and, in some cases, civil monetary penalties may be imposed or enforcement actions threatened. We cannot assure you that any such penalty or enforcement action would not have a material adverse effect on the mortgaged real property.

Medicaid Reimbursement

The Medicaid program provides for medical assistance to the indigent and certain other eligible persons. Medicaid is a state-administered program financed by state (and, in some cases, state and local) funds and matching federal funds. Between 50 and 74 percent of the funds available under standard Medicaid are provided by the federal government under the Federal Medicaid Assistance Percentage ("FMAP"). The federal government pays all of costs through 2019—90% thereafter—for certain low-income adults made eligible for Medicaid under the ACA (although certain states have declined to expand Medicaid pursuant to the ACA and are therefore not eligible for the enhanced FMAP). Although administered under broad federal regulations, states are given considerable flexibility to construct programs and payment methods consistent with their individual goals. Accordingly, these programs differ from state to state in many respects.

State Medicaid programs are subject to statutory and regulatory changes, administrative rulings, interpretations of policy by the state agencies and courts, and certain government funding limitations, all of which may materially decrease the level of program payments to facilities offering assisted living services. The payments under many of these state Medicaid programs may not be sufficient on an overall basis to cover the costs of serving certain patients.

Federal and state government audits or investigations may result in a determination that an assisted living property has been overpaid for the services it has provided, or that the facility's expenses or documentation do not support the payments or level of payments made to the facility. In such cases, the government may take steps to recoup overpayments it has made, including, but not limited to, withholding all or portions of future Medicaid payments due to such facility.

Medicaid Reimbursement of Assisted Living Services.

Ordinarily, Medicare and Medicaid do not provide reimbursement for room, board or services furnished by an assisted living facility. Pursuant to Section 1915(c) of the Social Security Act, the United States Department of Health and Human Services ("HHS") may waive certain Medicaid statutory requirements so that a state Medicaid program may choose to offer a "medical assistance" payment for all or part of the cost of home or community-based services ("HCBS Waivers") (other than room and board) approved by HHS. HCBS Waiver services which are provided pursuant to a written plan of care to individuals with respect to whom there has been a determination that but for the provision of such services, the individuals would require the level of care provided in a hospital or a nursing facility which could be reimbursed under the state Medicaid program. Certain states permit such HCBS Waivers to be used towards the cost of assisted living facilities. A state may choose to limit the geographic region where such waivered services can be provided and the number of persons who may participate in the waiver program. Room and board is generally not covered by the HCBS Waiver and must be paid by the resident from the resident's own resources or other public sources. However, many states limit the amount that may be charged to a Medicaid beneficiary for room and board. The method of calculating the reimbursement amount varies by state, but is generally subject to an expenditure cap, calculated based on the average cost of nursing facility care. States may pay a flat daily or monthly rate, set individual rates determined according to the care plan established for each individual participating in the program, or pay tiered rates based on the needs of individuals. Certain states use fee-for-service rates capped at the amount reimbursed by Medicaid for nursing facility care. On January 14, 2014, HHS issued a Final Rule (79 Fed. Reg. 2948) to address the setting in which HCBS Waiver services may be provided. The Final Rule requires that a program participant reside in a setting that is integrated in the community, not located in a building that is also a publicly or privately operated facility that provides inpatient institutional treatment, must not be located in a building on the grounds of, or immediately adjacent to, a public institution and, must not be in a

setting that has the effect of isolating individuals receiving Medicaid HCBS from the broader community of individuals not receiving Medicaid HCBS, unless specifically permitted by the Secretary of the HHS. It is possible that as a result of the issuance of the Final Rule that residents of certain of the facilities may not be eligible to participate in the HCBS Waiver program. Such a result could decrease or eliminate the level of Medicaid reimbursement provided to such assisted living facilities, which may adversely affect their profitability.

Certain states provide Medicaid reimbursement for certain personal care services provided in assisted living facilities through the Medicaid state plan. Unlike HCBS Waivers, participation in a state plan is not limited to only those residents that would meet nursing facility eligibility requirements and states may not limit the number of participants.

In addition, special state supplementation programs, which are not funded by Medicaid, may provide partial reimbursement for services furnished by assisted living facilities to residents eligible for coverage by the program. Many states are considering making special state supplementation programs available to assisted living facilities. However, the special state supplementation programs generally require an assisted living facility to accept a lower reimbursement rate for covered residents than it would normally charge residents paying with their own funds. None of the facilities currently accept reimbursement from Medicaid. However, all of the underlying mortgage loan documents permit operators of such facilities to participate in Medicaid or similar state or local third party payor programs. In the future, such operators may choose to accept residents covered under Medicaid, a Medicaid waiver or a special state supplementation program. Participation in these programs could lead to a decrease in revenue per resident that could affect the ability of the borrower to support debt service payments under the underlying mortgage loans.

Medicaid Initiatives

The ACA provides states with new incentives and flexibility to increase the availability of home and community based services ("HCBS") as an alternative to Medicaid-funded institutional care. Three of the programs included in the ACA—Community First Choice, Balancing Incentive Program, and Money Follows the Person—give states increased federal matching funds for HCBS. Another program, a revised 1915(i) state waiver, gives states the opportunity to design new benefit packages of HCBS for particular classes of beneficiaries, not all of whom would qualify for institutional care. These HCBS programs are in addition to CMS's existing waiver authority under 1915(c), which allows states to offer HCBS Medicaid to designated populations who are not otherwise Medicaid eligible.

The borrower or operator of a mortgaged real property that accepts reimbursement from non-private payors might be adversely affected whenever there is a change in reimbursement incentives or policies. Furthermore, with the current economic climate, states and/or the federal government may put certain restrictions on Medicaid eligibility and/or decrease the level of Medicaid reimbursement provided to such mortgaged real properties, which may adversely affect their profitability.

Medicaid reimbursement to the operators, where applicable, may be disrupted or adversely affected when the applicable licensee is transitioned to a new licensee. If the reimbursement is adversely affected, the borrower's ability to make payments on the underlying mortgage loan may be impaired or an operating lessee's ability to pay rent under the operating lease may be impaired, which may impair the borrower's ability to make payments on the underlying mortgage loan.

Despite the expansion of Medicaid, pursuant to the ACA, many states have enacted or are considering enacting, at their option, measures designed to reduce their Medicaid expenditures. Any significant increase in the Medicaid population in any of the mortgaged real properties that are facing declining Medicaid reimbursement could have a material adverse effect on the financial position of such mortgaged real property. It is not possible to predict the future course of federal, state or local healthcare legislation. There are no assurances that future healthcare legislation or other changes in the administration or interpretation of governmental healthcare programs will not have a material adverse effect on the business, financial condition or results of operations of the facilities. Notably, the "minimum level of coverage" that is required to be provided by the federal insurance exchanges mandated by ACA, does not currently provide for insurance coverage for services provided at assisted living facilities.

Other Payor Sources

Other Sources of Government Reimbursement. Other sources of government reimbursement for long-term care include the government's health insurance program for members of the military, Tri Care, and the healthcare coverage offered to military veterans through the veterans administration, commonly referred to as Veteran's Administration or VA benefits.

Private Payment for Senior Housing Facilities. Many individuals have their own financial resources or have private indemnity and/or long term care insurance that covers the cost of all or part of a stay at an assisted living facility.

As of 2011, there were approximately 7.7 million long term care insurance policies currently in force in the United States. As of 2012, 19.3 percent of individuals 55 or older and more than $100,000 in annual income had long-term care insurance, but just 3.3 percent of adults age 55 or older and less than $20,000 in annual income had such policies. Since 2002, numerous insurance companies have stopped offering long term care insurance policies, and those who have stayed in the market have increased rates substantially. Although we cannot predict how the long-term care insurance market may change as a larger percentage of the population reaches retirement age, there is little to suggest that the number of individuals covered by long term care insurance will increase substantially in the near future. Private long-term care insurance is typically subject to payment ceilings which set the maximum reimbursement that a facility may receive for services. In addition, many private carriers have adopted coverage criteria that limit the services that will be reimbursed. Some private insurers are mirroring the care delivery and payment reforms contained in the ACA. Accordingly, assisted living facilities may be asked to take on more payment risk with respect to private-pay patients. Significantly, the ACA established a national, voluntary long term care insurance program called the Community Living Assistance Services Support Act. However, such program was repealed after HHS determined that it would not be actuarially sound.

Reductions in Reimbursement

Payor Impact. Facilities providing assisted living services could be affected adversely by the continuing efforts of governmental and private third party payors to contain the amount of reimbursement that providers receive for healthcare services. There can be no assurance that payments under governmental and private third party payor programs will remain at levels comparable to present levels or will be sufficient to cover the costs allocable to residents eligible for reimbursement pursuant to such programs. In addition, there can be no assurance that facilities providing assisted living will meet the requirements for participation in such programs.

Providers may also be affected by private sector attempts to reduce healthcare spending. Ultimately, facilities providing assisted living services may be impacted by any such cost containment strategies. In addition, there can be no assurance that future healthcare legislation or other changes in the administration or interpretation of governmental healthcare programs will not have a material adverse effect on assisted living facility operations, liquidity and financial position.

Accordingly, there can be no assurance that payments under a government reimbursement program or a private third party insurance carrier are currently, or will in the future be, sufficient to fully reimburse assisted living facility operations for their operating, capital and property expenses. If not, net operating income of the operators that receive revenues from those sources, and consequently the ability of the operators and/or the borrower to meet their obligations under the underlying mortgage loan will be adversely affected.

Audits and Investigations

Facilities providing assisted living services are subject to audits and investigations into their costs and other financial information by the Medicaid program and other state task forces. Such audits or investigations may result in a determination by the relevant governmental authority that the facility has been overpaid for the services it has provided; that the facility's costs or documentation do not support the payments made; that the services were not provided pursuant to the plan of care, not properly documented, or not of a quality otherwise expected; or that the recipient was not qualified for the benefit. In such cases, the government may take steps to recoup overpayments it has made, including but not limited to, immediately withholding all or portions of future Medicaid payments, if applicable, due to such facility. Moreover, the majority of mortgaged real properties are located in states that have enacted false claims acts that allow for whistleblower actions to be brought based on a provider's submission of fraudulent claims for reimbursement. These state false claims acts, in addition to the federal False Claims Act, have the potential to expose facilities that receive government reimbursement to substantial penalties for violating these laws.

The majority of the states in which mortgaged real properties are located have adopted some form of minimum staffing legislation. Penalties for non-compliance vary from state to state and range from fines, to possible deficiencies, to disciplinary action and/or revocation of licensure. Failure to comply with applicable staffing mandates may also be alleged as one of the bases for a liability claim against an assisted living facility.

Other Government Regulations Regarding Financial and Other Arrangements

The extensive federal, state and local regulations affecting the healthcare industry also include regulation of the financial and other arrangements that healthcare providers, including facilities providing assisted living services, may enter into during the normal course of business. For example, the anti-kickback law (codified at 42 U.S.C. § 1320a-7b) prohibits certain business practices and relationships that might affect the provision and cost of healthcare services reimbursable under Medicare and Medicaid, including the payment or receipt of money or anything else of value for the referral of patients whose care will be paid by other governmental programs. Sanctions for violating the anti-kickback law include criminal penalties and civil sanctions, fines and possible exclusion from government programs, such as the Medicaid programs, as well as liability under the federal False Claims Act. See "Risk Factors—Risks Related to the Underlying Mortgage Loans—The Operations of the Mortgaged Real Properties May Be Subject to Regulations Promulgated by Federal, State and Local Governments, and any Failure To Comply with such Regulations May Adversely Affect the Borrower's Ability To Repay the Underlying Mortgage Loans" in this information circular.

The Balanced Budget Act of 1997 (the "Balanced Budget Act") provides for a number of other anti-fraud and anti-abuse initiatives that could impact the mortgaged real properties. The Balanced Budget Act authorizes additional civil monetary penalties for violations of the anti-kickback law and imposes an affirmative duty on providers to ensure that they do not employ or contract with persons excluded from the Medicare and Medicaid programs. The Balanced Budget Act also extended to ten years the minimum period of exclusion from participation in federal healthcare programs for persons convicted of a prior healthcare offense. The Health Insurance Portability and Accountability Act of 1996 ("HIPAA") broadened the scope of certain fraud and abuse laws by adding several criminal provisions for healthcare fraud offenses that apply to all healthcare benefit programs. See "—HIPAA Privacy and Security" below.

The Deficit Reduction Act of 2005 ("DRA") established the Medicaid Integrity Program, a health fraud enforcement program targeting Medicaid fraud specifically. This initiative has increased anti-fraud efforts. The DRA requires HHS to report to Congress annually the effectiveness of the Medicaid Integrity Program. CMS was also required to hire a Medicaid chief financial officer, and significantly increase the number of employees solely devoted to improving Medicaid program integrity. The DRA also requires organizations that receive $5 million or more in Medicaid payments to train their work force on the federal False Claims Act and its whistleblower provisions. According to the law, organizations doing business with Medicaid, such as facilities providing assisted living services, must craft written policies and procedures for training all employees and contractors on the laws designed to prevent and detect health fraud, and its whistleblower provisions. The statute also encourages states to pass their own false claims laws by giving states a larger share of the money recovered from these cases if the United States Office of Inspector General ("OIG") has judged the state's false claim act to meet certain enumerated

requirements. The majority of the states in which the mortgaged real properties are located have false claims laws, and in nine of the states in which the mortgaged real properties are located, such laws have been certified as meeting the OIG standards. The effect of the DRA may be to create more whistleblowers.

The OIG, among other regulatory agencies, is responsible for identifying and eliminating fraud, abuse and waste in the federal healthcare programs. The OIG carries out its mission through a nationwide program of audits, investigations and inspections. In order to provide guidance to healthcare providers, the OIG has from time to time issued "Special Fraud Alerts" that do not have the force of law, but that identify features of transactions that may indicate that the transactions violate the anti-kickback law or other federal healthcare laws. As authorized by Congress, the OIG has published final safe harbor regulations that outline categories of activities that are deemed protected from prosecution under the anti-kickback law. Currently there are safe harbors for various activities, including the following: investment interests, space rental, equipment rental, practitioner recruitment, personal services and management contracts, sale of practice, referral services, warranties, discounts, employees, group purchasing organizations, waiver of beneficiary coinsurance and deductible amounts, managed care arrangements, obstetrical malpractice insurance subsidies, investments in group practices, ambulatory surgery centers, and referral agreements for specialty services.

The fact that conduct or a business arrangement does not fall within a safe harbor does not automatically render the conduct or business arrangement illegal under the anti-kickback law. The conduct and business arrangements, however, do risk increased scrutiny by government enforcement authorities. There can be no assurance that regulatory authorities that enforce these laws will not determine that any such financial arrangement of the operators violate the anti-kickback law or other applicable laws. This determination could subject an operator to liability under the Social Security Act, including criminal penalties, civil monetary penalties and exclusion from participation in Medicare, Medicaid or other federal healthcare programs, any of which could have a material adverse effect on its business, financial condition or results of operations.

Section 1877 of the Social Security Act (codified at 42 U.S.C. § 1395nn and commonly known as the Stark Law (the "Stark Law")), as amended, and the regulations promulgated thereunder, restrict physician referrals of Medicare, Medicaid and other government program patients to providers of a broad range of designated health services with which the physician has an ownership interest or other prohibited financial arrangements. Sanctions for violating the Stark Law include civil monetary penalties of up to $15,000 per prohibited service provided, assessments equal to twice the dollar value of each such service provided and exclusion from the Medicare and Medicaid programs. The statute also provides for a penalty of up to $100,000 for a circumvention scheme. There are exceptions to the self-referral prohibition, including an exception for a physician's ownership interest in an entire hospital, as opposed to an ownership interest in a hospital department. There are also exceptions for many of the customary financial arrangements between physicians and providers, including employment contracts, leases and recruitment agreements.

Many states in which the operators operate also have laws that prohibit payments to physicians for patient referrals similar to the anti-kickback law and self-referral legislation similar to the Stark Law. The scope of these state laws is broad, since they often apply regardless of the source of payment for care, and little precedent exists for their interpretation or enforcement. These statutes typically provide for criminal and civil penalties as well as loss of licensure. There can be no assurance that any of these laws, if strictly enforced, would not have an impact on the operators, which in turn could impact the ability of the borrower to perform its obligations under the underlying mortgage loans.

Facilities participating in Medicaid may also be subject to whistleblower lawsuits under the relevant state and federal False Claims Act. When a defendant is determined by a court of law to be liable under the federal False Claims Act, the defendant may be required to pay three times the actual damages sustained by the government, plus mandatory civil penalties of between $5,500 and $11,000 for each separate false claim. Settlements entered into prior to litigation usually involve a less severe method for calculating damages. There are many potential bases for liability under the federal False Claims Act. Liability often arises when an entity knowingly submits a false claim for reimbursement to the federal government. The federal False Claims Act defines the term "knowingly" broadly. Thus, although simple negligence will not give rise to liability under the federal False Claims Act, submitting a claim with deliberate ignorance or reckless disregard to its truth or falsity constitutes "knowing" submission under the federal False Claims Act and, therefore, will qualify for liability. In some cases, whistleblowers or the federal government have taken the position that providers who allegedly have violated other statutes, such as the Stark Law,

or who have failed to comply with federal and/or state quality of care regulations or have significant survey deficiencies, have submitted false claims under the federal False Claims Act. Any whistleblower lawsuits or governmental investigations that lead to convictions under the relevant state and federal False Claims Act could result in significant fines and/or exclusion from federal healthcare programs, and such penalties could have a material adverse effect on the operators.

HIPAA Privacy and Security

HIPAA mandates the adoption of regulations aimed at standardizing transaction formats and billing codes for documenting medical services, dealing with claims submissions, and protecting the privacy and security of individually identifiable health information, in each case as applicable, to covered "healthcare providers" as defined below. HIPAA privacy regulations apply to "protected health information," which is defined generally as individually identifiable health information transmitted or maintained in any form or medium, excluding certain education records and student medical records. The privacy regulations seek to limit the use and disclosure of most paper and oral communications, as well as those in electronic form, regarding an individual's past, present or future physical or mental health or condition, or relating to the provision of healthcare to the individual or payment for that healthcare, if the individual can or may be identified by such information.

The security regulations require covered providers to ensure the confidentiality, integrity, and availability of all electronic protected health information. Compliance with the HIPAA security regulations was required by April 2005.

Final HIPAA unique health identifier standards for healthcare providers required facilities to obtain a national provider identifier and to begin using this identifier by May 23, 2007.

The Health Information Technology for Economic and Clinical Health Act ("HITECH Act"), enacted as part of the American Recovery and Reinvestment Act of 2009, was signed into law on February 17, 2009, to promote the adoption and meaningful use of health information technology. Subtitle D of the HITECH Act addresses, in part, the privacy and security concerns associated with the electronic transmission of health information through several provisions that strengthen the civil and criminal enforcement of the HIPAA rules. Subtitle D of the HITECH Act expanded the definition of "business associates," expanded certain security obligations to business associates and established new breach notification requirements.

In 2009 final regulations were issued setting forth technical standards to secure electronic protected health information, and requiring both covered entities and their business associates to take steps to provide notification in the event of a breach in violation of the privacy rules. If the notification obligation is triggered, covered entities must notify individuals, HHS and in some cases the media.

Final "omnibus" HIPAA regulations became effective on March 26, 2013, modifying the privacy and security regulations to implement the HITECH Act and for other purposes. Covered entities that are subject to HIPAA were required to comply with the new rules by September 23, 2013. The rules made certain changes to the way covered entities handle protected health information, including changes to the breach notification regulations, requiring covered entities to modify their contracts with business associates and their notice of privacy practices, as well as providing for heightened governmental investigations of potential noncompliance. The omnibus final regulations also limit the sale of public health information, and the use of such information for marketing and fundraising activities.

HIPAA generally applies to a "healthcare provider" who or which transmits health information in electronic form. An assisted living facility is generally responsible for providing certain resident services that include, room, board, housekeeping, and personal care. A facility that only provides such services would generally fall outside of the definition of "healthcare provider" under HIPAA. However, if an assisted living facility is providing additional services, such as nursing, physical therapy, occupational therapy, speech therapy, medical supplies and equipment, and home health services, they could be considered a "healthcare provider" subject to HIPAA. In addition, if an assisted living facility contracts with other providers and obtains protected health information, it could be considered a "business associate" under HIPAA. The final "omnibus" HIPAA regulations make business associates directly liable for violations of the HIPAA privacy and security requirements. "Covered" providers must protect against

reasonably anticipated threats or hazards to the security of such information and the unauthorized use or disclosure of such information.

Failure to comply with HIPAA may result in civil and criminal penalties. Minimum civil penalties for a single violation of the regulations range from $100 for unknowing violations, to $50,000 for willful neglect and failure to correct the violation. However, a maximum discretionary penalty of up to $50,000 for any violation may be imposed, even where the covered entity had no knowledge of the violation. The maximum penalty for all violations of an identical provision of the regulations in the same calendar year is $1.5 million.

Corporate Practice of Medicine, Fee Splitting

Some of the states in which certain of the mortgaged real properties are located have laws that prohibit corporations and other entities from employing physicians and practicing medicine for a profit or that prohibit certain direct and indirect payments or fee splitting arrangements between healthcare providers that are designed to induce or encourage the referral of patients to, or the recommendation of, particular providers for medical products and services. Possible sanctions for violation of these restrictions include loss of license and civil and criminal penalties. These statutes vary from state to state, are often vague and have seldom been interpreted by the courts or regulatory agencies. We cannot assure you that (i) governmental officials charged with responsibility for enforcing these laws will not assert that an assisted living facility or certain transactions in which they are involved are in violation of such laws and (ii) state laws will ultimately be interpreted by the courts in a manner consistent with the practices of each operator of the facilitates located at the mortgaged real property.

It is possible that governmental entities could initiate investigations or litigation in the future directed at the operators and that such matters could result in significant penalties to the operators, as well as adverse publicity. The positions taken by authorities in any such matters relating to such operators, their executives or managers or other healthcare providers and the liabilities or penalties that may be imposed could have a material adverse effect on the operators' financial condition and results of operations.

Antitrust Laws

The antitrust divisions of federal and state governments have been increasing their investigations of arrangements between providers and joint ventures entered into by healthcare providers. These investigations have examined arrangements to determine whether the parties have engaged in predatory or unreasonably exclusionary conduct violative of the antitrust laws, including the Sherman Act. The Federal Trade Commission has formulated Statements of Antitrust Enforcement Policy in the Healthcare Area which provide the analytical framework for assessing possible antitrust problems, especially in joint venture arrangements. Although the policy provides for certain antitrust safety zones, healthcare providers, including assisted living facilities, may be subject to investigation and sanctions if their arrangements are found to be anti-competitive under state or federal law.

In 2011, the Department of Justice (the "DOJ") and the Federal Trade Commission (the "FTC") issued a joint statement regarding the enforcement of antitrust laws against providers that combine to form accountable care organizations. The statement emphasized that, because the integration of healthcare providers into accountable care organizations has the potential to create significant financial and clinical efficiencies, the DOJ and FTC would apply a more deferential standard of antitrust review to such entities. This deferential antitrust review, along with the financial incentives for the creation of accountable care organizations contained in the ACA, may spur further consolidation among healthcare providers.

DESCRIPTION OF THE CERTIFICATES

General

The certificates will be issued on the Closing Date pursuant to the Pooling and Servicing Agreement. They will represent the entire beneficial ownership interest of the issuing entity. The assets of the issuing entity will include:

- the underlying mortgage loans;

- any and all payments under and proceeds of the underlying mortgage loans received after their respective due dates in October 2016, in each case exclusive of payments of principal, interest and other amounts due on or before that date and exclusive of any fees paid or payable to Freddie Mac in connection with any pre-approved servicing request with respect to an underlying mortgage loan set forth in the Pooling and Servicing Agreement;

- the loan documents for the underlying mortgage loans;

- our rights under the mortgage loan purchase agreement;

- any REO Properties acquired by the issuing entity with respect to Defaulted Loans; and

- those funds or assets as from time to time are deposited in the collection account described under "The Pooling and Servicing Agreement—Collection Account" in this information circular, the special servicer's REO accounts described under "The Pooling and Servicing Agreement—Realization Upon Mortgage Loans—REO Properties" in this information circular, the distribution account described under "—Distribution Account" below, the interest reserve account described under "—Interest Reserve Account" below or any servicing account (in the case of a servicing account, to the extent of the issuing entity's interest in that account).

The certificates will include the following classes:

- the class A-1, A-2 and X certificates, which are the classes of certificates that are offered by this information circular and have the benefit of the Freddie Mac Guarantee; and

- the class B and R certificates, which are the classes of certificates that—

    1. will be retained or privately placed by us;

    2. are not offered by this information circular; and

    3. do not have the benefit of the Freddie Mac Guarantee.

The class A-1, A-2 and B certificates are the certificates that will have principal balances (collectively, the "Principal Balance Certificates"). The outstanding principal balance of any of these certificates will represent the total distributions of principal to which the holder of the certificate is entitled over time out of payments, or advances in lieu of payments, and other collections on the assets of the issuing entity or, with respect to the Offered Principal Balance Certificates, the Freddie Mac Guarantee. Accordingly, on each distribution date, the outstanding principal balance of each of these certificates will be permanently reduced by any principal distributions actually made with respect to the certificates on that distribution date, including any Balloon Guarantor Payment. See "—Distributions" below. On any particular distribution date, the outstanding principal balance of each of these certificates may also be permanently reduced, without any corresponding distribution, in connection with losses on the underlying mortgage loans and default-related and otherwise unanticipated issuing entity expenses. See "—Reductions of Certificate Principal Balances in Connection with Realized Losses and Additional Issuing Entity Expenses" below.

The class X and R certificates will not have principal balances, and the holders of those certificates will not be entitled to receive distributions of principal. However, the class X certificates will have a notional amount for purposes of calculating the accrual of interest with respect to such certificates. For purposes of calculating the accrual of interest as of any date of determination, the class X certificates will have a notional amount that is equal to the then total outstanding principal balance of the Principal Balance Certificates. The class X certificates are sometimes referred to in this information circular as the "interest-only certificates."

In general, outstanding principal balances and notional amounts will be reported on a class-by-class basis. In order to determine the outstanding principal balance or notional amount of any of the offered certificates from time to time, you may multiply the original principal balance or notional amount of that certificate as of the Closing Date, as specified on the face of that certificate, by the then-applicable certificate factor for the relevant class. The

certificate factor for any class of certificates, as of any date of determination, will equal a fraction, expressed as a percentage, the numerator of which will be the then-outstanding principal balance or notional amount of that class, and the denominator of which will be the original principal balance or notional amount of that class. Certificate factors will be reported monthly in the certificate administrator's report.

Registration and Denominations

The Offered Principal Balance Certificates will be issued to Freddie Mac in physical form in original denominations of $10,000 initial principal balance and in any whole dollar denomination in excess of $10,000. The class X certificates will be issued to Freddie Mac in physical form in original denominations of $100,000 initial notional amount and in any whole dollar denomination in excess of $100,000.

Distribution Account

General. The certificate administrator must establish and maintain an account in which it will hold funds pending their distribution on the certificates and from which it will make those distributions. That distribution account must be maintained in a manner and with a depository institution that meets the requirements of the Pooling and Servicing Agreement. Funds held in the distribution account may be held in cash or, at the certificate administrator's risk, invested in Permitted Investments. Subject to the limitations in the Pooling and Servicing Agreement, any interest or other income earned on funds in the distribution account will be paid to the certificate administrator as additional compensation.

Deposits. On the Business Day prior to each distribution date (the "Remittance Date"), the master servicer will be required to remit to the certificate administrator for deposit in the distribution account the following funds:

- All payments and other collections on the underlying mortgage loans and any REO Properties in the issuing entity on deposit in the collection account as of close of business on the second Business Day prior to the Remittance Date, exclusive of any portion of those payments and other collections that represents one or more of the following:

    1. monthly debt service payments due on a due date subsequent to the end of the related Collection Period;

    2. payments and other collections received after the end of the related Collection Period;

    3. amounts that are payable or reimbursable from the collection account to any person other than the certificateholders, in accordance with the terms of the Pooling and Servicing Agreement, including—

        (a) amounts payable to the master servicer (or a sub-servicer), the special servicer, the directing certificateholder or any Affiliated Borrower Loan Directing Certificateholder as compensation, including master servicing fees, sub-servicing fees, special servicing fees, master servicer surveillance fees, special servicer surveillance fees, workout fees, liquidation fees, assumption fees, assumption application fees, modification fees, extension fees, consent fees, waiver fees, earnout fees, Transfer Fees, Transfer Processing Fees and similar charges and, to the extent not otherwise applied to cover interest on advances and/or other Additional Issuing Entity Expenses with respect to the related underlying mortgage loan, Default Interest and late payment charges, or as indemnification;

        (b) amounts payable to the master servicer (for itself or on behalf of certain indemnified sub-servicers) and the special servicer;

        (c) amounts payable in reimbursement of outstanding advances, together with interest on those advances; and

        (d) amounts payable with respect to other issuing entity expenses including, without limitation, fees, expenses and indemnities of the trustee and the certificate administrator/custodian (including interest on such amounts, if applicable, and subject to the Trustee Aggregate Annual Cap, the

Certificate Administrator/Custodian Aggregate Annual Cap and the Trustee/Certificate Administrator/Custodian Aggregate Annual Cap, as applicable);

4. net investment income on the funds in the collection account; and

5. amounts deposited in the collection account in error.

- Any advances of delinquent monthly debt service payments made by the master servicer with respect to that distribution date.

- Any payments made by the master servicer to cover Prepayment Interest Shortfalls incurred during the related Collection Period.

See "—Advances of Delinquent Monthly Debt Service Payments" below and "The Pooling and Servicing Agreement—Collection Account" and "—Servicing and Other Compensation and Payment of Expenses" in this information circular.

With respect to each distribution date that occurs during March (or February, if the related distribution date is the final distribution date), the certificate administrator will be required to transfer from the interest reserve account, which we describe under "—Interest Reserve Account" below, to the distribution account the interest reserve amounts that are then being held in that interest reserve account with respect to the underlying mortgage loans that accrue interest on an Actual/360 Basis.

The certificate administrator will be authorized, but will not be obligated, to invest or direct the investment of funds held in the distribution account and interest reserve account in Permitted Investments. It will be—

- entitled to retain any interest or other income earned on those funds; and

- required to cover any losses of principal of those investments from its own funds, but the certificate administrator is not required to cover any losses caused by the insolvency of the depository institution or trust company holding such account so long as (i) such depository institution or trust company (a) satisfied the requirements set forth in the Pooling and Servicing Agreement at the time such investment was made and (b) is neither the certificate administrator nor an affiliate of the certificate administrator and (ii) such insolvency occurs within 30 days of the date on which such depository institution or trust company no longer satisfies the requirements set forth in the Pooling and Servicing Agreement.

Withdrawals. The certificate administrator may from time to time make withdrawals from the distribution account for any of the following purposes without regard to the order below:

- without duplication, to pay (i) itself monthly certificate administrator fees, and to the trustee, monthly trustee fees, each as described under "The Pooling and Servicing Agreement—Matters Regarding the Trustee, the Certificate Administrator and the Custodian" in this information circular and (ii) CREFC® any accrued and unpaid CREFC® Intellectual Property Royalty License Fee;

- to reimburse and pay to the trustee and the master servicer, in that order, for outstanding and unreimbursed nonrecoverable advances and accrued and unpaid interest on such amounts, to the extent it or the master servicer is not reimbursed from the collection account;

- (i) to reimburse the Guarantor for any unreimbursed Balloon Guarantor Payment, together with any related Timing Guarantor Interest, from collections on any Balloon Loan as to which any such Balloon Guarantor Payment was made (net of any such amount used to reimburse the master servicer or the trustee for advances, together with interest on such amounts) and (ii) to reimburse the Guarantor for any unreimbursed Guarantor Reimbursement Amounts from any liquidation fees, workout fees, servicing fees, special servicing fees or other fees or amounts collected in connection with the liquidation or other disposition of an underlying mortgage loan solely to the extent that the party entitled to any such amount has already been paid such amount from other collections on such underlying mortgage loan and the original payment of

such amount resulted in a Deficiency Amount (net of any such amount used to reimburse the master servicer or the trustee for advances, together with interest on such amounts);

- to pay the Guarantor the Guarantee Fee;

- without duplication, to pay indemnity amounts to itself, the custodian, the trustee, the depositor, the master servicer (including on behalf of certain indemnified sub-servicers), the special servicer, Freddie Mac (in its capacity as servicing consultant) and various related persons, subject to the relevant Aggregate Annual Caps, as described under "The Pooling and Servicing Agreement—Certain Indemnities" in this information circular;

- to pay for any opinions of counsel required to be obtained in connection with any amendments to the Pooling and Servicing Agreement, to the extent that the issuing entity is responsible for the cost of such opinions of counsel under the Pooling and Servicing Agreement and, if applicable, to pay for the fees of the trustee for confirming the special servicer's determination of Fair Value of a Defaulted Loan;

- to pay any federal, state and local taxes imposed on the issuing entity, its assets and/or transactions, together with all incidental costs and expenses, including such taxes, that are required to be borne by the issuing entity as described under "The Pooling and Servicing Agreement—Realization Upon Mortgage Loans—REO Properties" in this information circular;

- with respect to each distribution date during February of any year and each distribution date during January of any year that is not a leap year (unless, in either case, the related distribution date is the final distribution date), to transfer to the interest reserve account the interest reserve amounts required to be so transferred in that month with respect to the underlying mortgage loans that accrue interest on an Actual/360 Basis, as described under "—Interest Reserve Account" below; and

- to pay any amounts deposited in the distribution account in error to the person entitled to them.

On each distribution date, all amounts on deposit in the distribution account, exclusive of any portion of those amounts that are to be withdrawn for the purposes contemplated in the prior paragraph, will be applied by the certificate administrator on each distribution date to make distributions on the certificates and to the Guarantor (with respect to the Guarantor Reimbursement Amounts). Generally, for any distribution date, such amounts will be distributed to holders of the certificates in two separate components:

- those funds, referred to in this information circular as the Available Distribution Amount, which will be paid to the holders of all the certificates and the Guarantor, who is entitled to the Guarantee Fee, as described under "—Distributions—Priority of Distributions" below; and

- the portion of those funds that represent Static Prepayment Premiums and Yield Maintenance Charges collected on the underlying mortgage loans during the related Collection Period, which will be paid to the holders of the class A-1, A-2 and X certificates in the proportions described under "—Distributions—Distributions of Static Prepayment Premiums and Yield Maintenance Charges" below.

The certificate administrator will be required to pay to CREFC® the CREFC® Intellectual Property Royalty License Fee on a monthly basis solely from funds on deposit in the distribution account, to the extent sufficient funds are on deposit in the distribution account. Upon receipt of a request from CREFC®, the certificate administrator will provide CREFC® with a report that shows the calculation of the CREFC® Intellectual Property Royalty License Fee for the period requested by CREFC®.

Interest Reserve Account

The certificate administrator must maintain one or more accounts or subaccounts in which it will hold the interest reserve amounts described in the next paragraph with respect to the underlying mortgage loans that accrue interest on an Actual/360 Basis. That interest reserve account must be maintained in a manner and with a depository that satisfies NRSRO standards for securitizations similar to the one involving the certificates.

During January, except in a leap year, and February of each calendar year (unless, in either case, the related distribution date is the final distribution date), the certificate administrator will, on or before the distribution date in that month, withdraw from the distribution account and deposit in the interest reserve account the interest reserve amount with respect to each of the underlying mortgage loans that accrue interest on an Actual/360 Basis and for which the monthly debt service payment due in that month was either received or advanced. In general, the "interest reserve amount" for each of those underlying mortgage loans will equal one day's interest accrued at the related Net Mortgage Pass-Through Rate on the Stated Principal Balance of that loan as of the end of the related Collection Period.

During March of each calendar year (or February, if the related distribution date is the final distribution date), the certificate administrator will, on or before the distribution date in that month, withdraw from the interest reserve account and deposit in the distribution account any and all interest reserve amounts then on deposit in the interest reserve account with respect to the underlying mortgage loans that accrue interest on an Actual/360 Basis. All interest reserve amounts that are so transferred from the interest reserve account to the distribution account will be included in the Available Distribution Amount for the distribution date during the month of transfer.

The funds held in the interest reserve account may be held in cash or, at the risk of the certificate administrator, invested in Permitted Investments. Subject to the limitations in the Pooling and Servicing Agreement, any interest or other income earned on funds in the interest reserve account may be withdrawn from the interest reserve account and paid to the certificate administrator as additional compensation.

The certificate administrator will be required to deposit in the interest reserve account the amount of any losses of principal arising from investments of funds held in the interest reserve account, but the certificate administrator is not required to cover any losses caused by the insolvency of the depository institution or trust company holding the interest reserve account so long as (i) such depository institution or trust company (a) satisfied the requirements set forth in the Pooling and Servicing Agreement at the time such investment was made and (b) is neither the certificate administrator nor an affiliate of the certificate administrator and (ii) such insolvency occurs within 30 days of the date on which such depository institution or trust company no longer satisfies the requirements set forth in the Pooling and Servicing Agreement. However, this exculpation will not be deemed to relieve the certificate administrator from any obligations that arise from it or an affiliate acting as the depository institution or trust company holding such accounts, including, without limitation, any obligation of the certificate administrator to cover losses on such accounts held by it or by an affiliate.

Fees and Expenses

The amounts available for distribution on the certificates on any distribution date will generally be net of the following amounts which are payable to the master servicer, the special servicer, the trustee, the certificate administrator, the custodian, the Guarantor or the directing certificateholder, as applicable:

Type/Recipient	Amount	Frequency	Source of Funds
Fees			
Master Servicing Fee and Sub-Servicing Fee / Master Servicer	the Stated Principal Balance of each underlying mortgage loan multiplied by 0.0300% *per annum* (calculated using the same interest accrual basis of such underlying mortgage loan) and the Stated Principal Balance of each underlying mortgage loan multiplied by the sub-servicing fee rate of 0.0500% *per annum* (calculated using the same interest accrual basis of such underlying mortgage loan)	monthly	interest payments on related loan or, with respect to liquidated loans, general collections if Liquidation Proceeds are not sufficient
Master Servicer Surveillance Fee / Master Servicer and Sub-Servicer	the Stated Principal Balance of each Surveillance Fee Mortgage Loan multiplied by 0.0100% *per annum* (calculated using the same interest accrual basis of such underlying mortgage loan) (subject to the sub-servicer's entitlement to 50% of the master servicer surveillance fee pursuant to the Sub-Servicing Agreement as described in "The Pooling and Servicing Agreement—Servicing and Other Compensation and Payment of Expenses" in this information circular)	monthly	interest payments on the related loan or, with respect to liquidated loans, general collections if Liquidation Proceeds are not sufficient
Additional Servicing Compensation / Master Servicer	• all late payment fees and default interest (other than on Specially Serviced Mortgage Loans) not used to pay interest on advances and certain Additional Issuing Entity Expenses with respect to the related underlying mortgage loans	from time to time	the related fee
	• 60% of any Transfer Fees or collateral substitution fees collected on or with respect to any non-Specially Serviced Mortgage Loans for Transfers or substitutions that require the consent or review of the directing certificateholder or Affiliated Borrower Loan Directing Certificateholder and 100% of such fees for non-Specially Serviced Mortgage Loans for Transfers or substitutions that do not require the consent or review of the	from time to time	the related fee

Type/Recipient	Amount	Frequency	Source of Funds
	directing certificateholder or Affiliated Borrower Loan Directing Certificateholder (a portion of which may be payable to the sub-servicer under the Sub-Servicing Agreement)		
	• all Transfer Processing Fees collected on or with respect to any underlying mortgage loans that are not Specially Serviced Mortgage Loans (a portion of which may be payable to the sub-servicer under the Sub-Servicing Agreement)	from time to time	the related fee
	• all investment income earned on amounts on deposit in the collection account and certain escrow and reserve accounts	monthly	investment income
Special Servicing Fee / Special Servicer	the Stated Principal Balance of each Specially Serviced Mortgage Loan or REO Loan multiplied by 0.2500% *per annum* (calculated using the same interest accrual basis of such underlying mortgage loan)	monthly	general collections
Special Servicer Surveillance Fee / Special Servicer	the Stated Principal Balance of each Surveillance Fee Mortgage Loan multiplied by 0.01076% *per annum* (calculated using the same interest accrual basis of such underlying mortgage loan)	monthly	interest payments on the related loan or, with respect to liquidated loans, general collections if Liquidation Proceeds are not sufficient
Workout Fee / Special Servicer	1.0% of each collection of principal and interest on each Corrected Mortgage Loan	monthly	the related collections of principal and interest
Liquidation Fee / Special Servicer	1.0% of each recovery of net Liquidation Proceeds or proceeds from a full, partial or discounted payoff, except as specified under "The Pooling and Servicing Agreement—Servicing and Other Compensation and Payment of Expenses" in this information circular	upon receipt of Liquidation Proceeds	the related Liquidation Proceeds
Additional Special Servicing Compensation / Special Servicer	• all late payment fees and net default interest on Specially Serviced Mortgage Loans not used to pay interest on advances and certain Additional Issuing Entity Expenses with respect to the related underlying mortgage loans	from time to time	the related fee

Type/Recipient	Amount	Frequency	Source of Funds
	• 100% of commercially reasonable fees actually paid by the related borrower on modifications, extensions, earnouts, consents and other actions for Specially Serviced Mortgage Loans and certain other fees earned by the special servicer in connection with the modification of the cross-collateralization or cross-default provisions in any loan documents in connection with the purchase of a Defaulted Crossed Loan from the issuing entity to the extent paid by the related borrower	from time to time	the related fee
	• 100% of assumption application fees, assumption fees, substitution of collateral consent application fees and related fees on Specially Serviced Mortgage Loans, when received from the borrower for such purpose	from time to time	the related fee
	• all investment income received on funds in any REO account	from time to time	investment income
Fees / Directing Certificateholder or any Affiliated Borrower Loan Directing Certificateholder	40% of any Transfer Fees or collateral substitution fees collected on or with respect to any non-Specially Serviced Mortgage Loans for Transfers or substitutions which require the consent or review of the directing certificateholder or the Affiliated Borrower Loan Directing Certificateholder	from time to time	the related fee
Trustee Fee / Trustee	0.000473% *per annum* multiplied by the Stated Principal Balance of the underlying mortgage loans (calculated using the same interest accrual basis as each underlying mortgage loan)	monthly	general collections
Certificate Administrator Fee / Certificate Administrator	0.007127% *per annum* multiplied by the Stated Principal Balance of the underlying mortgage loans (calculated using the same interest accrual basis as each underlying mortgage loan)	monthly	general collections
Guarantee Fee / Guarantor	0.7500% *per annum* multiplied by the outstanding principal balance of the Offered Principal Balance Certificates (calculated on a 30/360 Basis)	monthly	general collections
CREFC® Intellectual Property Royalty License Fee / CREFC®	0.0005% *per annum* multiplied by the outstanding principal balance of the class	monthly	general collections

Type/Recipient	Amount	Frequency	Source of Funds
	B certificates (calculated on a 30/360 Basis)		
Expenses			
Servicing Advances / Master Servicer and Trustee	to the extent of funds available, the amount of any Servicing Advances	from time to time	collections on the related loan, or if not recoverable, from general collections
Interest on Servicing Advances / Master Servicer, Special Servicer and Trustee	at Prime Rate	when advance is reimbursed	first from default interest/late payment fees, then from general collections
P&I Advances / Master Servicer and Trustee	to the extent of funds available, the amount of any P&I Advances	from time to time	collections on the related loan, or if not recoverable, from general collections
Interest on P&I Advances / Master Servicer and Trustee	at Prime Rate	when advance is reimbursed	first from default interest/late payment fees, then from general collections
Indemnification Expenses / Depositor, Trustee, Certificate Administrator/Custodian, Master Servicer, Special Servicer and Freddie Mac	amounts for which the depositor, the trustee, the certificate administrator/custodian, the master servicer (for itself or on behalf of certain indemnified sub-servicers), Freddie Mac (in its capacity as the servicing consultant) and the special servicer are entitled to indemnification, in each case, up to any related Aggregate Annual Cap in each calendar year until paid in full	from time to time	general collections
Interest on Unreimbursed Indemnification Expenses / Depositor, Trustee, Custodian, Certificate Administrator, Master Servicer, Special Servicer and Freddie Mac	at Prime Rate	when Unreimbursed Indemnification Expenses are reimbursed	general collections

Distributions

General. On each distribution date, the certificate administrator will, subject to the applicable available funds and the exception described in the next sentence, make all distributions required to be made on the certificates on that date to the holders of record as of the record date, which will be the close of business on the last Business Day of the calendar month preceding the month in which those distributions are to be made. The final distribution of principal and/or interest on any offered certificate, however, will be made only upon presentation and surrender of that certificate at the location to be specified in a notice of the pendency of that final distribution.

Distributions made to a class of certificateholders will be allocated among those certificateholders in proportion to their respective percentage interests in that class.

Interest Distributions. All of the classes of certificates will bear interest, except for the class R certificates.

With respect to each interest-bearing class of certificates, that interest will accrue on a 30/360 Basis during each Interest Accrual Period based on:

- the pass-through rate with respect to that class for that Interest Accrual Period; and
- the outstanding principal balance or notional amount, as the case may be, of that class outstanding immediately prior to the related distribution date.

On each distribution date, subject to the Available Distribution Amount for that date and the distribution priorities described under "—Priority of Distributions" below and, in the case of the offered certificates, subject to the Freddie Mac Guarantee, the holders of each interest-bearing class of certificates will be entitled to receive—

- the total amount of interest accrued during the related Interest Accrual Period with respect to that class of certificates, reduced (to not less than zero) by
- the total portion of any Net Aggregate Prepayment Interest Shortfall for that distribution date that is allocable to that class of certificates.

If the holders of any interest-bearing class of certificates do not receive all of the interest to which they are entitled on any distribution date, as described in the prior two paragraphs (including by means of a Guarantor Payment), then they will continue to be entitled to receive the unpaid portion of that interest on future distribution dates, subject to the Available Distribution Amount for those future distribution dates and the distribution priorities described below.

The portion of any Net Aggregate Prepayment Interest Shortfall for any distribution date that is allocable to reduce the current accrued interest then payable with respect to any particular interest-bearing class of the certificates will be allocated to the class A-1, A-2, X and B certificates based on the amount of interest to which such classes are entitled for such distribution date based on their respective pass-through rates.

However, such Net Aggregate Prepayment Interest Shortfalls with respect to the offered certificates will be covered under the Freddie Mac Guarantee.

Calculation of Pass-Through Rates. The pass-through rate for each interest-bearing class of certificates for the initial Interest Accrual Period is identified in the table on page 5. However, the initial pass-through rates identified in such table for the class B and X certificates are approximate.

The pass-through rates for each of the class A-1 and A-2 certificates for each Interest Accrual Period will remain fixed at the initial pass-through rates for those classes shown in the table on page 5.

The pass-through rate for the class B certificates for each Interest Accrual Period will equal the excess, if any, of (i) the Weighted Average Net Mortgage Pass-Through Rate for the related distribution date over (ii) the CREFC® Intellectual Property Royalty License Fee Rate (*provided*, that in no event may the pass-through rate for the class B certificates be less than zero).

The pass-through rate for the class X certificates for each Interest Accrual Period will equal the weighted average of the Class X Strip Rates (weighted based on the relative sizes of their respective components). The "Class X Strip Rates" means, for the purposes of calculating the pass-through rate for the class X certificates, the rates *per annum* at which interest accrues from time to time on the three components of the notional amount of the class X certificates outstanding immediately prior to the related distribution date. For each class of Principal Balance Certificates, the class X certificates will have a component that will have a notional amount equal to the outstanding principal balance of that class of certificates. For purposes of calculating the pass-through rate for the class X certificates for each Interest Accrual Period, (a) the applicable Class X Strip Rate with respect to the components related to the class A-1 and A-2 certificates, respectively, will be a rate *per annum* equal to the excess, if any, of (i) the Weighted Average Net Mortgage Pass-Through Rate for the related distribution date minus the Guarantee Fee Rate, over (ii) the pass-through rate for the class A-1 or A-2 certificates, as applicable; and (b) the applicable Class X Strip Rate with respect to the component related to the class B certificates will be a rate *per annum* equal to the excess, if any, of (i) the Weighted Average Net Mortgage Pass-Through Rate for such distribution date minus the

CREFC® Intellectual Property Royalty License Fee Rate over (ii) the pass-through rate for the class B certificates. In no event may any Class X Strip Rate be less than zero.

The class R certificates will not be interest-bearing and, therefore, will not have pass-through rates.

Principal Distributions. Subject to the Available Distribution Amount and the distribution priorities described under "—Priority of Distributions" below, the total amount of principal payable with respect to the Principal Balance Certificates on each distribution date will equal the Principal Distribution Amount for that distribution date.

In general, subject to the Available Distribution Amount and the distribution priorities described under "—Priority of Distributions" below, the total amount of principal to which the holders of the Offered Principal Balance Certificates will be entitled on each distribution date will, in the case of each of those classes, generally equal:

- in the case of the class A-1 certificates, an amount (not to exceed the outstanding principal balance of the class A-1 certificates immediately prior to the subject distribution date) equal to the Principal Distribution Amount for the subject distribution date, until the outstanding principal balance of such class of certificates is reduced to zero; and

- in the case of the class A-2 certificates, an amount (not to exceed the outstanding principal balance of the class A-2 certificates immediately prior to the subject distribution date) equal to the Principal Distribution Amount for the subject distribution date (exclusive of any distributions of principal to which the holders of the class A-1 certificates are entitled on the subject distribution date as described in the immediately preceding bullet), until the outstanding principal balance of such class of certificates is reduced to zero.

Because of losses on the underlying mortgage loans and/or default-related or other unanticipated issuing entity expenses, the outstanding principal balance of the class B certificates could be reduced to zero at a time when both of the classes of Offered Principal Balance Certificates remain outstanding. In that event, any principal distributions on the Offered Principal Balance Certificates will be made on a *pro rata* basis in accordance with their respective outstanding principal balances.

Following the payment in full of the total outstanding principal balance of the Offered Principal Balance Certificates, the Principal Distribution Amount for each distribution date will be allocated to the class B certificates (following reimbursement to Freddie Mac of guarantee payments with respect to the class A-1, A-2 and X certificates), in an amount up to the lesser of the portion of that Principal Distribution Amount that remains unallocated and the outstanding principal balance of the class B certificates immediately prior to that distribution date.

In no event will the holders of the class B certificates be entitled to receive any distributions of principal until the total outstanding principal balance of the Offered Principal Balance Certificates is reduced to zero.

If the master servicer or the trustee is reimbursed for any Nonrecoverable Advance or Workout-Delayed Reimbursement Amount (together with accrued interest on such amounts), such amount will be deemed to be reimbursed first out of payments and other collections of principal on all the underlying mortgage loans (thereby reducing the Principal Distribution Amount on the related distribution date), prior to being deemed reimbursed out of payments and other collections of interest on all the underlying mortgage loans. See "—Advances of Delinquent Monthly Debt Service Payments" below and "The Pooling and Servicing Agreement—Servicing and Other Compensation and Payment of Expenses—Servicing Advances" in this information circular.

Loss Reimbursement Amounts. As discussed under "—Reductions of Certificate Principal Balances in Connection with Realized Losses and Additional Issuing Entity Expenses" below, the outstanding principal balance of any class of Principal Balance Certificates may be reduced without a corresponding distribution of principal. If that occurs, then, subject to the Freddie Mac Guarantee in the case of the Offered Principal Balance Certificates and the Available Distribution Amount for each subsequent distribution date and the priority of distributions described below, the holders of that class will be entitled to be reimbursed for the amount of that reduction, without interest. References to "loss reimbursement amount" in this information circular mean, in the case of any class of Principal Balance Certificates, for any distribution date, the total amount to which the holders of that class are entitled as

reimbursement for all previously unreimbursed reductions, if any, made in the outstanding principal balance of that class on all prior distribution dates as discussed under "—Reductions of Certificate Principal Balances in Connection with Realized Losses and Additional Issuing Entity Expenses" below.

Freddie Mac Guarantee. On each distribution date following the receipt from the certificate administrator of a statement to certificateholders that indicates a Deficiency Amount for any class of guaranteed certificates for such distribution date, the Guarantor will distribute the related Guarantor Payment in an aggregate amount equal to the Deficiency Amount for such class of guaranteed certificates for such distribution date directly to the holders of such class of certificates, without first depositing such amount in the collection account or distribution account. Any Guarantor Payment made to any class of Offered Principal Balance Certificates in respect of a Deficiency Amount relating to principal (but not in respect of reimbursement of Realized Losses or Additional Issuing Entity Expenses) will reduce the outstanding principal balance of such class by a corresponding amount and will also result in a corresponding reduction in the notional amount of the corresponding component of the class X certificates. On each distribution date on which a Guarantor Payment is due with respect to any class of offered certificates, the Guarantor is required to notify the certificate administrator, the trustee, the master servicer and the special servicer that such Guarantor Payment has been made in full (or if such Guarantor Payment was not paid in full, the amount that was unpaid), and specifying the amount of such Guarantor Payment made to each class of guaranteed certificates. The Freddie Mac Guarantee does not cover any Yield Maintenance Charges, Static Prepayment Premiums or any other prepayment fees or charges related to the underlying mortgage loans. In addition, the Freddie Mac Guarantee does not cover any loss of yield on the class X certificates following a reduction in the notional amount of the class X certificates resulting from a reduction of the outstanding principal balance of any class of Principal Balance Certificates. In addition, Freddie Mac will be entitled to a Guarantee Fee equal to 0.7500% *per annum* multiplied by the outstanding principal balance of each class of Offered Principal Balance Certificates (calculated on a 30/360 Basis). The Freddie Mac Guarantee is not backed by the full faith and credit of the United States. If the Guarantor were unable to pay under the Freddie Mac Guarantee, the offered certificates could be subject to losses.

Priority of Distributions. On each distribution date, the certificate administrator will apply the Available Distribution Amount for that date to make the following distributions in the following order of priority, in each case to the extent of the remaining portion of the Available Distribution Amount:

Order of Distribution	Recipient	Type and Amount of Distribution
1st	A-1, A-2 and X	Interest up to the total interest distributable on those classes (including accrued and unpaid interest from prior Interest Accrual Periods), *pro rata* based on the respective entitlements of those classes to interest at their respective pass-through rates
2nd	A-1 and A-2	Principal up to the total principal distributable on the class A-1 and A-2 certificates, in that order, until the outstanding principal balance of each such class has been reduced to zero*
3rd	A-1 and A-2	In the case of a default under the Freddie Mac Guarantee, reimbursement up to the loss reimbursement amounts, if any, for those classes, *pro rata*, based on the loss reimbursement amounts for those classes
4th	Guarantor	Any Guarantor Reimbursement Amounts relating to the offered certificates, other than Guarantor Timing Reimbursement Amounts relating to the Offered Principal Balance Certificates
5th	Guarantor	Any Guarantor Timing Reimbursement Amounts relating to the Offered Principal Balance Certificates
6th	Guarantor	Any Guarantor Reimbursement Interest Amounts relating to the offered certificates
7th	B	Interest up to the total interest distributable on that class (including accrued and unpaid interest from prior Interest Accrual Periods)
8th	B	Principal up to the total principal distributable on that class, until the outstanding principal balance of such class has been reduced to zero
9th	B	Reimbursement up to the loss reimbursement amount, if any, for that class
10th	R	Any remaining portion of the funds in the Lower-Tier REMIC or Upper-Tier REMIC

* The priority of principal distributions between the class A-1 and A-2 certificates is described above under "—Distributions—Principal Distributions." Because of losses on the underlying mortgage loans and/or default-related or other unanticipated issuing entity expenses, the principal balance of the class B certificates could be reduced to zero at a time when both of the class A-1 and A-2 certificates remain outstanding. In that event, any principal distributions on the class A-1 and A-2 certificates will be made on a *pro rata* basis in accordance with their respective outstanding principal balances.

However, certain payments on the Guaranteed Certificates will be covered by the Freddie Mac Guarantee, to the extent described in this information circular.

Subordination. As and to the extent described in this information circular, the rights of holders of the class B certificates to receive distributions of amounts collected or advanced on the underlying mortgage loans will be subordinated to the rights of holders of the class A-1, A-2 and X certificates and the rights of the Guarantor to be reimbursed for certain payments on the Guaranteed Certificates.

The credit support provided to the class A-1, A-2 and X certificates, as and to the extent described above, by the subordination described above of the class B certificates, is intended to enhance the likelihood of timely receipt by the holders of the class A-1, A-2 and X certificates of the full amount of all interest payable in respect of such certificates on each distribution date, and the ultimate receipt by the holders of the class A-1 and A-2 certificates of principal in an amount equal to the outstanding principal balance of such certificates. In addition, as and to the extent described in this information circular, the rights of the holders of the class B certificates to receive distributions of amounts collected or advanced on the underlying mortgage loans will be subordinated to the rights of holders of the class A-1, A-2 and X certificates. This subordination will be accomplished by the application of the Available Distribution Amount on each distribution date in accordance with the order of priority described above under "—Priority of Distributions" and by the allocation of Realized Losses and Additional Issuing Entity Expenses as described below under "—Reductions of Certificate Principal Balances in Connection with Realized Losses and Additional Issuing Entity Expenses."

Allocation to the Offered Principal Balance Certificates for so long as they are outstanding, of the entire Principal Distribution Amount for each distribution date will generally have the effect of reducing the outstanding principal balances of those classes at a faster rate than would be the case if principal payments were allocated pro rata to all classes of certificates with outstanding principal balances. Thus, as principal is distributed to the holders of the Offered Principal Balance Certificates, the percentage interest in the issuing entity evidenced by such class will be decreased, with a corresponding increase in the percentage interest in the issuing entity evidenced by the class B certificates. This will cause the outstanding principal balance of the class B certificates to decline more slowly thereby increasing, relative to its outstanding principal balance, the subordination afforded to the Offered Principal Balance Certificates and the class X certificates by the class B certificates.

Distributions of Static Prepayment Premiums and Yield Maintenance Charges. If any Static Prepayment Premium or Yield Maintenance Charge is collected during any particular Collection Period in connection with the prepayment of any of the underlying mortgage loans, the certificate administrator will be required to distribute that Static Prepayment Premium or Yield Maintenance Charge on the distribution date corresponding to that Collection Period, as follows:

- to the holders of the class A-1 and A-2 certificates that are then entitled to distributions of principal on that distribution date out of that portion of the total Principal Distribution Amount for that date that includes the prepaid underlying mortgage loan, an amount equal to, in the case of each such class, the product of—

    1. the amount of the subject Static Prepayment Premium or Yield Maintenance Charge, multiplied by;

    2. a fraction, not greater than one or less than zero, the numerator of which is equal to the excess, if any, of the pass-through rate for that class of Principal Balance Certificates for the related Interest Accrual Period, over the relevant discount rate, and the denominator of which is equal to the excess, if any, of the mortgage interest rate for the prepaid underlying mortgage loan, over the relevant discount rate (*provided* that if the relevant discount rate is greater than or equal to the mortgage interest rate for the prepaid underlying mortgage loan, then the fraction will equal zero; *provided*, *further* that if such discount rate is greater than the mortgage interest rate for the prepaid underlying mortgage loan, but is less than the pass-through rate on the subject class, then the fraction will be one), multiplied by;

    3. a fraction, not greater than one or less than zero, the numerator of which is equal to the total distributions of principal to be made with respect to that class of Principal Balance Certificates entitled to Static Prepayment Premiums or Yield Maintenance Charges on the subject distribution date from that portion of the total Principal Distribution Amount for that date, and the denominator of which is equal to the total amount distributed as principal to the class A-1 and A-2 certificates for the subject distribution date; and

- any portion of the subject Static Prepayment Premium or Yield Maintenance Charge that may remain after any distribution(s) contemplated by the prior bullet will be distributed to the holders of the class X certificates.

For purposes of the foregoing, the relevant discount rate will, in general, be the same discount rate that would have been used to calculate the Yield Maintenance Charge for such underlying mortgage loan during the Yield Maintenance Period (adjusted, with respect to Static Prepayment Premiums, to reflect the remaining Static Prepayment Premium Period instead of the remaining Yield Maintenance Period).

As described under "The Pooling and Servicing Agreement—Servicing and Other Compensation and Payment of Expenses" in this information circular, if any Yield Maintenance Charge or Static Prepayment Premium is collected in connection with a liquidation of an underlying mortgage loan or REO Property, a liquidation fee may be payable on the amount collected. In such cases, the formulas described above for allocating any Yield Maintenance Charges and Static Prepayment Premiums to any particular class of certificates will be applied to the prepayment consideration in question, net of any liquidation fee payable therefrom.

We do not make any representation as to—

- the enforceability of any provision of the underlying mortgage loans requiring the payment of any prepayment consideration; or

- the collectability of that prepayment consideration.

See "Description of the Underlying Mortgage Loans—Certain Terms and Conditions of the Underlying Mortgage Loans—Prepayment Provisions" in this information circular.

In no event will the holders of any offered certificates receive any Static Prepayment Premium, Yield Maintenance Charge or other prepayment consideration in connection with any repurchase of an underlying mortgage loan as described under "Description of the Underlying Mortgage Loans—Cures, Repurchases and Substitutions" in this information circular. In addition, the Freddie Mac Guarantee excludes the payment of any Static Prepayment Premium, Yield Maintenance Charge or other prepayment consideration.

Treatment of REO Properties

Although any mortgaged real property may be acquired by the issuing entity through foreclosure, deed-in-lieu of foreclosure or otherwise, the related underlying mortgage loan will be treated as having remained outstanding until the REO Property is liquidated for purposes of determining—

- distributions on the certificates;

- allocations of Realized Losses and Additional Issuing Entity Expenses to the certificates; and

- the amount of all fees payable to the master servicer, the special servicer, the certificate administrator and the trustee under the Pooling and Servicing Agreement.

In connection with these determinations, the related underlying mortgage loan will be taken into account when determining the Weighted Average Net Mortgage Pass-Through Rate and the Principal Distribution Amount for each distribution date.

Operating revenues and other proceeds from an REO Property will be applied—

- *first*, to pay, or to reimburse the master servicer, the special servicer, the certificate administrator and/or the trustee for the payment of, any costs and expenses incurred in connection with the operation and disposition of the REO Property, and

- *thereafter*, as collections of principal, interest and other amounts due on the related underlying mortgage loan.

To the extent described under "—Advances of Delinquent Monthly Debt Service Payments" below, the master servicer and the trustee will be required to advance (subject to a nonrecoverability determination) delinquent monthly debt service payments with respect to each underlying mortgage loan as to which the corresponding mortgaged real property has become an REO Property, in all cases as if that underlying mortgage loan had remained outstanding.

Reductions of Certificate Principal Balances in Connection with Realized Losses and Additional Issuing Entity Expenses

As a result of Realized Losses and the application of principal collections on the underlying mortgage loans to pay Additional Issuing Entity Expenses, the total outstanding principal balance of the Principal Balance Certificates could exceed the total Stated Principal Balance of the mortgage pool. If this occurs following the distributions made to the certificateholders on any distribution date, then the respective outstanding principal balances of the following classes of certificates are to be sequentially reduced in the following order, until the total outstanding principal balance of those classes of certificates equals the total Stated Principal Balance of the mortgage pool that will be outstanding immediately following the subject distribution date; *provided* that the total Stated Principal Balance of the mortgage pool will be decreased, for this purpose only, by the amount of any unreimbursed Timing Guarantor

Payments and increased, for this purpose only, by amounts of principal attributable to the mortgage pool previously used to reimburse nonrecoverable advances and certain advances related to rehabilitated mortgage loans, as described under "—Advances of Delinquent Monthly Debt Service Payments" below and "The Pooling and Servicing Agreement—Servicing and Other Compensation and Payment of Expenses" in this information circular, other than any such amounts previously used to reimburse advances with respect to mortgage loans that have since become liquidated loans, that will be outstanding immediately following that distribution date.

Order of Allocation	Class
1st	B
2nd	A-1 and A-2*

* *Pro rata* based on the respective outstanding principal balances of the subject classes.

The above-described reductions in the outstanding principal balance of the respective classes of the Principal Balance Certificates will represent an allocation of the Realized Losses and/or Additional Issuing Entity Expenses that caused the particular mismatch in balances between the underlying mortgage loans and those classes of Principal Balance Certificates. However, Freddie Mac will be required under its guarantee to pay the holder of any Offered Principal Balance Certificate an amount equal to any such loss allocated to its Offered Principal Balance Certificate as described under "—Distributions—Freddie Mac Guarantee" above.

The loss, if any, in connection with the liquidation of a Defaulted Loan or related REO Property will generally be an amount equal to the excess, if any, of:

- the outstanding principal balance of the underlying mortgage loan as of the date of liquidation, together with all accrued and unpaid interest on the underlying mortgage loan through and including the end of the related mortgage interest accrual period in which such liquidation occurred, exclusive, however, of any portion of that interest that represents Default Interest, and

- all related unreimbursed Servicing Advances (with interest) and unpaid liquidation expenses, over

- the total amount of Liquidation Proceeds, if any, recovered in connection with the liquidation that are available to pay interest (other than Default Interest) on and principal of the underlying mortgage loan.

If any portion of the debt due under any of the underlying mortgage loans is forgiven, whether in connection with a modification, waiver or amendment granted or agreed to by the master servicer or the special servicer or in connection with the bankruptcy, insolvency or similar proceeding involving the related borrower, the amount forgiven, other than Default Interest, also will be treated as a Realized Loss.

The following items, to the extent that they are paid out of collections on the mortgage pool (other than late payment charges and/or Default Interest collected on the underlying mortgage loans) in accordance with the terms of the Pooling and Servicing Agreement, are some examples of Additional Issuing Entity Expenses:

- any special servicing fees, workout fees and liquidation fees paid to the special servicer;

- any interest paid to the master servicer, the special servicer and/or the trustee with respect to advances;

- the cost of various opinions of counsel required or permitted to be obtained in connection with the servicing of the underlying mortgage loans and the administration of the other assets of the issuing entity;

- any unanticipated expenses of the issuing entity, including—

    1. any reimbursements and indemnifications to the trustee, the custodian, the certificate administrator and various related persons and entities, as described under "The Pooling and Servicing Agreement—Certain Indemnities" in this information circular,

2. any reimbursements and indemnification to the master servicer, the special servicer, the depositor, Freddie Mac (in its capacity as servicing consultant) and various related persons and entities, as described under "The Pooling and Servicing Agreement—Certain Indemnities" in this information circular, and

3. any U.S. federal, state and local taxes, and tax-related expenses, payable out of assets of the issuing entity, as described under "Certain Federal Income Tax Consequences—Taxes That May Be Imposed on a REMIC" in this information circular; and

- any amounts expended on behalf of the issuing entity to remediate an adverse environmental condition at any mortgaged real property securing a Defaulted Loan, as described under "The Pooling and Servicing Agreement—Realization Upon Mortgage Loans" in this information circular.

Late payment charges and Default Interest collected with respect to any underlying mortgage loan are to be applied to pay interest on any advances that have been or are being reimbursed with respect to that underlying mortgage loan. In addition, late payment charges and Default Interest collected with respect to any underlying mortgage loan are also to be applied to reimburse the issuing entity for any Additional Issuing Entity Expenses previously incurred by the issuing entity with respect to that underlying mortgage loan. Late payment charges and Default Interest collected with respect to any underlying mortgage loan that are not so applied to pay interest on advances or to reimburse the issuing entity for previously incurred Additional Issuing Entity Expenses will be paid to the master servicer and/or the special servicer as additional servicing compensation.

Advances of Delinquent Monthly Debt Service Payments

The master servicer will be required to make, for each distribution date, a total amount of advances of principal and/or interest ("P&I Advances") generally equal to all scheduled monthly debt service payments, other than balloon payments, Default Interest, late payment charges, Yield Maintenance Charges or Static Prepayment Premiums and assumed monthly debt service payments, in each case net of related master servicer surveillance fees (if any), special servicer surveillance fees (if any), master servicing fees and sub-servicing fees, that—

- were due or deemed due, as the case may be, during the related Collection Period with respect to the underlying mortgage loans, and

- were not paid by or on behalf of the respective borrowers thereunder or otherwise collected as of the close of business on the last day of the related Collection Period.

However, if it is determined that an Appraisal Reduction Amount exists with respect to any underlying mortgage loan, then the master servicer will reduce the interest portion, but not the principal portion, of each monthly debt service advance that it must make with respect to that underlying mortgage loan during the period that the Appraisal Reduction Amount exists. The interest portion of any monthly debt service advance required to be made with respect to any underlying mortgage loan as to which there exists an Appraisal Reduction Amount, will equal the product of—

- the amount of the interest portion of that monthly debt service advance that would otherwise be required to be made for the subject distribution date without giving effect to the Appraisal Reduction Amount, multiplied by

- a fraction—

  1. the numerator of which is equal to the Stated Principal Balance of the underlying mortgage loan, net of the Appraisal Reduction Amount, and

  2. the denominator of which is equal to the Stated Principal Balance of the underlying mortgage loan.

However, there will be no such reduction in any advance for delinquent monthly debt service payments due to an Appraisal Reduction Event at any time after the outstanding principal balance of the class B certificates has been reduced to zero.

With respect to any distribution date, the master servicer will be required to make monthly debt service advances either out of its own funds or, subject to replacement as and to the extent provided in the Pooling and Servicing Agreement, out of funds held in the collection account that are not required to be paid on the certificates on the related distribution date. Further, if a Ratings Trigger Event occurs with respect to the master servicer, the Guarantor will have the right to require the master servicer to remit out of its own funds to the collection account, an amount equal to all monthly debt service advances previously made out of the collection account and not previously repaid from collections on the underlying mortgage loans, and thereafter, the master servicer will be required to make monthly debt service advances solely out of its own funds.

If the master servicer fails to make a required monthly debt service advance and the trustee is aware of that failure, the trustee will be obligated to make that advance.

The master servicer and the trustee will each be entitled to recover any monthly debt service advance made by it out of its own funds (together with interest accrued on such amount) from collections on the underlying mortgage loan as to which the advance was made. Neither the master servicer nor the trustee will be obligated to make any monthly debt service advance that, in its judgment (in accordance with the Servicing Standard in the case of the judgment of the master servicer, or in accordance with good faith business judgment in the case of the trustee), would not ultimately be recoverable out of collections on the related underlying mortgage loan. If the master servicer or the trustee makes any monthly debt service advance with respect to any of the underlying mortgage loans (including any such advance that is a Workout-Delayed Reimbursement Amount), that the master servicer, the trustee or the special servicer subsequently determines (in accordance with the Servicing Standard in the case of the determination of the master servicer or the special servicer, or in accordance with good faith business judgment in the case of the trustee) will not be recoverable out of collections on that underlying mortgage loan (or, if such advance is a Workout-Delayed Reimbursement Amount, out of collections of principal on all the underlying mortgage loans after the application of those principal payments and collections to reimburse any party for a Nonrecoverable Advance) (such advance, a "Nonrecoverable P&I Advance"), the master servicer or the trustee, as applicable, may obtain reimbursement for that advance, together with interest accrued on the advance as described below, out of general collections on the mortgage pool. See "The Pooling and Servicing Agreement—Collection Account" in this information circular. In making such determination, the master servicer, the trustee or the special servicer, as applicable, may take into account a range of relevant factors, including, among other things, (i) the existence of any outstanding Nonrecoverable Advance or Workout-Delayed Reimbursement Amount on any underlying mortgage loan or REO Loan, (ii) the obligations of the borrower under the related underlying mortgage loan, (iii) the related mortgaged real property in its "as is" condition, (iv) future expenses and (v) the timing of recoveries. Any reimbursement of a Nonrecoverable P&I Advance (including interest accrued on such amount) will be deemed to be reimbursed first from payments and other collections of principal on the mortgage pool (thereby reducing the amount of principal otherwise distributable on the certificates on the related distribution date) prior to the application of any other general collections on the mortgage pool against such reimbursement. The special servicer's determination that a monthly debt service advance is a Nonrecoverable P&I Advance will be conclusive and binding on the master servicer and the trustee. However, absent such a determination by the special servicer, each of the master servicer and the trustee will be entitled to make its own determination that a monthly debt service advance is a Nonrecoverable P&I Advance. In addition, the trustee will be entitled to conclusively rely on the master servicer's determination that a monthly debt service advance is a Nonrecoverable P&I Advance. A determination by the special servicer that a previously made or proposed monthly debt service advance would be recoverable will not be binding on the master servicer or the trustee.

However, instead of obtaining reimbursement out of general collections on the mortgage pool immediately for a Nonrecoverable P&I Advance, the master servicer or the trustee, as applicable, may, in its sole discretion, elect to obtain reimbursement for such Nonrecoverable P&I Advance over a period of time (not to exceed six months without the consent of the directing certificateholder or 12 months in any event), with interest continuing to accrue on such amount at the Prime Rate. At any time after such a determination to obtain reimbursement over time in accordance with the preceding sentence, the master servicer or the trustee, as applicable, may, in its sole discretion, decide to obtain reimbursement for such Nonrecoverable P&I Advance from general collections on the mortgage pool (including, without limitation, interest collections) immediately. In general, such a reimbursement deferral will only be permitted under the Pooling and Servicing Agreement if and to the extent that the subject Nonrecoverable P&I Advance, after taking into account other outstanding Nonrecoverable Advances, could not be reimbursed with interest out of payments and other collections of principal on the mortgage pool during the current Collection

Period. The fact that a decision to recover a Nonrecoverable P&I Advance over time, or not to do so, benefits some classes of certificateholders to the detriment of other classes of certificateholders will not constitute a violation of the Servicing Standard or a breach of the terms of the Pooling and Servicing Agreement by any party to the Pooling and Servicing Agreement or a violation of any duty owed by any party to the certificateholders.

In addition, in the event that any monthly debt service advance with respect to a Defaulted Loan remains unreimbursed following the time that such underlying mortgage loan is modified and returned to performing status and the amount of such advance becomes an obligation of the related borrower under the terms of the modified loan documents (a "Workout-Delayed Reimbursement Amount"), the master servicer or the trustee will be entitled to reimbursement for that advance and interest accrued on such advance (even though that advance is not deemed a Nonrecoverable P&I Advance), on a monthly basis, out of – but solely out of – payments and other collections of principal on all the underlying mortgage loans after the application of those principal payments and collections to reimburse any party for any Nonrecoverable Advance, prior to any distributions of principal on the certificates. If any such advance is not reimbursed in whole due to insufficient principal collections during the related Collection Period, then the portion of that advance which remains unreimbursed will be carried over (with interest on such amount continuing to accrue) for reimbursement in the following Collection Period (to the extent of principal collections available for that purpose). If any such advance, or any portion of any such advance, is determined, at any time during this reimbursement process, to be a Nonrecoverable Advance, then the master servicer or the trustee, as applicable, will be entitled to immediate reimbursement out of general collections as a Nonrecoverable Advance in an amount equal to the portion of that advance that remains outstanding, plus accrued interest.

The master servicer and the trustee will each be entitled to receive interest on monthly debt service advances made by that party out of its own funds. That interest will accrue on the amount of each monthly debt service advance for so long as that advance is outstanding from the date made (or, if made prior to the end of the applicable grace period, from the end of that grace period), at an annual rate equal to the Prime Rate. Subject to the discussion in the two preceding paragraphs, interest accrued with respect to any monthly debt service advance on an underlying mortgage loan will be payable out of general collections on the mortgage pool.

A monthly debt service payment will be assumed to be due with respect to:

- each underlying mortgage loan that is delinquent with respect to its balloon payment beyond the end of the Collection Period in which its maturity date occurs and as to which no arrangements have been agreed to for the collection of the delinquent amounts, including an extension of maturity; and

- each underlying mortgage loan as to which the corresponding mortgaged real property has become an REO Property.

The assumed monthly debt service payment deemed due on any underlying mortgage loan described in the prior sentence will equal, for its maturity date (if applicable) and for each successive due date following the relevant event that it or any related REO Property remains part of the issuing entity, the sum of (i) the principal portion, if any, of the monthly debt service payment that would have been due on the underlying mortgage loan on the relevant date if the related balloon payment had not come due or the related mortgaged real property had not become an REO Property, as the case may be, and the underlying mortgage loan had, instead, continued to amortize and accrue interest according to its terms in effect prior to that event, plus (ii) one month's interest on the Stated Principal Balance of the underlying mortgage loan at the related mortgage interest rate (but not including Default Interest).

Reports to Certificateholders and Freddie Mac; Available Information

Certificate Administrator Reports. Based on information provided on a one-time basis by the mortgage loan seller, and in monthly reports prepared by the master servicer and the special servicer in accordance with the Pooling and Servicing Agreement, and in any event delivered to the certificate administrator, the certificate administrator will be required to prepare and make available electronically or, upon written request, provide by first class mail, (i) by 12:00 p.m. New York City time on the third Business Day prior to each distribution date to Freddie Mac and (ii) on each distribution date to each registered holder of a certificate, a statement to certificateholders substantially in the form of and containing the information substantially as required by Exhibit B. The certificate administrator's statement to certificateholders will detail the distributions on the certificates on that distribution date and the

performance, both in total and individually to the extent available, of the underlying mortgage loans and the related mortgaged real properties. Recipients will be deemed to have agreed to keep the subject information confidential.

The master servicer will be required to provide the standard CREFC Investor Reporting Package® to the certificate administrator on a monthly basis for the underlying mortgage loans. The certificate administrator will not be obligated to deliver any such report until the reporting package is provided by the master servicer.

To the extent that any related permitted subordinate mortgage debt is being serviced by the master servicer or the master servicer receives the necessary information from the applicable servicer of such permitted subordinate mortgage debt, and if not prohibited by the terms of the related permitted subordinate mortgage debt loan documents or any servicing agreement with respect to the related permitted subordinate mortgage debt (i) the master servicer will include information on such permitted subordinate mortgage debt in each CREFC® operating statement analysis report and (ii) if applicable CREFC® guidelines are revised to require information on subordinate mortgage debt to be included in other report or files in the CREFC Investor Reporting Package® that the master servicer is required to prepare and if Freddie Mac so requests in writing, the master servicer will include information on such permitted subordinate mortgage debt in such additional report or files in the CREFC Investor Reporting Package® in accordance with such CREFC® guidelines as reasonably clarified by Freddie Mac. For the purposes of including information on permitted subordinate mortgage debt in reports or files as contemplated under the terms of the Pooling and Servicing Agreement, the master servicer may conclusively rely (without investigation, inquiry, independent verification or any duty or obligation to recompute, verify or recalculate any of the amounts and other information contained in), absent manifest error, on information provided to it by the sub-servicer or other servicer of such permitted subordinate mortgage debt or by Freddie Mac.

Information Available Electronically. To the extent the "deal documents," "periodic reports," "additional documents" and "special notices" listed in the following bullet points are in the certificate administrator's possession and prepared by it or delivered to it in an electronic format, the certificate administrator will be required to make available to any Privileged Person via the certificate administrator's website in accordance with the terms and provisions of the Pooling and Servicing Agreement:

- the following "deal documents":

  (a) this information circular;

  (b) Freddie Mac's Giant and Other Pass-Through Certificates Offering Circular Dated August 1, 2014;

  (c) the Freddie Mac offering circular supplement related to the SPCs;

  (d) the Pooling and Servicing Agreement;

  (e) the mortgage loan purchase agreement; and

  (f) the CREFC® loan setup file received by the certificate administrator from the master servicer;

- the following "periodic reports":

  (a) certain underlying mortgage loan information as presented in the standard CREFC Investor Reporting Package® (other than the CREFC® loan setup file); and

  (b) statements to certificateholders;

- the following "additional documents":

  (a) inspection reports; and

  (b) appraisals;

- the following "special notices":

(a) notice of any failure by the mortgage loan seller to repurchase an underlying mortgage loan that has an uncured material breach of a representation or warranty or a material document defect;

(b) notice of final payment on the certificates;

(c) notice of the resignation, termination, merger or consolidation of the master servicer, the special servicer, the certificate administrator or the trustee and any notice of the acceptance of appointment by any successor thereto;

(d) notice of the occurrence of any event of default that has not been cured;

(e) notice of any request by the directing certificateholder to terminate the special servicer;

(f) any request by certificateholders to communicate with other certificateholders;

(g) any amendment of the Pooling and Servicing Agreement;

(h) any notice of the occurrence of or termination of any Affiliated Borrower Loan Event;

(i) any officer's certificates supporting the determination that any advance was (or, if made, would be) a nonrecoverable advance; and

(j) such other reports or information at the reasonable direction of the depositor or the Guarantor;

provided, *however*, that the certificate administrator may not provide to (a) any person that is a borrower under an underlying mortgage loan or an affiliate of a borrower under an underlying mortgage loan unless such person is the directing certificateholder, (1) any asset status report, inspection report, appraisal or internal valuation, (2) the CREFC® special servicer loan file or (3) any supplemental reports in the CREFC Investor Reporting Package® or (b) the directing certificateholder, any asset status report, inspection report, appraisal or internal valuation relating to any Affiliated Borrower Loan. The certificate administrator's website will initially be located at www.ctslink.com. Access will be provided by the certificate administrator to Privileged Persons upon receipt by the certificate administrator from such person of an investor certification in the form(s) described in the Pooling and Servicing Agreement, which form(s) may also be located on and submitted electronically via the certificate administrator's website. The parties to the Pooling and Servicing Agreement will be given access to the website without providing that certification. For assistance with the certificate administrator's website, certificateholders may call (866) 846-4526.

The certificate administrator will make no representations or warranties as to the accuracy or completeness of, and may disclaim responsibility for, any report, document or other information made available by it for which it is not the original source. The certificate administrator will not be deemed to have obtained actual knowledge of any information posted on the certificate administrator's website to the extent such information was not produced by the certificate administrator.

The certificate administrator may require registration and the acceptance of a disclaimer, as well as an agreement to keep the subject information confidential, in connection with providing access to its website. The certificate administrator will not be liable for the dissemination of information made by it in accordance with the Pooling and Servicing Agreement.

Other Information. The Pooling and Servicing Agreement will obligate the certificate administrator (or in the case of the items listed in the sixth and eighth bullet points below, the custodian) to make available at its offices, during normal business hours, upon reasonable advance written notice, or electronically via its website, for review by, among others, any holder or beneficial owner of an offered certificate or any person identified to the certificate administrator as a prospective transferee of an offered certificate or any interest in that offered certificate, originals or copies, in paper or electronic form, of, among other things, the following items, to the extent such documents have been delivered to the certificate administrator or the custodian, as applicable:

- any private placement memorandum or other disclosure document relating to the applicable class of certificates, in the form most recently provided to the certificate administrator;

- the Pooling and Servicing Agreement, including exhibits, and any amendments to the Pooling and Servicing Agreement;

- all monthly reports of the certificate administrator delivered, or otherwise electronically made available, to certificateholders since the Closing Date;

- all officer's certificates delivered to the certificate administrator by the master servicer and/or the special servicer since the Closing Date, as described under "The Pooling and Servicing Agreement—Evidence as to Compliance" in this information circular;

- all accountant's reports delivered to the certificate administrator with respect to the master servicer and/or the special servicer since the Closing Date, as described under "The Pooling and Servicing Agreement—Evidence as to Compliance" in this information circular;

- any and all modifications, waivers and amendments of the terms of an underlying mortgage loan entered into by the master servicer or the special servicer and delivered to the custodian pursuant to the Pooling and Servicing Agreement (but only for so long as the affected underlying mortgage loan is part of the issuing entity);

- any and all officer's certificates delivered to the certificate administrator to support the master servicer's determination that any P&I Advance or Servicing Advance was or, if made, would be a Nonrecoverable P&I Advance or Nonrecoverable Servicing Advance, as the case may be;

- any and all of the loan documents contained in the mortgage file, and with respect to the directing certificateholder and Freddie Mac only, any and all documents contained in the mortgage file;

- information provided to the certificate administrator regarding the occurrence of Servicing Transfer Events as to the underlying mortgage loans; and

- any and all sub-servicing agreements provided to the certificate administrator and any amendments to such sub-servicing agreements and modifications of such sub-servicing agreements.

Copies of any and all of these items will be required to be made available by the certificate administrator or the custodian, as applicable, upon written request. However, the certificate administrator and the custodian, as applicable, will be permitted to require payment of a sum sufficient to cover the reasonable costs and expenses of providing the copies.

In connection with providing access to or copies of information pursuant to the Pooling and Servicing Agreement, including the items described above, the certificate administrator, the master servicer or the special servicer will require, in the case of a registered holder, beneficial owner or prospective purchaser of an offered certificate, a written confirmation executed by the requesting person or entity, in the form required by the Pooling and Servicing Agreement, generally to the effect that, among other things, the person or entity (i) is a registered holder, beneficial owner or prospective purchaser of offered certificates, or an investment advisor representing such person, (ii) is requesting the information for use in evaluating such person's investment in, or possible investment in, the offered certificates, (iii) is or is not a borrower or an affiliate of a borrower under the underlying mortgage loan, (iv) will keep the information confidential, and (v) will indemnify the certificate administrator, the trustee, the custodian, the master servicer, the special servicer, the issuing entity and the depositor from any damage, loss, cost or liability (including legal fees and expenses and the cost of enforcing this indemnity) arising out of or resulting from any unauthorized use or disclosure of the information. The certificate administrator, the custodian, the master servicer, the special servicer and the sub-servicer may not provide to (a) any person that is a borrower under an underlying mortgage loan or an affiliate of a borrower under an underlying mortgage loan unless such person is the directing certificateholder, (i) any asset status report, inspection report, appraisal or internal valuation, (ii) the CREFC® special servicer loan file or (iii) certain supplemental reports in the CREFC Investor Reporting Package® or (b) the directing certificateholder, any asset status report, inspection report, appraisal or internal valuation relating to any Affiliated Borrower Loan. However, such restrictions on providing information will not apply to the master servicer, the special servicer and the sub-servicer if the applicable loan documents expressly require such disclosure to such person as a borrower under an underlying mortgage loan.

Reports to Freddie Mac. On or before the third Business Day prior to each distribution date, the certificate administrator will be required, in accordance with the terms of the Pooling and Servicing Agreement, to prepare and distribute to Freddie Mac certain supplemental reports related to the offered certificates.

Deal Information/Analytics. Certain information concerning the underlying mortgage loans and the certificates may be available through the following services:

- BlackRock Financial Management, Inc., Bloomberg, L.P., Trepp, LLC, Intex Solutions, Inc., CMBS.com and Thomson Reuters Corporation;
- the certificate administrator's website initially located at www.ctslink.com; and
- the master servicer's website initially located at www.wellsfargo.com/com.

Voting Rights

The voting rights for the certificates will be allocated as follows:

- 99% of the voting rights will be allocated to the class A-1, A-2 and B certificates, in proportion to the respective outstanding principal balances of those classes;
- 1% of the voting rights will be allocated to the class X certificates; and
- 0% of the voting rights will be allocated to the class R certificates.

Voting rights allocated to a class of certificateholders will be allocated among those certificateholders in proportion to their respective percentage interests in that class. However, solely for the purposes of giving any consent, approval or waiver pursuant to the Pooling and Servicing Agreement with respect to the rights, obligations or liabilities of the trustee, the certificate administrator, the master servicer, the special servicer or Freddie Mac, any certificate registered in the name of such trustee, certificate administrator, master servicer, special servicer, Freddie Mac or any affiliate of any of them, as applicable, will be deemed not to be outstanding, and the voting rights to which it is entitled will not be taken into account in determining whether the requisite percentage of voting rights necessary to effect any such consent, approval or waiver has been obtained. Such restriction will not apply to (i) the selection of the Controlling Class or the directing certificateholder or the exercise of the special servicer's or its affiliates' rights as a member of the Controlling Class and (ii) except with respect to increases in compensation or material reductions in obligations, if the trustee, the certificate administrator, the master servicer, the special servicer or Freddie Mac, as the case may be, and/or their affiliates, own the entire class of each certificates affected by the action, vote, consent or waiver.

YIELD AND MATURITY CONSIDERATIONS

Yield Considerations

General. The yield on the offered certificates will depend on, among other things—

- the price you pay for the offered certificates; and
- the rate, timing and amount of distributions on the offered certificates.

The rate, timing and amount of distributions on the offered certificates will in turn depend on, among other things—

- the pass-through rate for, and the other payment terms of, the offered certificates;
- the rate and timing of payments and other collections on the underlying mortgage loans;
- the rate and timing of defaults, and the severity of losses, if any, on the underlying mortgage loans;

- the rate, timing, severity and allocation of other shortfalls and expenses that reduce amounts available for distribution on the certificates (although such shortfalls with respect to the offered certificates may be covered under the Freddie Mac Guarantee, as further described in this information circular);

- the collection and payment, or waiver, of Yield Maintenance Charges or Static Prepayment Premiums with respect to the underlying mortgage loans; and

- servicing decisions with respect to the underlying mortgage loans.

These factors cannot be predicted with any certainty. Accordingly, you may find it difficult to analyze the effect that these factors might have on the yield to maturity of the offered certificates.

Freddie Mac Guarantee. Although the Freddie Mac Guarantee will mitigate the yield and maturity considerations with respect to the offered certificates discussed in this information circular, the Freddie Mac Guarantee is not backed by the full faith and credit of the United States. If the Guarantor were unable to pay under the Freddie Mac Guarantee, such mitigation would not apply.

Pass-Through Rates. The pass-through rate on the class X certificates will be variable and will be calculated based on the Weighted Average Net Mortgage Pass-Through Rate. The Weighted Average Net Mortgage Pass-Through Rate would decline if the rate of principal payments on the underlying mortgage loans with higher Net Mortgage Pass-Through Rates was faster than the rate of principal payments on the underlying mortgage loans with lower Net Mortgage Pass-Through Rates. Accordingly, the yield on the class X certificates will be sensitive to changes in the relative composition of the mortgage pool as a result of scheduled amortization, voluntary and involuntary prepayments and liquidations of underlying mortgage loans following default. The Weighted Average Net Mortgage Pass-Through Rate will not be affected by modifications, waivers or amendments with respect to the underlying mortgage loans except for any modifications, waivers or amendments that increase the mortgage interest rate.

Rate and Timing of Principal Payments. The yield to maturity of the class X certificates will be extremely sensitive to the rate and timing of principal distributions made in reduction of the total outstanding principal balance of the Principal Balance Certificates. The yield to maturity on any class of Offered Principal Balance Certificates purchased at a discount or a premium will be affected by the rate and timing of principal distributions made in reduction of the outstanding principal balance of such class of Offered Principal Balance Certificates. In turn, the rate and timing of principal distributions that are paid or otherwise result in reduction of the outstanding principal balance of the Offered Principal Balance Certificates will be directly related to the rate and timing of principal payments on or with respect to the underlying mortgage loans. Finally, the rate and timing of principal payments on or with respect to the underlying mortgage loans will be affected by their amortization schedules, the dates on which balloon payments are due and the rate and timing of principal prepayments and other unscheduled collections on them, including for this purpose, collections made in connection with liquidations of underlying mortgage loans due to defaults, casualties or condemnations affecting the mortgaged real properties, pay downs of loans due to failure of the related property to meet certain performance criteria or purchases or other removals of underlying mortgage loans from the issuing entity.

If you are contemplating an investment in the class X certificates, you should further consider the risk that an extremely rapid rate of payments and other collections of principal on the underlying mortgage loans could result in your failure to fully recoup your initial investment.

Prepayments and other early liquidations of the underlying mortgage loans will result in distributions on the Offered Principal Balance Certificates of amounts that would otherwise be paid over the remaining terms of the underlying mortgage loans. This will tend to shorten the weighted average lives of the Offered Principal Balance Certificates and accelerate the rate at which the notional amount of the corresponding component of the class X certificates is reduced. Defaults on the underlying mortgage loans, particularly at or near their maturity dates, may result in significant delays in distributions of principal on the underlying mortgage loans and, accordingly, on the Offered Principal Balance Certificates, while workouts are negotiated or foreclosures are completed, subject to the Freddie Mac Guarantee. These delays will tend to lengthen the weighted average lives of the Offered Principal Balance Certificates. See "The Pooling and Servicing Agreement—Modifications, Waivers, Amendments and Consents" in this information circular.

The extent to which the yield to maturity on any Offered Principal Balance Certificate may vary from the anticipated yield will depend on the degree to which the Offered Principal Balance Certificate is purchased at a discount or premium and when, and to what degree payments of principal on the underlying mortgage loans are in turn paid in a reduction of the outstanding principal balance of the Offered Principal Balance Certificate. If you purchase Offered Principal Balance Certificates at a discount, you should consider the risk that a slower than anticipated rate of principal payments on the underlying mortgage loans could result in an actual yield to you that is lower than your anticipated yield. If you purchase Offered Principal Balance Certificates at a premium or if you purchase class X certificates, you should consider the risk that a faster than anticipated rate of principal payments on the underlying mortgage loans could result in an actual yield to you that is lower than your anticipated yield.

Because the rate of principal payments on or with respect to the underlying mortgage loans will depend on future events and a variety of factors, no particular assurance can be given as to that rate or the rate of principal prepayments.

Delinquencies and Defaults on the Underlying Mortgage Loans. The rate and timing of delinquencies and defaults on the underlying mortgage loans will affect—

- the amount of distributions on the offered certificates;
- the yield to maturity of the offered certificates;
- the notional amount of the class X certificates;
- the rate of principal distributions on the Offered Principal Balance Certificates; and
- the weighted average lives of the offered certificates.

Delinquencies on the underlying mortgage loans may result in shortfalls in distributions of interest and/or principal on the offered certificates for the current month, although Freddie Mac will be required under its guarantee to pay the holder of any offered certificate an amount equal to any such shortfall allocated to its certificates as set forth in "Description of the Certificates—Distributions—Freddie Mac Guarantee" in this information circular. Although any shortfalls in distributions of interest may be made up on future distribution dates, no interest would accrue on those shortfalls. Thus, any shortfalls in distributions of interest would adversely affect the yield to maturity of the offered certificates.

If—

- you calculate the anticipated yield to maturity for the offered certificates based on an assumed rate of default and amount of losses on the underlying mortgage loans that is lower than the default rate and amount of losses actually experienced, and
- the additional losses result in a reduction of the total distributions on or the outstanding principal balance of the offered certificates,

then your actual yield to maturity will be lower than you calculated and could, under some scenarios, be negative.

The timing of any loss on a liquidated mortgage loan that results in a reduction of the total distributions on or the outstanding principal balance of the offered certificates will also affect your actual yield to maturity, even if the rate of defaults and severity of losses are consistent with your expectations. In general, the earlier your loss occurs, the greater the effect on your yield to maturity.

Even if losses on the underlying mortgage loans do not result in a reduction of the total distributions on or the total outstanding principal balance of the offered certificates, the losses may still affect the timing of distributions on, and the weighted average lives and yields to maturity of, the offered certificates.

In addition, if the master servicer or the trustee is reimbursed for any Nonrecoverable Advance or Workout-Delayed Reimbursement Amount (together with accrued interest on such amounts), such amount will be deemed to

be reimbursed first out of payments and other collections of principal on all the underlying mortgage loans (thereby reducing the Principal Distribution Amount on the related distribution date), prior to being deemed reimbursed out of payments and other collections of interest on all the underlying mortgage loans. See "Description of the Certificates—Advances of Delinquent Monthly Debt Service Payments" and "The Pooling and Servicing Agreement—Servicing and Other Compensation and Payment of Expenses—Servicing Advances" in this information circular.

Relevant Factors. The following factors, among others, will affect the rate and timing of principal payments and defaults and the severity of losses on or with respect to the underlying mortgage loans:

- prevailing interest rates;
- the terms of those underlying mortgage loans, including—
    1. provisions that impose prepayment lockout periods or require Yield Maintenance Charges or Static Prepayment Premiums;
    2. amortization terms that require balloon payments;
    3. due-on-sale/encumbrance provisions; and
    4. any provisions requiring draws on letters of credit or escrowed funds to be applied to principal;
- the demographics and relative economic vitality of the areas in which the mortgaged real properties are located;
- the general supply and demand for independent living facilities of the type available at the mortgaged real properties in the areas in which those properties are located;
- the quality of management of the mortgaged real properties;
- the servicing of those underlying mortgage loans;
- changes in tax laws; and
- other opportunities for investment.

See "Risk Factors—Risks Related to the Underlying Mortgage Loans," "Description of the Underlying Mortgage Loans" and "The Pooling and Servicing Agreement" in this information circular.

The rate of prepayments on the underlying mortgage loans is likely to be affected by prevailing market interest rates for mortgage loans of a comparable type, term and risk level. When the prevailing market interest rate is below the annual rate at which an underlying mortgage loan accrues interest, the related borrower may have an increased incentive to refinance that underlying mortgage loan. Conversely, to the extent prevailing market interest rates exceed the annual rate at which an underlying mortgage loan accrues interest, the borrower may be less likely to voluntarily prepay that underlying mortgage loan.

Depending on prevailing market interest rates, the outlook for market interest rates and economic conditions generally, some borrowers may sell their mortgaged real properties in order to realize their equity in those mortgaged real properties, to meet cash flow needs or to make other investments. In addition, some borrowers may be motivated by U.S. federal and state tax laws, which are subject to change, to sell their mortgaged real properties.

In addition, certain of the underlying mortgage loans may have performance escrows or letters of credit pursuant to which the funds held in escrow or the proceeds of such letters of credit may be applied to reduce the outstanding principal balance of such underlying mortgage loans if certain performance triggers are not satisfied. This circumstance would have the same effect on the offered certificate as a partial prepayment on such underlying mortgage loans without payment of a Static Prepayment Premium or a Yield Maintenance Charge. For more information regarding these escrows and letters of credit, see the footnotes to Exhibit A-1.

We make no representation or warranty regarding:

- the particular factors that will affect the rate and timing of prepayments and defaults on the underlying mortgage loans;
- the relative importance of those factors;
- the percentage of the total principal balance of the underlying mortgage loans that will be prepaid or as to which a default will have occurred as of any particular date;
- whether the underlying mortgage loans that are in a prepayment lockout period, including any part of that period when prepayment with a Yield Maintenance Charge or Static Prepayment Premium is allowed, will be prepaid as a result of involuntary liquidations upon default or otherwise during that period; or
- the overall rate of prepayments or default on the underlying mortgage loans.

Delay in Distributions. Because monthly distributions will not be made on the offered certificates until the distribution date following the due dates for the underlying mortgage loans during the related Collection Period, your effective yield will be lower than the yield that would otherwise be produced by your pass-through rate and purchase price, assuming that your purchase price did not account for a delay.

Weighted Average Lives of the Offered Principal Balance Certificates

For purposes of this information circular, the weighted average life of any Principal Balance Certificate refers to the average amount of time (in years) that will elapse from the assumed settlement date of October 28, 2016 until each dollar to be applied in reduction of the total outstanding principal balance of those certificates is paid to the investor. For purposes of this "Yield and Maturity Considerations" section, the weighted average life of such class of Principal Balance Certificates is determined by:

- multiplying the amount of each principal distribution on such class of Principal Balance Certificates by the number of years from the assumed settlement date to the related distribution date;
- summing the results; and
- dividing the sum by the total amount of the reductions in the outstanding principal balance of such class of Principal Balance Certificates.

Accordingly, the weighted average life of any class of Offered Principal Balance Certificates will be influenced by, among other things, the rate at which principal of the underlying mortgage loans is paid or otherwise collected or advanced and the extent to which those payments, collections and/or advances of principal are in turn applied in reduction of the outstanding principal balance of that certificate (including any reductions in outstanding principal balance as a result of Balloon Guarantor Payments).

As described in this information circular, the Principal Distribution Amount for each distribution date will be payable, subject to the Available Distribution Amount and the distribution priorities described under "Description of the Certificates—Distributions—Priority of Distributions" in this information circular, *first* to make distributions of principal to the holders of the class A-1 and/or A-2 certificates (allocated among those classes as described under "Description of the Certificates—Distributions—Principal Distributions" in this information circular) until the total outstanding principal balance of those classes is reduced to zero, and *thereafter* to make distributions of principal to holders of the class B certificates until the outstanding principal balance of that class is reduced to zero. As a result, the weighted average life of the class A-1 certificates may be shorter, and the weighted average lives of the class A-2 and B certificates may be longer, than would otherwise be the case if the Principal Distribution Amount for each distribution date was being paid on a *pro rata* basis among the respective classes of Principal Balance Certificates.

The tables set forth on Exhibit D show with respect to each class of Offered Principal Balance Certificates—

- the weighted average life of that class, and

- the percentage of the initial principal balance of that class that would be outstanding after each of the specified dates,

based on each of the indicated levels of CPR and the Modeling Assumptions.

The actual characteristics and performance of the underlying mortgage loans will differ from the Modeling Assumptions used in calculating the tables on Exhibit D. Those tables are hypothetical in nature and are provided only to give a general sense of how the principal cash flows might behave under the assumed prepayment scenarios. Any difference between the Modeling Assumptions used in calculating the tables on Exhibit D and the actual characteristics and performance of the underlying mortgage loans, or their actual prepayment or loss experience, will affect the percentages of initial principal balances outstanding over time and the weighted average lives of the respective classes of Offered Principal Balance Certificates.

We cannot assure you that—

- the underlying mortgage loans will prepay in accordance with the Modeling Assumptions or any other assumptions set forth in this information circular;

- the underlying mortgage loans will prepay at any of the indicated levels of CPR or at any other particular prepayment rate;

- the underlying mortgage loans will not experience losses; or

- the underlying mortgage loans that are in a prepayment lockout period or that are prepayable during any period with a Yield Maintenance Charge or a Static Prepayment Premium will not prepay, whether voluntarily or involuntarily, during any such period.

You must make your own decisions as to the appropriate loss, prepayment and liquidation assumptions to be used in deciding to purchase any offered certificates.

Yield Sensitivity of the Class X Certificates

The yield to investors on the class X certificates will be highly sensitive to the rate and timing of principal payments, including prepayments, on the underlying mortgage loans. If you are contemplating an investment in the class X certificates, you should fully consider the associated risks, including the risk that an extremely rapid rate of prepayments and/or liquidation of the underlying mortgage loans could result in your failure to recoup fully your initial investment.

The table set forth on Exhibit E with respect to the class X certificates shows pre-tax corporate bond equivalent yields for the class X certificates based on the Modeling Assumptions, except that the optional termination is exercised, and further assuming the specified purchase prices and the indicated levels of CPR. Those assumed purchase prices are exclusive of accrued interest.

The yields with respect to the class X certificates set forth in the table on Exhibit E were calculated by:

- determining the monthly discount rate that, when applied to the assumed stream of cash flows to be paid on the class X certificates, as applicable, would cause the discounted present value of that assumed stream of cash flows to equal—

    1. the assumed purchase price for the class X certificates plus

    2. accrued interest at the initial pass-through rate for the class X certificates from and including October 1, 2016 to but excluding the assumed settlement date of October 28, 2016, which is a part of the Modeling Assumptions; and

- converting those monthly discount rates to corporate bond equivalent rates.

Those calculations do not take into account variations that may occur in the interest rates at which investors in the class X certificates may be able to reinvest funds received by them as payments on those certificates.

Consequently, they do not purport to reflect the return on any investment on the class X certificates when reinvestment rates are considered.

In addition, the actual characteristics and performance of the underlying mortgage loans will differ from the Modeling Assumptions used in calculating the table on Exhibit E. That table is hypothetical in nature and is provided only to give a general sense of how the cash flows might behave under the assumed prepayment scenarios. Any difference between the Modeling Assumptions used in calculating the table on Exhibit E and the actual characteristics and performance of the underlying mortgage loans, or their actual prepayment or loss experience, will affect the yield on the class X certificates.

We cannot assure you that—

- the underlying mortgage loans will prepay in accordance with the Modeling Assumptions or any other assumptions set forth in this information circular;
- the underlying mortgage loans will prepay at any of the indicated levels of CPR or at any other particular prepayment rate;
- the underlying mortgage loans will not experience losses;
- the underlying mortgage loans that are in a prepayment lockout period or that are prepayable during any period with a Yield Maintenance Charge or a Static Prepayment Premium, will not prepay, whether voluntarily or involuntarily, during any such period; or
- the purchase price of the class X certificates will be as assumed.

It is unlikely that the underlying mortgage loans will prepay as assumed at any of the specified CPR levels until maturity or that all of the underlying mortgage loans will so prepay at the same rate. Actual yield to maturity for investors in the class X certificates may be materially different than those indicated in the table on Exhibit E. Timing of changes in rate of prepayment and other liquidations may significantly affect the actual yield to maturity to investors, even if the average rate of principal prepayments and other liquidations is consistent with the expectations of investors. You must make your own decisions as to the appropriate prepayment, liquidation and loss assumptions to be used in deciding whether to purchase the class X certificates.

THE POOLING AND SERVICING AGREEMENT

General

The certificates will be issued, the issuing entity will be created and the underlying mortgage loans will be serviced and administered under a pooling and servicing agreement, to be dated as of October 1, 2016 (the "Pooling and Servicing Agreement"), by and among the depositor, the master servicer, the special servicer, the trustee, the certificate administrator, the custodian and Freddie Mac. Subject to meeting certain requirements, the Originator has the right and is expected to appoint itself or its affiliate as the sub-servicer of the underlying mortgage loans.

The certificate administrator will provide a copy of the Pooling and Servicing Agreement to a prospective or actual holder or beneficial owner of an offered certificate, upon written request from such party or a placement agent and the completion of an appropriate confidentiality agreement in the form attached to the Pooling and Servicing Agreement and, at the certificate administrator's discretion, payment of a reasonable fee for any expenses. The Pooling and Servicing Agreement will also be made available by the certificate administrator on its website, at the address set forth under "Description of the Certificates—Reports to Certificateholders and Freddie Mac; Available Information" in this information circular.

The Master Servicer and the Special Servicer

Wells Fargo Bank, National Association, a national banking association organized under the laws of the United States of America ("Wells Fargo Bank"), is expected to act as the master servicer and the initial special servicer for the underlying mortgage loans. Wells Fargo Bank is a wholly-owned direct and indirect subsidiary of Wells Fargo

& Company. Wells Fargo Bank is also expected to act as (i) the Affiliated Borrower Loan Directing Certificateholder with respect to the underlying mortgage loans that are not Affiliated Borrower Special Servicer Loans and may, if requested, act as the Directing Certificateholder Servicing Consultant and (ii) the certificate administrator, the custodian and the certificate registrar. Wells Fargo Bank is an affiliate of Wells Fargo Commercial Mortgage Securities, Inc., which is the depositor, and of Wells Fargo Securities, LLC, which will be the initial purchaser of the class B certificates and is one of the placement agents for the SPCs. On December 31, 2008, Wells Fargo & Company acquired Wachovia Corporation, the owner of Wachovia Bank, National Association ("Wachovia"), and Wachovia Corporation merged with and into Wells Fargo & Company. On March 20, 2010, Wachovia merged with and into Wells Fargo Bank. Like Wells Fargo Bank, Wachovia acted as master servicer and special servicer of securitized commercial and multifamily mortgage loans and, following the merger of the holding companies, Wells Fargo Bank and Wachovia integrated their two servicing platforms under a senior management team that is a combination of both legacy Wells Fargo Bank managers and legacy Wachovia managers.

The principal west coast commercial mortgage master servicing and special servicing offices of Wells Fargo Bank are located at MAC A0227-020, 1901 Harrison Street, Oakland, California 94612. The principal east coast commercial mortgage master servicing and special servicing offices of Wells Fargo Bank are located at MAC D1086-120, 550 South Tryon Street, Charlotte, North Carolina 28202.

Wells Fargo Bank has been master servicing securitized commercial and multifamily mortgage loans in excess of ten years. Wells Fargo Bank's primary servicing system runs on McCracken Financial Solutions Corp.'s Strategy CS software. Wells Fargo Bank reports to trustees and certificate administrators in the CREFC® format. The following table sets forth information about Wells Fargo Bank's portfolio of master or primary serviced commercial and multifamily mortgage loans (including loans in securitization transactions and loans owned by other investors) as of the dates indicated:

Commercial and Multifamily Mortgage Loans	As of 12/31/2013	As of 12/31/2014	As of 12/31/2015	As of 9/30/2016
By Approximate Number:	33,391	33,605	32,716	31,569
By Approximate Aggregate Unpaid Principal Balance (in billions):	$437.5	$475.4	$503.3	$504.4

Within this portfolio, as of September 30, 2016, are approximately 22,345 commercial and multifamily mortgage loans with an unpaid principal balance of approximately $394.3 billion related to CMBS or commercial real estate collateralized debt obligation securities. In addition to servicing loans related to CMBS and commercial real estate collateralized debt obligation securities, Wells Fargo Bank also services whole loans for itself and a variety of investors. The properties securing loans in Wells Fargo Bank's servicing portfolio, as of September 30, 2016, were located in all 50 states, the District of Columbia, Guam, Mexico, the Bahamas, the Virgin Islands and Puerto Rico and include retail, office, multifamily, industrial, hospitality and other types of income-producing properties. Also included in the above portfolio are commercial mortgage loans that Wells Fargo Bank services in Europe through its London Branch. Wells Fargo Bank has been servicing commercial mortgage loans in Europe through its London Branch for more than ten years. Through affiliated entities formerly known as Wachovia Bank, N.A., London Branch and Wachovia Bank International, and as a result of its acquisition of commercial mortgage servicing rights from Hypothekenbank Frankfurt AG, formerly Eurohypo AG, in 2013, it has serviced loans secured by properties in Germany, Ireland, the Netherlands, and the UK. As of September 30, 2016, its European third party servicing portfolio, which is included in the above table, is approximately $1.4 billion.

In its master servicing and primary servicing activities, Wells Fargo Bank utilizes a mortgage-servicing technology platform with multiple capabilities and reporting functions. This platform allows Wells Fargo Bank to process mortgage servicing activities including, but not limited to: (i) performing account maintenance; (ii) tracking borrower communications; (iii) tracking real estate tax escrows and payments, insurance escrows and payments, replacement reserve escrows and operating statement data and rent rolls; (iv) entering and updating transaction data; and (v) generating various reports.

The following table sets forth information regarding principal and interest advances and servicing advances made by Wells Fargo Bank, as master servicer, on commercial and multifamily mortgage loans included in commercial mortgage-backed securitizations. The information set forth is the average amount of such advances outstanding over the periods indicated (expressed as a dollar amount and as a percentage of Wells Fargo Bank's

portfolio, as of the end of each such period, of master serviced commercial and multifamily mortgage loans included in commercial mortgage-backed securitizations).

Period*	Approximate Securitized Master-Serviced Portfolio (UPB)*	Approximate Outstanding Advances (P&I and PPA)*	Approximate Outstanding Advances as % of UPB
Calendar Year 2013	$ 346,011,017,466	$ 2,158,219,403	0.62%
Calendar Year 2014	$ 377,947,659,331	$ 1,750,352,607	0.46%
Calendar Year 2015	$ 401,673,056,650	$ 1,600,995,208	0.40%
YTD September 30, 2016	$ 383,266,887,450	$ 904,827,872	0.24%

* "UPB" means unpaid principal balance, "P&I" means principal and interest advances, "PPA" means property protection advances and "YTD" means year-to-date.

Wells Fargo Bank has acted as a special servicer of securitized commercial and multifamily mortgage loans in excess of five years, including European loans as a result of the above described acquisition of commercial mortgage servicing rights from Hypothekenbank Frankfurt AG. Wells Fargo Bank's special servicing system includes McCracken Financial Solutions Corp.'s Strategy CS software.

The following table sets forth information about Wells Fargo Bank's portfolio of specially serviced commercial and multifamily mortgage loans as of the dates indicated:

CMBS Pools	As of 12/31/2013	As of 12/31/2014	As of 12/31/2015	As of 9/30/2016
By Approximate Number	98	112	124	145
Named Specially Serviced Portfolio By Approximate Aggregate Unpaid Principal Balance (in billions)[1]	$60.1	$67.4	$86.0	$103.0
Actively Specially Serviced Portfolio By Approximate Aggregate Unpaid Principal Balance[2]	$1,047,414,628	$520,064,655	$181,704,308	$94,055,432

(1) Includes all loans in Wells Fargo Bank's portfolio for which Wells Fargo Bank is the named special servicer, regardless of whether such loans are, as of the specified date, specially-serviced loans.

(2) Includes only those loans in the portfolio that, as of the specified date, are specially-serviced loans.

The properties securing loans in Wells Fargo Bank's special servicing portfolio may include retail, office, multifamily, industrial, hospitality and other types of income-producing property. As a result, such properties, depending on their location and/or other specific circumstances, may compete with the mortgaged real properties for tenants, purchasers, financing and so forth.

Wells Fargo Bank has developed strategies and procedures as special servicer for working with borrowers on problem loans (caused by delinquencies, bankruptcies or other breaches of the underlying loan documents) to maximize the value from the assets for the benefit of certificateholders. Wells Fargo Bank's strategies and procedures vary on a case by case basis, and include, but are not limited to, liquidation of the underlying collateral, note sales, discounted payoffs, and borrower negotiation or workout in accordance with the applicable servicing standard, the underlying loan documents and applicable law, rule and regulation.

Wells Fargo Bank is rated by Fitch, S&P and Morningstar as a primary servicer, a master servicer and a special servicer of commercial mortgage loans. Wells Fargo Bank's servicer ratings by each of these agencies are outlined below:

US Servicer Ratings	Fitch	S&P	Morningstar
Primary Servicer:	CPS1-	Strong	MOR CS1
Master Servicer:	CMS1-	Strong	MOR CS1
Special Servicer:	CSS2	Above Average	MOR CS2

UK Servicer Ratings	Fitch	S&P
Primary Servicer:	CPS2	Average
Special Servicer:	CSS3	Average

The long-term issuer ratings of Wells Fargo Bank are "AA-" by S&P, "Aa2" by Moody's and "AA" by Fitch. The short-term issuer ratings of Wells Fargo Bank are "A-1+" by S&P, "P-1" by Moody's and "F1+" by Fitch.

Wells Fargo Bank has developed policies, procedures and controls relating to its servicing functions to maintain compliance with applicable servicing agreements and servicing standards, including procedures for handling delinquent loans during the period prior to the occurrence of a special servicing transfer event. Wells Fargo Bank's master servicing and special servicing policies and procedures are updated periodically to keep pace with the changes in the CMBS industry and have been generally consistent for the last three years in all material respects. The only significant changes in Wells Fargo Bank's policies and procedures have come in response to changes in federal or state law or investor requirements, such as updates issued by the Federal National Mortgage Association or Freddie Mac.

It is anticipated that Wells Fargo Bank and the Initial Directing Certificateholder or its designee will enter into a separate agreement pursuant to which Wells Fargo Bank, as special servicer, will agree to pay to the Initial Directing Certificateholder or its designee a portion of the special servicing compensation (other than the special servicing fee or the special servicer surveillance fee) received by Wells Fargo Bank, as special servicer, from time to time.

Subject to certain restrictions in the Pooling and Servicing Agreement, Wells Fargo Bank may perform any of its obligations under the Pooling and Servicing Agreement through one or more third-party vendors, affiliates or subsidiaries. However, the master servicer or the special servicer, as applicable, under the Pooling and Servicing Agreement will remain responsible for its duties under the Pooling and Servicing Agreement. Wells Fargo Bank may engage third-party vendors to provide technology or process efficiencies. Wells Fargo Bank monitors its third-party vendors in compliance with its internal procedures and applicable law. Wells Fargo Bank has entered into contracts with third-party vendors for the following functions:

- provision of Strategy and Strategy CS software;
- tracking and reporting of flood zone changes;
- abstracting of leasing consent requirements contained in loan documents;
- legal representation;
- assembly of data regarding buyer and seller (borrower) with respect to proposed loan assumptions and preparation of loan assumption package for review by Wells Fargo Bank;
- performance of property inspections;
- performance of tax parcel searches based on property legal description, monitoring and reporting of delinquent taxes, and collection and payment of taxes; and
- Uniform Commercial Code searches and filings.

Wells Fargo Bank may also enter into agreements with certain firms to act as a primary servicer and to provide cashiering or non-cashiering sub-servicing on the underlying mortgage loans. Wells Fargo Bank monitors and reviews the performance of sub-servicers appointed by it. Generally, all amounts received by Wells Fargo Bank on the underlying mortgage loans will initially be deposited into a common clearing account with collections on other mortgage loans serviced by Wells Fargo Bank and will then be allocated and transferred to the appropriate account as described in this information circular. On the day any amount is to be disbursed by Wells Fargo Bank, that amount is transferred to a common disbursement account prior to disbursement.

Wells Fargo Bank's responsibilities as special servicer under servicing agreements typically do not include collection on the pool assets. However, Wells Fargo Bank maintains certain operating accounts with respect to REO Properties in accordance with the terms of the applicable servicing agreement and the applicable servicing standard.

Wells Fargo Bank will not have primary responsibility for custody services of original documents evidencing the underlying mortgage loans. On occasion, Wells Fargo Bank may have custody of certain of such documents as are necessary for enforcement actions involving the underlying mortgage loans or otherwise. To the extent Wells Fargo Bank performs custodial functions as a servicer, documents will be maintained in a manner consistent with the Servicing Standard.

Wells Fargo Bank expects to enter into an agreement with the mortgage loan seller to purchase the servicing rights to the underlying mortgage loans and/or the right to be appointed as the master servicer with respect to the underlying mortgage loans.

A Wells Fargo Bank proprietary website (www.wellsfargo.com/com) provides investors with access to investor reports for commercial mortgage-backed securitization transactions for which Wells Fargo Bank is master servicer and also provides borrowers with access to current and historical loan and property information for these transactions.

Wells Fargo & Company files reports with the SEC as required under the Exchange Act. Such reports include information regarding Wells Fargo Bank and may be obtained at the website maintained by the SEC at www.sec.gov.

There are no legal proceedings pending against Wells Fargo Bank, or to which any property of Wells Fargo Bank is subject, that are material to the certificateholders, nor does Wells Fargo Bank have actual knowledge of any proceedings of this type contemplated by governmental authorities.

The foregoing information regarding Wells Fargo Bank set forth in this section "—The Master Servicer and the Special Servicer" has been provided by Wells Fargo Bank. Neither the depositor nor any other person other than Wells Fargo Bank makes any representation or warranty as to the accuracy or completeness of such information.

Certain duties and obligations of the master servicer and the special servicer and certain related provisions of the Pooling and Servicing Agreement are described under "—Servicing Under the Pooling and Servicing Agreement," "—Enforcement of "Due-on-Sale" and "Due-on-Encumbrance" Clauses," "—Required Appraisals," and "—Inspections; Collection of Operating Information" below. The master servicer's or the special servicer's ability to waive or modify any terms, fees, penalties or payments on the underlying mortgage loans and the effect of that ability on the potential cash flows from the underlying mortgage loans are described under "—Modifications, Waivers, Amendments and Consents" below.

Wells Fargo Bank, as the master servicer, will, among other things, be responsible for the master servicing and administration of the underlying mortgage loans pursuant to the Pooling and Servicing Agreement. Certain servicing and administrative functions will also be provided by W&D, which previously serviced the underlying mortgage loans.

The special servicer will, among other things, oversee the resolution of an underlying mortgage loan during a special servicing period and the disposition of REO Properties. Certain of the special servicer's duties as the special servicer under the Pooling and Servicing Agreement, including information regarding the processes for handling delinquencies, losses, bankruptcies and recoveries (such as through a liquidation of an underlying mortgage loan, the sale of an underlying mortgage loan or negotiations or workouts with the borrower under an underlying mortgage loan) are set forth under "—Realization Upon Mortgage Loans" below.

Certain terms of the Pooling and Servicing Agreement regarding the master servicer's or the special servicer's removal, replacement, resignation or transfer as master servicer or special servicer, as applicable, are described under "—Resignation, Removal and Replacement of Servicers; Transfer of Servicing Duties" and "—Rights Upon Event of Default" below. The master servicer's or the special servicer's rights and obligations as master servicer or special servicer, as applicable, with respect to indemnification, and certain limitations on the master servicer's or special servicer's liability as master servicer or special servicer, as applicable, under the Pooling and Servicing Agreement are described under "—Liability of the Servicers" and "—Certain Indemnities" below.

Sub-Servicer

It is anticipated that W&D will be the sub-servicer of all of the underlying mortgage loans.

W&D, its predecessors and affiliates have been engaged in the servicing of commercial mortgage loans since 1978 and commercial mortgage loans originated for securitization since 1996. The following table sets forth information about W&D's portfolio of commercial mortgage loans as of the dates indicated:

Loans	12/31/2013	12/31/2014	12/31/2015	06/30/2016
By Approximate Number	4,297	4,553	4,855	5,372
By Approximate Aggregate Outstanding Principal Balance (in billions)	$38.9	$44.0	$50.2	$57.3

Within the total June 30, 2016 W&D servicing portfolio, approximately 567 loans with an aggregate outstanding principal balance of approximately $3.8 billion are for CMBS, life insurance companies, and commercial banks. Additionally, there are approximately 2,764 loans with an aggregate outstanding principal balance of approximately $30.0 billion originated through the government-sponsored entities, exclusive of originations through Freddie Mac which have been securitized.

W&D's servicing portfolio includes mortgage loans secured by multifamily, office, retail, hospitality and other types of income-producing properties that are located throughout the United States. W&D services all of the company's newly-originated commercial mortgage loans, with the exception of certain brokered originations, and mortgage loans for a variety of investors and other third parties. Based on the aggregate outstanding principal balance of loans being serviced as of December 31, 2015, the Mortgage Bankers Association of America ranked W&D the eighth largest commercial mortgage loan servicer in terms of total primary cashier servicing volume.

W&D is approved as a primary servicer for CMBS rated by Fitch. Fitch has assigned to W&D the rating of "CPS2" as a primary servicer. Fitch's servicer ratings are based on an examination of many factors, including the servicer's financial condition, management team, organizational structure and operating history.

W&D's servicing system utilizes a mortgage-servicing technology platform with multiple capabilities and reporting functions. This platform allows W&D to process mortgage servicing activities including: (i) performing account maintenance, (ii) tracking borrower communications, (iii) tracking real estate tax escrows and payments, insurance escrows and payments, replacement reserve escrows, operating statement data and rent rolls, (iv) entering and updating transaction data, and (v) generating various reports. W&D uses the CREFC® format to report to master servicers on CMBS transactions.

W&D has developed policies, procedures and controls for the performance of its servicing obligations in compliance with applicable servicing agreements, servicing standards and the servicing criteria set forth in Item 1122 of Regulation AB under the Securities Act of 1933, as amended. These policies, procedures and controls include, among other things, procedures to (i) notify borrowers of payment delinquencies and other loan defaults, (ii) work with borrowers to facilitate collections and performance prior to the occurrence of a servicing transfer event, (iii) if a servicing transfer event occurs as a result of a delinquency, loss, bankruptcy or other loan default, transfer the subject loan to the special servicer, and (iv) handling delinquent loans and loans subject to the bankruptcy of the borrower.

W&D's servicing policies and procedures for the servicing functions it will perform under the Sub-Servicing Agreement for assets of the same type included in the securitization transaction are updated periodically to keep pace with the changes in the CMBS industry.

W&D contracts out a portion of its primary servicing functions under a private-label shared servicing agreement with Midland. Under this agreement, Midland is responsible for select servicing functions such as new loan onboarding, cash management, property tax administration and UCC administration. W&D retains all borrower contact and customer service, as well as insurance compliance monitoring, reserve processing, financial statement review, inspections and delinquency and default monitoring. W&D's servicing staff monitors and performs quality control on all servicing functions performed by Midland. In addition, W&D may from time to time perform some of its servicing obligations under the Sub-Servicing Agreement through one or more third-party vendors that provide servicing functions such as financial statement spreading and property inspections. W&D will, in accordance with

its internal procedures and applicable law, monitor and review the performance of all third-party vendors retained by it to perform servicing functions.

W&D will not have primary responsibility for custody services of original documents evidencing the underlying mortgage loans. W&D may from time to time have custody of certain of such documents as necessary for enforcement actions involving particular underlying mortgage loans or otherwise. To the extent that W&D has custody of any such documents for any such servicing purposes, such documents will be maintained in a manner consistent with the servicing standard under the Sub-Servicing Agreement.

No securitization transaction involving commercial or multifamily mortgage loans in which W&D was acting as a servicer has experienced a servicer event of default as a result of any action or inaction of W&D as servicer including as a result of W&D's failure to comply with the applicable servicing criteria in connection with any securitization transaction. W&D generally does not have advancing obligations under any of its sub-servicing agreements on securitized loans, however from time to time W&D has made advances to ensure the timely payment of taxes and/or insurance and sought recovery from either the borrower under the mortgage loan or the master servicer, as appropriate.

From time to time W&D is a party to lawsuits and other legal proceeding as part of its duties as a loan servicer (e.g., enforcement of loan obligations) and/or arising in the ordinary course of business. There are currently no legal proceedings pending and no legal proceedings known to be contemplated by government authorities against W&D or of which any of its property is the subject that is material to the certificateholders.

Certain duties and obligations of W&D as the sub-servicer, and the provisions of the Sub-Servicing Agreement, are described under "—Summary of Sub-Servicing Agreement" below.

The sub-servicer will generally, subject to certain exclusions identified in the Sub-Servicing Agreement, be entitled to indemnification from the master servicer (strictly limited to any actual amount of indemnification received by the master servicer under the Pooling and Servicing Agreement as a result of pursuing the issuing entity on behalf of the sub-servicer for such indemnification) for losses and liabilities incurred in connection with its servicing functions under the Sub-Servicing Agreement unless such losses and liabilities are caused by the sub-servicer's negligent misfeasance, bad faith, fraud or negligence as described under "—Summary of Sub-Servicing Agreement" below.

The foregoing information set forth in this section "—Sub-Servicer" has been provided by W&D. Neither the depositor nor any other person other than W&D makes any representation or warranty as to the accuracy or completeness of such information.

Certain terms of the Pooling and Servicing Agreement regarding W&D's removal as sub-servicer are described under "—Resignation, Removal and Replacement of Servicers; Transfer of Servicing Duties—Removal of the Master Servicer, the Special Servicer and the Sub-Servicer" below. W&D's rights and obligations with respect to indemnification, and certain limitations on W&D's liability under the Pooling and Servicing Agreement, are described in this information circular under "—Liability of the Servicers" and "—Certain Indemnities" below.

Summary of Sub-Servicing Agreement

Pursuant to the terms of the Sub-Servicing Agreement between W&D and the master servicer, W&D will perform certain servicing functions. Generally W&D will perform, among other things, the following services in connection with the underlying mortgage loans: (i) conducting the inspections of the mortgaged real properties as provided in the applicable section of the Pooling and Servicing Agreement, and preparing and delivering to the master servicer a written report of the results of such inspection meeting the requirements of the report described in the Pooling and Servicing Agreement; such inspections will be performed at such times and in such manner as are consistent with the Servicing Standard and at such intervals as required by the Pooling and Servicing Agreement; (ii) using reasonable efforts consistent with the Servicing Standard to collect in accordance with and as required by the Pooling and Servicing Agreement, the quarterly, annual and other periodic operating statements and rent rolls with respect to the mortgaged real properties and delivering the same to the master servicer; (iii) preparing in accordance with the Pooling and Servicing Agreement (or, if previously prepared, updating) the CREFC® net operating income adjustment worksheet and the CREFC® operating statement analysis report and delivering the same to the master

servicer; (iv) certain functions with respect to modifications, waivers, assumptions, due-on-sale clause waivers and certain other borrower requests; (v) preparing and delivering to the master servicer the CREFC® delinquent loan status report, the CREFC® financial file, the CREFC® property file, the CREFC® comparative financial status report, the CREFC® loan level reserve/loc report, the CREFC® loan periodic update file and the CREFC® servicer watch list, each providing the information required by the Pooling and Servicing Agreement; (vi) delivery to the master servicer of the monthly, quarterly and annual reports and certifications as specifically set forth in the Sub-Servicing Agreement ; (vii) collecting payments from borrowers, depositing such payments in collection, servicing, tax and escrow accounts, making tax, escrow, insurance and other reserve payments from reserve and escrow accounts, remitting such payments to the master servicer and certificate administrator as required by the Pooling and Servicing Agreement and processing certain borrower requests; and (viii) maintaining (or causing to be maintained) certain insurance policies, errors and omissions and fidelity coverage as required by the Pooling and Servicing Agreement. With respect to any proposed modification, waiver, assumption, due-on-sale waiver or other similar action, (1) W&D will agree not to permit or consent to any such action contemplated by the applicable sections of the Pooling and Servicing Agreement without the prior written consent of the master servicer, (2) W&D will be required to perform and forward to the master servicer any analysis, recommendation or other information required to be prepared and/or delivered by the master servicer under the applicable section of the Pooling and Servicing Agreement, and (3) the master servicer, not W&D, will have the right and responsibility to deal directly with the directing certificateholder in connection with obtaining any necessary approval or consent. W&D may outsource certain functions described above and will remain responsible for these functions as if they were performed in-house.

The master servicer will generally agree in the Sub-Servicing Agreement, subject to certain exclusions identified in the Sub-Servicing Agreement, to indemnify and hold harmless W&D (including any of its partners, directors, officers, employees or agents) from and against any and all liability, claim, loss, out-of-pocket cost (including reasonable attorneys' fees), penalty, expense or damage of W&D resulting from (i) any breach by the master servicer of any of its representations, warranties, agreements or covenants under the Sub-Servicing Agreement or (ii) any willful misconduct, bad faith, fraud or negligence by the master servicer in the performance of its obligations or duties under the Sub-Servicing Agreement or by reason of negligent disregard of such obligations and duties.

W&D will generally agree in the Sub-Servicing Agreement, subject to certain exclusions identified in the Sub-Servicing Agreement, to indemnify and hold harmless the master servicer (including any of its partners, directors, officers, employees or agents) from and against any and all liability, claim, loss, out-of-pocket cost (including reasonable attorneys' fees), penalty, expense or damage of the master servicer, resulting from (i) any breach by W&D of any of its representations, warranties, agreements or covenants under the Sub-Servicing Agreement or (ii) any willful misconduct, bad faith, fraud or negligence by W&D in the performance of its obligations or duties under the Sub-Servicing Agreement or by reason of negligent disregard of such obligations and duties.

W&D may be terminated under the Sub-Servicing Agreement in certain limited cases, including upon an event of default and request of Freddie Mac.

The information set forth in this section "—Summary of Sub-Servicing Agreement" has been provided by W&D. Neither the depositor nor any other person other than W&D makes any representation or warranty as to the accuracy or completeness of such information.

Liability of the Servicers

The master servicer (either in its own right or on behalf of an indemnified sub-servicer), the special servicer and various related persons and entities will be entitled to be indemnified by the issuing entity for certain losses and liabilities incurred by the master servicer or the special servicer, as applicable, as described under "—Certain Indemnities" below.

The underlying mortgage loans will not be an obligation of, or be insured or guaranteed by the master servicer or the special servicer. In addition, the master servicer and the special servicer (including in its capacity as the Affiliated Borrower Loan Directing Certificateholder) will be under no liability to the issuing entity, the other parties to the Pooling and Servicing Agreement or the certificateholders for any action taken, or not taken, in good faith pursuant to the Pooling and Servicing Agreement or for errors in judgment. However, the master servicer and

the special servicer will not be protected against any breach of warranties or representations made in the Pooling and Servicing Agreement or from any liability which would otherwise be imposed by reason of willful misconduct, bad faith, fraud or negligence in the performance of its duties or negligent disregard of obligations and duties under the Pooling and Servicing Agreement.

The master servicer and the special servicer each will be required to maintain at its own expense, fidelity insurance, in the form of a financial institution bond, fidelity bond or its equivalent ("Fidelity Insurance") consistent with the Servicing Standard and errors and omissions insurance with an insurer that meets the qualifications set forth in the Pooling and Servicing Agreement with coverage amounts consistent with the Servicing Standard.

Solely in the event that Accepted Servicing Practices is the applicable Servicing Standard, each of the master servicer and the special servicer will be required to maintain Fidelity Insurance and errors and omissions insurance with an insurer that meets the qualifications set forth in the Pooling and Servicing Agreement. Such policy must meet certain requirements as to coverage set forth in the Pooling and Servicing Agreement. Coverage of the master servicer or the special servicer under a policy or bond obtained by an affiliate of the master servicer or the special servicer, as applicable that meets the same requirements as a policy obtained directly by the master servicer or the special servicer will be permitted under the Pooling and Servicing Agreement. In lieu of obtaining such a policy or bond, the master servicer or the special servicer will be permitted to provide self-insurance with respect to Fidelity Insurance or errors and omissions insurance, subject to satisfaction of certain credit ratings requirements by the master servicer, the special servicer, or their respective immediate or remote parent companies.

Resignation, Removal and Replacement of Servicers; Transfer of Servicing Duties

Resignation of the Master Servicer or the Special Servicer. The master servicer, the special servicer and any Affiliated Borrower Special Servicer will only be permitted to resign from their respective obligations and duties under the Pooling and Servicing Agreement (i) upon a determination that such party's duties are no longer permissible under applicable law, (ii) upon the appointment of, and the acceptance of such appointment by, a successor to the resigning master servicer or resigning special servicer, as applicable, or (iii) as to the servicing of any Affiliated Borrower Special Servicer Loans, in the case of the special servicer and any Affiliated Borrower Special Servicer, in the manner described in "—Removal of the Master Servicer, the Special Servicer and the Sub-Servicer" below, upon the appointment of, and the acceptance of such appointment by, the successor to the resigning special servicer. Any such successor must satisfy the following conditions applicable to it (the "Successor Servicer Requirements"): (a) Freddie Mac has approved such successor, which approval will not be unreasonably withheld or delayed, (b) the successor to the master servicer, the special servicer or the Affiliated Borrower Special Servicer, as the case may be, agrees in writing to assume all of the responsibilities, duties and liabilities of the master servicer or the special servicer, as the case may be, under the Pooling and Servicing Agreement and certain sub-servicing agreements that arise thereafter, (c) such successor (1) is then listed on S&P's Select Servicer List as a U.S. Commercial Mortgage Master Servicer (in the case of a successor master servicer) or a U.S. Commercial Mortgage Special Servicer (in the case of a successor special servicer) and (2) is rated at least "CMS3" (in the case of a successor master servicer) or "CSS3" (in the case of a successor special servicer) by Fitch and (d) with respect to a successor special servicer, the trustee receives an opinion of counsel generally to the effect that, among other things, the agreement pursuant to which such special servicer is replaced is binding. Any determination permitting the resignation of the master servicer or the special servicer because such party's duties are no longer permissible under applicable law must be evidenced by an opinion of counsel to such effect delivered to the certificate administrator and the trustee, the cost of which, together with any other expenses of such resignation, are required to be borne by the resigning party. No resignation by the master servicer, the special servicer or any Affiliated Borrower Special Servicer will become effective until the trustee or the successor to the master servicer, the special servicer or such Affiliated Borrower Special Servicer, as applicable, has assumed the resigning master servicer's, special servicer's, or such Affiliated Borrower Special Servicer's, as applicable, responsibilities and obligations under the Pooling and Servicing Agreement in accordance with this paragraph.

Removal of the Master Servicer, the Special Servicer and the Sub-Servicer. If an event of default described under "—Events of Default" below occurs with respect to the master servicer or the special servicer and remains unremedied, the trustee will be authorized, and at the direction of the directing certificateholder or Freddie Mac, the trustee will be required, to terminate the defaulting party and appoint a successor, as described under "—Rights

Upon Event of Default" below. The defaulting party is entitled to the payment of all compensation, indemnities, and reimbursements, accrued and unpaid to the date of termination, and other similar amounts.

In addition, the directing certificateholder will be entitled to remove, with or without cause, the special servicer or any Affiliated Borrower Special Servicer (if the applicable Affiliated Borrower Special Servicer Loan is not an Affiliated Borrower Loan) and appoint a successor special servicer or Affiliated Borrower Special Servicer rather than have the trustee act as that successor, upon 30 Business Days' prior written notice to the parties to the Pooling and Servicing Agreement. Any successor special servicer or any Affiliated Borrower Special Servicer must satisfy the Successor Servicer Requirements (including Freddie Mac's approval, which may not be unreasonably withheld or delayed). In addition, the trustee must receive an opinion of counsel to the effect that the removal of the special servicer and/or the appointment of a successor special servicer is in compliance with the terms of the Pooling and Servicing Agreement. If such removal is without cause, all costs of the issuing entity and the special servicer incurred in connection with transferring the subject special servicing responsibilities to a successor special servicer will be the responsibility of the directing certificateholder that effected the termination. Moreover, the terminated special servicer will be entitled to—

- payment out of the collection account for all accrued and unpaid special servicing fees, special servicer surveillance fees and additional special servicing compensation;
- continued rights to indemnification; and
- continued rights to some or all liquidation and workout fees earned by it as described below under "—Servicing and Other Compensation and Payment of Expenses."

If at any time an Affiliated Borrower Special Servicer Loan Event occurs, the Pooling and Servicing Agreement will require that the special servicer promptly resign as special servicer of the related Affiliated Borrower Special Servicer Loan and provides for the appointment of a successor Affiliated Borrower Special Servicer to act as the special servicer with respect to such Affiliated Borrower Special Servicer Loan. If the Affiliated Borrower Special Servicer Loan is not an Affiliated Borrower Loan, the directing certificateholder will have the right to select a successor Affiliated Borrower Special Servicer in accordance with the requirements of the Pooling and Servicing Agreement, including (i) the satisfaction of the Successor Servicer Requirements, and (ii) that the chosen successor is then actively acting as special servicer on a Freddie Mac multifamily mortgage loan securitization or is otherwise approved by Freddie Mac. If (a) the Affiliated Borrower Special Servicer Loan is an Affiliated Borrower Loan or (b) the directing certificateholder does not select a successor to the resigning special servicer within 15 days after receipt of written notice of the applicable Affiliated Borrower Special Servicer Loan Event (in the case of this clause (b) with the option of the directing certificateholder to extend the time period by an additional 15 days if the directing certificateholder is using reasonable efforts to appoint a successor) as described in the prior sentence, the resigning special servicer for the related Affiliated Borrower Special Servicer Loan will be required to use reasonable efforts to select the Affiliated Borrower Special Servicer within 15 days following receipt of written notice of the applicable Affiliated Borrower Special Servicer Loan Event in the case of clause (a) and within 15 days following the expiration of the period permitted to the directing certificateholder to find a successor in the case of clause (b) (in each case with the option of the special servicer to extend the time period by 15 additional days if the special servicer is using reasonable efforts to appoint a successor), each, in accordance with the requirements set forth in the Pooling and Servicing Agreement, including (i) the satisfaction of the Successor Servicer Requirements, and (ii) that the chosen successor is then actively acting as special servicer on a Freddie Mac multifamily mortgage loan securitization or is otherwise approved by Freddie Mac.

The special servicer will be required to provide written notice to the parties to the Pooling and Servicing Agreement and the directing certificateholder of both the occurrence and the termination of any Affiliated Borrower Special Servicer Loan Event within five Business Days after the special servicer obtains knowledge of such occurrence or termination of such Affiliated Borrower Special Servicer Loan Event. Except with respect to any Affiliated Borrower Special Servicer Loan Event that exists on the Closing Date and that is described in the definition of Affiliated Borrower Special Servicer Loan Event, (i) following the Closing Date and prior to its receipt of notice from the special servicer of the occurrence of an Affiliated Borrower Special Servicer Loan Event and (ii) following its receipt of notice, if any, from the special servicer of the termination of any Affiliated Borrower Special Servicer Loan Event and prior to its receipt of notice from the special servicer of the occurrence of another

Affiliated Borrower Special Servicer Loan Event, unless, in each case, the trustee, certificate administrator or the master servicer has actual knowledge that an Affiliated Borrower Special Servicer Loan Event exists, the trustee, the certificate administrator, the master servicer and Freddie Mac will be entitled to conclusively assume that no Affiliated Borrower Special Servicer Loan Event exists. The master servicer, the trustee, the certificate administrator and Freddie Mac may rely on any such notice of the occurrence or termination of an Affiliated Borrower Special Servicer Loan Event without making any independent investigation.

The special servicer will not have any liability with respect to the actions or inactions of the applicable Affiliated Borrower Special Servicer or with respect to the identity of any Affiliated Borrower Special Servicer selected in accordance with the requirements set forth in the Pooling and Servicing Agreement.

Each Affiliated Borrower Special Servicer will perform all of the obligations of the special servicer for the related Affiliated Borrower Special Servicer Loan and will be entitled to all amounts of compensation payable to the special servicer under the Pooling and Servicing Agreement with respect to such Affiliated Borrower Special Servicer Loan that are earned during such time as the related underlying mortgage loan is an Affiliated Borrower Special Servicer Loan. The special servicer that resigns as a result of an Affiliated Borrower Special Servicer Loan Event will be entitled to any special servicer surveillance fees, special servicing fees and liquidation fees that accrued before the effective date of the resignation of the special servicer with respect to an underlying mortgage loan that became an Affiliated Borrower Special Servicer Loan and, for any such underlying mortgage loan that (i) becomes a Corrected Mortgage Loan before the effective date of the special servicer's resignation for such Affiliated Borrower Special Servicer Loan or (ii) would have become a Corrected Mortgage Loan before the effective date of the special servicer's resignation for such Affiliated Borrower Special Servicer Loan but for the requirement to receive three consecutive monthly debt service payments (provided that such payments occur within three months after such effective date of the special servicer's resignation), the related workout fees.

If the master servicer or the related Affiliated Borrower Special Servicer, as applicable, has actual knowledge of the termination of any Affiliated Borrower Special Servicer Loan Event, the master servicer or Affiliated Borrower Special Servicer, as applicable, will be required to provide prompt written notice of such circumstance to each of the other parties to the Pooling and Servicing Agreement and the directing certificateholder.

If at any time an Affiliated Borrower Special Servicer Loan Event no longer exists with respect to an Affiliated Borrower Special Servicer Loan, (i) the related Affiliated Borrower Special Servicer will be required to promptly resign unless the directing certificateholder, with the consent of Freddie Mac, which consent may not be unreasonably withheld, instructs such Affiliated Borrower Special Servicer not to resign within five Business Days of receipt of notice that such Affiliated Borrower Special Servicer Loan Event no longer exists, (ii) the related underlying mortgage loan will no longer be an Affiliated Borrower Special Servicer Loan upon such resignation of the Affiliated Borrower Special Servicer, (iii) the special servicer for the underlying mortgage loans that are not Affiliated Borrower Special Servicer Loans will automatically succeed to the resigning Affiliated Borrower Special Servicer and will become the special servicer again for such underlying mortgage loan upon any such resignation of the Affiliated Borrower Special Servicer and (iv) such special servicer will be entitled to all compensation payable under the Pooling and Servicing Agreement to the special servicer with respect to such underlying mortgage loan earned after such underlying mortgage loan is no longer an Affiliated Borrower Special Servicer Loan, and the resigning Affiliated Borrower Special Servicer will be entitled to any special servicer surveillance fee, special servicing fees and liquidation fees that accrued while it was the Affiliated Borrower Special Servicer and, for any such underlying mortgage loan that (i) becomes a Corrected Mortgage Loan while such resigning Affiliated Borrower Special Servicer is acting in such capacity, or (ii) would have become a Corrected Mortgage Loan while such resigning Affiliated Borrower Special Servicer is acting in such capacity but for the requirement to receive three consecutive monthly debt service payments (provided that such payments occur within three months after such effective date of the resignation of such Affiliated Borrower Special Servicer), the related workout fees.

In the event of resignation of the special servicer or the Affiliated Borrower Special Servicer as to the servicing of any Affiliated Borrower Special Servicer Loans, the successor will be required to immediately succeed to its predecessor's duties under the Pooling and Servicing Agreement.

"Affiliated Borrower Special Servicer" means the successor to the resigning special servicer for the related Affiliated Borrower Special Servicer Loan, which successor is appointed in accordance with the requirements set forth in the Pooling and Servicing Agreement.

"Affiliated Borrower Special Servicer Loan" means any underlying mortgage loan with respect to which an Affiliated Borrower Special Servicer Loan Event has occurred and is continuing (except with respect to any Affiliated Borrower Special Servicer Loan Event that exists on the Closing Date and that is described in the definition of Affiliated Borrower Special Servicer Loan Event). As of the Closing Date, no Affiliated Borrower Special Servicer Loan is expected to exist.

"Affiliated Borrower Special Servicer Loan Event" means an event that will exist with respect to any underlying mortgage loan if at any time the special servicer obtains knowledge that the special servicer, any of its managing members or any of its affiliates (i) becomes, intends to become or is the related borrower (or a proposed replacement borrower) or a Restricted Mezzanine Holder, (ii) becomes aware that the special servicer, any of its managing members or any of its affiliates is or intends to become an affiliate of the related borrower (or affiliate of the proposed replacement borrower) or a Restricted Mezzanine Holder or (iii) becomes or intends to become the owner of a direct or indirect interest in the related borrower (including a security interest (but not including a mezzanine loan unless the special servicer is a Restricted Mezzanine Holder) or preferred equity or participation interest) or in the related mortgaged real property (including any lien on such mortgaged real property). As of the Closing Date, no Affiliated Borrower Special Servicer Loan Event is expected to exist.

In addition, Freddie Mac will be entitled to direct the master servicer to remove the sub-servicer with respect to any underlying mortgage loan if (i) Freddie Mac determines, in accordance with the provisions of the Guide that the sub-servicer should not sub-service the underlying mortgage loan, (ii) such sub-servicer becomes an affiliate of the trustee or (iii) Freddie Mac determines, in its reasonable discretion, that a conflict of interest exists between the sub-servicer and the related borrower such that the sub-servicer should not sub-service the related underlying mortgage loan; *provided*, *however*, that any termination in connection with clauses (i), (ii) or (iii) above will be at the expense of Freddie Mac. If the sub-servicer that is terminated pursuant to clauses (i), (ii) or (iii) above, the sub-servicer will have the right to sell its sub-servicing to either the master servicer or another sub-servicer acceptable to Freddie Mac, which acceptance may not be unreasonably withheld or delayed. Except as provided in this paragraph with respect to Freddie Mac, in no event will Freddie Mac, the depositor, the master servicer, the special servicer, the trustee, the certificate administrator or the issuing entity be liable to a sub-servicer for any termination or other fees, costs and expenses associated with the removal of such sub-servicer.

Transfer of Servicing Duties. In connection with such appointment and assumption of a successor to the master servicer or the special servicer as described in this information circular, subject to the right of the predecessor master servicer or special servicer to retain certain fees earned by it prior to the subject event of default, the trustee may make such arrangements for the compensation of such successor out of payments on the underlying mortgage loans as it and such successor agree. However, no such compensation with respect to a successor master servicer or successor special servicer, as the case may be, will be in excess of that paid to the terminated master servicer or special servicer, as the case may be, under the Pooling and Servicing Agreement. The trustee, the master servicer, the special servicer and such successor are required to take such action, consistent with the Pooling and Servicing Agreement, as will be necessary to effectuate any such succession. Any reasonable costs and expenses associated with the transfer of the servicing function (other than with respect to a termination without cause of the special servicer by the directing certificateholder as described above under "—Removal of the Master Servicer, the Special Servicer and the Sub-Servicer") under the Pooling and Servicing Agreement will be required to be borne by the predecessor master servicer or special servicer. However, if such predecessor master servicer or special servicer, as applicable, fails to pay such costs and expenses after reasonable efforts to obtain payment, then such costs and expenses will be an expense of the issuing entity.

If the master servicer or the special servicer, as the case may be, is terminated pursuant to the terms of the Pooling and Servicing Agreement, it is required to promptly (and in any event no later than 20 Business Days after its receipt of the notice of termination) provide the trustee with all documents and records requested by it to enable the trustee or another successor to assume the master servicer's or the special servicer's, as the case may be, functions under the Pooling and Servicing Agreement, and is required to reasonably cooperate with the trustee in effecting the termination of the master servicer's or the special servicer's, as the case may be, responsibilities and rights under the Pooling and Servicing Agreement, including, without limitation, the prompt transfer (and in any event no later than five Business Days after its receipt of the notice of termination) to the trustee or another successor for administration by it of all cash amounts which are at the time, or should have been, credited by the master servicer to the collection account or any other account held by it on account of the underlying mortgage loans

or credited by the special servicer to an REO account, as the case may be, or which thereafter are received with respect to any underlying mortgage loan or any REO Property.

The Trustee

Wilmington Trust, National Association (formerly called M & T Bank, National Association), a national banking association ("Wilmington"), is expected to act as trustee under the Pooling and Servicing Agreement. Wilmington is a national banking association with trust powers incorporated in 1995. The trustee's principal place of business is located at 1100 North Market Street, Wilmington, Delaware 19890. Wilmington is an affiliate of Wilmington Trust Company and both Wilmington and Wilmington Trust Company are subsidiaries of Wilmington Trust Corporation and Wilmington Trust Corporation is a wholly-owned subsidiary of M&T Bank Corporation. Since 1998, Wilmington Trust Company has served as trustee in numerous asset-backed securities transactions. As of June 30, 2016, Wilmington served as trustee on over 1,500 mortgage-backed related securities transactions having an aggregate original principal balance of approximately $140 billion, of which approximately 176 are CMBS transactions having an aggregate original principal balance of approximately $114 billion.

The depositor, the master servicer, the special servicer, the certificate administrator, the custodian, the mortgage loan seller and the Originator may maintain banking and other commercial relationships with Wilmington and its affiliates. In its capacity as trustee on commercial mortgage securitizations, Wilmington and its affiliates are generally required to make an advance if the related master servicer or special servicer fails to make a required advance. In the past three years, Wilmington and its affiliates have not been required to make an advance on a CMBS transaction.

Wilmington is subject to various legal proceedings that arise from time to time in the ordinary course of business. Wilmington does not believe that the ultimate resolution of any of these proceedings will have a material adverse effect on its services as trustee for this transaction.

The foregoing information set forth in this section "—The Trustee" has been provided by Wilmington. Neither the depositor nor any other person other than Wilmington makes any representation or warranty as to the accuracy or completeness of such information.

See also "—Rights Upon Event of Default," "—Matters Regarding the Trustee, the Certificate Administrator and the Custodian" and "—Certain Indemnities" in this information circular.

The Certificate Administrator and Custodian

Wells Fargo Bank is expected to act as the certificate administrator, the custodian and the certificate registrar under the Pooling and Servicing Agreement. Wells Fargo Bank is a national banking association organized under the laws of the United States, and is a wholly-owned subsidiary of Wells Fargo & Company. Wells Fargo Bank is also expected to act as the master servicer, the initial special servicer with respect to the underlying mortgage loans and the Affiliated Borrower Loan Directing Certificateholder with respect to the underlying mortgage loans that are not Affiliated Borrower Special Servicer Loans and may, if requested, act as the Directing Certificateholder Servicing Consultant. Wells Fargo Bank is an affiliate of Wells Fargo Commercial Mortgage Securities, Inc., which is the depositor, and of Wells Fargo Securities, LLC, which will be the initial purchaser of the class B certificates and is one of the placement agents for the SPCs. A diversified financial services company, Wells Fargo & Company is a U.S. bank holding company with approximately $1.9 trillion in assets and approximately 268,000 employees as of June 30, 2016, which provides banking, insurance, trust, mortgage and consumer finance services throughout the United States and internationally. Wells Fargo Bank provides retail and commercial banking services and corporate trust, custody, securities lending, securities transfer, cash management, investment management and other financial and fiduciary services. The depositor and the mortgage loan seller, W&D or any of their affiliates, may maintain banking and other commercial relationships with Wells Fargo Bank and its affiliates. Wells Fargo Bank maintains principal corporate trust offices at 9062 Old Annapolis Road, Columbia, Maryland 21045-1951 (among other locations) and its office for certificate transfer services is located at Sixth Street and Marquette Avenue, Minneapolis, Minnesota 55479-0113.

Under the terms of the Pooling and Servicing Agreement, Wells Fargo Bank is responsible for securities administration, which includes pool performance calculations, distribution calculations and the preparation of

monthly distribution reports. As certificate administrator, Wells Fargo Bank is responsible for the preparation and filing of all REMIC tax returns on behalf of the issuing entity. Wells Fargo Bank has been engaged in the business of securities administration since June 30, 1995, and in connection with CMBS since 1997. As of June 30, 2016, Wells Fargo Bank was acting as securities administrator with respect to more than $400 billion of outstanding CMBS.

Wells Fargo Bank will act as custodian of the mortgage loan files pursuant to the Pooling and Servicing Agreement. In that capacity, Wells Fargo Bank is responsible to hold and safeguard the mortgage notes and other contents of the mortgage files on behalf of the trustee and the certificateholders. Wells Fargo Bank maintains each mortgage loan file in a separate file folder marked with a unique bar code to assure loan-level file integrity and to assist in inventory management. Files are segregated by transaction or investor. Wells Fargo Bank has been engaged in the mortgage document custody business for more than 25 years. Wells Fargo Bank maintains its commercial document custody facilities in Minneapolis, Minnesota. As of June 30, 2016, Wells Fargo Bank was acting as custodian of more than 200,000 commercial mortgage loan files.

Wells Fargo Bank serves or may have served within the past two years as loan file custodian for various mortgage loans owned by the mortgage loan seller or an affiliate of the mortgage loan seller. One or more of those mortgage loans may be included in the issuing entity. The terms of any custodial agreement under which those services are provided by Wells Fargo Bank are customary for the mortgage-backed securitization industry and provide for the delivery, receipt, review and safekeeping of mortgage loan files.

For two CMBS transactions in its portfolio, the Corporate Trust Services Group of Wells Fargo Bank disclosed material noncompliance on its 2015 Annual Statement of Compliance furnished by the Corporate Trust Services division of Wells Fargo Bank pursuant to Item 1123 of Regulation AB to the required recipients. For one CMBS transaction, the material noncompliance was an administrative error that caused an overpayment to a certain class and a correlating underpayment to a certain class. The affected distribution was revised the same month to correct the error. For the other CMBS transaction, distributions for one month were paid one day late as a result of human error.

On June 18, 2014, a group of institutional investors filed a civil complaint in the Supreme Court of the State of New York, New York County, against Wells Fargo Bank, in its capacity as trustee under 276 residential mortgage backed securities ("RMBS") trusts, which was later amended on July 18, 2014 to increase the number of trusts to 284 RMBS trusts. On November 24, 2014, the plaintiffs filed a motion to voluntarily dismiss the state court action without prejudice. That same day, a group of institutional investors filed a civil complaint in the United States District Court for the Southern District of New York (the "District Court") against Wells Fargo Bank, alleging claims against the bank in its capacity as trustee for 274 RMBS trusts (the "Complaint"). In December 2014, the plaintiff's motion to voluntary dismiss their original state court action was granted. As with the prior state court action, the Complaint is one of six similar complaints filed contemporaneously against RMBS trustees (Deutsche Bank, Citibank, HSBC, Bank of New York Mellon and US Bank) by a group of institutional investor plaintiffs. The Complaint against Wells Fargo Bank alleges that the trustee caused losses to investors and asserts causes of action based upon, among other things, the trustee's alleged failure to (i) enforce repurchase obligations of mortgage loan sellers for purported breaches of representations and warranties, (ii) notify investors of alleged events of default purportedly caused by breaches by mortgage loan servicers, and (iii) abide by appropriate standards of care following alleged events of default. Relief sought includes money damages in an unspecified amount, reimbursement of expenses, and equitable relief. Other cases alleging similar causes of action have been filed against Wells Fargo Bank and other trustees in the same court by RMBS investors in these and other transactions and these cases have been consolidated before the same judge. On January 19, 2016, an order was entered in connection with the Complaint in which the District Court declined to exercise jurisdiction over 261 RMBS trusts at issue in the Complaint; the District Court also allowed all plaintiffs to file amended complaints if they so chose and three amended complaints have been filed.

There can be no assurances as to the outcome of the litigation, or the possible impact of the litigation on the trustee or the RMBS trusts. However, Wells Fargo Bank denies liability and believes that it has performed its obligations under the RMBS trusts in good faith, that its actions were not the cause of losses to investors and that it has meritorious defenses, and it intends to contest the plaintiffs' claims vigorously.

The foregoing information set forth in this section "—The Certificate Administrator and Custodian" has been provided by Wells Fargo Bank. Neither the depositor nor any other person other than Wells Fargo Bank makes any representation or warranty as to the accuracy or completeness of such information.

See also "—Rights Upon Event of Default," "—Matters Regarding the Trustee, the Certificate Administrator and the Custodian" and "—Certain Indemnities" below.

Resignation and Removal of the Trustee and the Certificate Administrator

Each of the trustee and the certificate administrator will be permitted at any time to resign from its obligations and duties under the Pooling and Servicing Agreement by giving written notice to the depositor, the master servicer, the special servicer, Freddie Mac, the trustee or the certificate administrator, as the case may be, and all certificateholders. In addition, compliance with the Investment Company Act may require the trustee to resign if (i) borrowers have defeased more than 20% of the underlying mortgage loans (by principal balance) and (ii) an affiliate of the trustee is servicing or sub-servicing the underlying mortgage loans. Upon receiving a notice of resignation, the depositor will be required to use its reasonable best efforts to promptly appoint a qualified successor trustee or certificate administrator acceptable to the master servicer and Freddie Mac. If no successor trustee or certificate administrator has been so appointed and has accepted an appointment within 30 days after the giving of the notice of resignation, the resigning trustee or certificate administrator may petition any court of competent jurisdiction to appoint a successor trustee or certificate administrator, as applicable.

Each of the trustee and the certificate administrator must at all times be, and will be required to resign if it fails to be, (i) a corporation, national bank, trust company or national banking association, organized and doing business under the laws of any state or the United States of America or the District of Columbia, authorized under such laws to exercise corporate trust powers and to accept the trust conferred under the Pooling and Servicing Agreement, having a combined capital and surplus of at least $50,000,000 and subject to supervision or examination by federal or state authority and, only in the case of the trustee, may not be an affiliate of the depositor, the master servicer or the special servicer (except during any period when the trustee is acting as, or has become successor to, a master servicer or special servicer, as the case may be), (ii) an institution insured by the Federal Deposit Insurance Corporation and (iii) an institution whose long term senior unsecured debt (a) is rated "A" or higher by Fitch and "Aa3" or higher by Moody's (or "A2" or higher by Moody's if such institution's short term unsecured debt obligations are rated "P-1" or higher by Moody's) or (b) is otherwise acceptable to the directing certificateholder and Freddie Mac with respect to such trustee or certificate administrator.

If at any time the trustee or the certificate administrator ceases to be eligible to continue as the trustee or the certificate administrator under the Pooling and Servicing Agreement, and fails to resign after written request by Freddie Mac, the depositor or the master servicer, or if at any time the trustee or the certificate administrator, as applicable, becomes incapable of acting, or if some events of, or proceedings in respect of, bankruptcy or insolvency occur with respect to the trustee or the certificate administrator, the depositor will be authorized to remove the trustee or the certificate administrator and appoint a successor trustee or certificate administrator, as applicable. In addition, holders of the certificates entitled to at least 51% of the voting rights may with cause (at any time) or without cause (at any time upon at least 30 days' prior written notice) remove the trustee or certificate administrator under the Pooling and Servicing Agreement and appoint a successor trustee or certificate administrator acceptable to Freddie Mac. Any successor trustee or certificate administrator must be an institution that meets the requirements of the immediately preceding paragraph. Further, if the ratings of the trustee or the certificate administrator fall below the ratings required by the immediately preceding paragraph, Freddie Mac will have the right to remove the trustee or certificate administrator, as applicable, and appoint a successor trustee or certificate administrator that meets the standards set forth in the Pooling and Servicing Agreement and who is otherwise acceptable to Freddie Mac in its sole discretion.

Any resignation or removal of a trustee or a certificate administrator and appointment of a successor trustee or certificate administrator will not become effective until acceptance of appointment by the successor trustee or certificate administrator, as applicable.

In the event of any resignation or removal of a trustee or a certificate administrator (other than a resignation of a trustee that is required solely due to a change in law or a conflict of interest arising after the Closing Date that is not waived by all of the parties in conflict or is unwaivable), such resignation or removal will be effective with respect

to each of such party's other capacities under the Pooling and Servicing Agreement, including, without limitation, such party's capacities as trustee, custodian, certificate administrator and certificate registrar, as the case may be.

See "—Rights Upon Event of Default," "—Matters Regarding the Trustee, the Certificate Administrator and the Custodian" and "—Certain Indemnities" below.

Assignment of the Mortgage Loans

On the Closing Date, we will sell, assign, transfer or otherwise convey all of our right, title and interest in and to the underlying mortgage loans acquired from the mortgage loan seller, without recourse, to the trustee for the benefit of the holders of the certificates. We will also assign to the trustee our rights under the mortgage loan purchase agreement pursuant to which we acquired the underlying mortgage loans from the mortgage loan seller, except for certain rights to receive notices regarding demands for the mortgage loan seller to repurchase or replace any of the underlying mortgage loans.

Servicing Under the Pooling and Servicing Agreement

General. The master servicer and the special servicer must diligently service and administer the underlying mortgage loans and any REO Properties owned by the issuing entity for which it is responsible under the Pooling and Servicing Agreement directly, through sub-servicers or through an affiliate as provided in the Pooling and Servicing Agreement, in accordance with—

- any and all applicable laws;
- the express terms of the Pooling and Servicing Agreement;
- the express terms of the respective underlying mortgage loans and any applicable intercreditor, co-lender or similar agreements; and
- to the extent consistent with the foregoing, the Servicing Standard.

In general, the master servicer will be responsible for the servicing and administration of—

- all underlying mortgage loans as to which no Servicing Transfer Event has occurred; and
- all worked-out underlying mortgage loans as to which no new Servicing Transfer Event has occurred.

If a Servicing Transfer Event occurs with respect to any underlying mortgage loan, that underlying mortgage loan will not be considered to be "worked-out" until all applicable Servicing Transfer Events have ceased to exist.

In general, subject to specified requirements and certain consultations, consents and approvals of the directing certificateholder contained in the Pooling and Servicing Agreement, the special servicer will be responsible for the servicing and administration of each underlying mortgage loan as to which a Servicing Transfer Event has occurred and is continuing. The special servicer will also be responsible for the administration of each REO Property in the issuing entity.

Despite the foregoing, the Pooling and Servicing Agreement will require the master servicer:

- to continue to make all calculations and, subject to the master servicer's timely receipt of information from the special servicer, prepare and deliver all reports to the certificate administrator required with respect to any specially serviced assets; and
- otherwise, to render other incidental services with respect to any specially serviced assets.

The master servicer will transfer servicing of an underlying mortgage loan to the special servicer upon the occurrence of a Servicing Transfer Event with respect to that underlying mortgage loan. The special servicer will return the servicing of that underlying mortgage loan to the master servicer, and that underlying mortgage loan will

be considered to have been worked-out, if and when all Servicing Transfer Events with respect to that underlying mortgage loan cease to exist and that underlying mortgage loan has become a Corrected Mortgage Loan.

The Pooling and Servicing Agreement provides that in certain circumstances the directing certificateholder may, at its own expense, request that the Directing Certificateholder Servicing Consultant prepare and deliver a recommendation relating to a requested waiver of any "due-on-sale" or "due-on-encumbrance" clause or a requested consent to certain modifications, waivers or amendments for certain non-Specially Serviced Mortgage Loans. In providing a recommendation in response to any such request, the Directing Certificateholder Servicing Consultant will be acting as a consultant to the directing certificateholder and any such recommendation provided will not be subject to the Servicing Standard. The Directing Certificateholder Servicing Consultant will have no duty or liability to any certificateholder other than the directing certificateholder in connection with any recommendation it gives the directing certificateholder or actions taken by any party as a result of such consultation services provided to the directing certificateholder as contemplated above. See "—Enforcement of "Due-on-Sale" and "Due-on-Encumbrance" Clauses" and "—Modifications, Waivers, Amendments and Consents" below.

The master servicer, the Directing Certificateholder Servicing Consultant and the sub-servicer may consult with Freddie Mac with respect to the application of Freddie Mac Servicing Practices to any matters related to non-Specially Serviced Mortgage Loans, but the Directing Certificateholder Servicing Consultant will not be bound by any such consultation. Freddie Mac will be acting as a "servicing consultant" in connection with such consultations. The sub-servicer will be required to inform the master servicer of any such consultation with Freddie Mac. Freddie Mac (in its capacity as the servicing consultant) may contact the related borrower to request any necessary documentation from such borrower in order to provide consultation to the master servicer, the Directing Certificateholder Servicing Consultant or the sub-servicer with respect to the proper application of Freddie Mac Servicing Practices (a copy of such documentation will also be provided by Freddie Mac to (i) the master servicer and (ii) if applicable, the Directing Certificateholder Servicing Consultant and/or the sub-servicer that is consulting with the servicing consultant with respect to such matter, in each such case, to the extent not already provided by such borrower).

The Guide

In addition to the specific requirements of the Pooling and Servicing Agreement as described above, and to the extent not inconsistent therewith, the master servicer and the special servicer will be required to service the underlying mortgage loans other than REO Loans, REO Properties and Specially Serviced Mortgage Loans in accordance with Freddie Mac Servicing Practices, an important component of which is the Guide. Freddie Mac may waive or modify its servicing policies and procedures, as reflected in the Guide at any time. The Guide can be accessed by subscribers at www.allregs.com.

Generally, under the Guide, servicers are required to perform all services and duties customary to the servicing of multifamily mortgage loans. These include:

- collecting and posting payments on the underlying mortgage loans;
- investigating delinquencies and defaults;
- analyzing and recommending any borrower requests, such as requests for assumptions, subordinate financing and partial release;
- submitting monthly electronic remittance reports and annual financial statements obtained from borrowers;
- administering escrow accounts;
- inspecting properties;
- responding to inquiries of mortgage originators or government authorities; and
- collecting and administering insurance claims.

See "Risk Factors—Risks Related to the Underlying Mortgage Loans—The Master Servicer and the Special Servicer Will Be Required To Service Certain Underlying Mortgage Loans in Accordance with Freddie Mac Servicing Practices, Which May Limit the Ability of the Master Servicer and the Special Servicer to Make Certain Servicing Decisions" in this information circular.

Servicing and Other Compensation and Payment of Expenses

The Servicing Fee. The principal compensation to be paid to the master servicer with respect to its master servicing activities will be a servicing fee consisting of a master servicing fee and all or a portion of the master servicer surveillance fee, and the principal compensation to be paid to the sub-servicer with respect to its sub-servicing activities will be a servicing fee consisting of a sub-servicing fee and a portion of the master servicer surveillance fee (subject to certain conditions described below).

A master servicing fee:

- will be earned with respect to each underlying mortgage loan including (without duplication)—
    1. any Specially Serviced Mortgage Loan and
    2. any underlying mortgage loan, as to which the related mortgaged real property has become an REO Property.
- in the case of each underlying mortgage loan will—
    1. be calculated on the same interest accrual basis as that underlying mortgage loan,
    2. accrue at a master servicing fee rate of 0.0300% *per annum*,
    3. accrue on the same principal amount as interest accrues or is deemed to accrue from time to time with respect to that underlying mortgage loan, and
    4. be payable monthly from amounts received with respect to interest on that underlying mortgage loan (or if not so paid, will accrue and remain outstanding).

A master servicer surveillance fee:

- will be earned with respect to each Surveillance Fee Mortgage Loan,
- will be calculated on the same interest accrual basis as that Surveillance Fee Mortgage Loan,
- will accrue at a master servicer surveillance fee rate of 0.0100% *per annum*,
- will accrue on the same principal amount as interest accrues or is deemed to accrue from time to time with respect to that Surveillance Fee Mortgage Loan, and
- will be payable monthly from amounts received with respect to interest on that Surveillance Fee Mortgage Loan (or if not so paid, will accrue and remain outstanding).

Pursuant to the terms of the Sub-Servicing Agreement, the sub-servicer will be entitled to retain on a monthly basis 50% of the master servicer surveillance fees received by the sub-servicer in respect of each Surveillance Fee Mortgage Loan that it services (with the obligation to remit the remaining 50% of such fee to the master servicer). The sub-servicer's entitlement to such fee may not be transferred (in whole or in part) to any other party. If at any time the sub-servicer enters, without Freddie Mac's prior approval, into an agreement providing for the further sub-servicing by a third party of any Surveillance Fee Mortgage Loan (other than mandatory servicing transfers due to conflicts of interest), or if Freddie Mac notifies the master servicer and the sub-servicer that the sub-servicer is no longer entitled to receive such fee, then the entire master servicer surveillance fee as to the Surveillance Fee Mortgage Loans serviced by the sub-servicer will be remitted to the master servicer.

A sub-servicing fee:

- will be earned with respect to each underlying mortgage loan, including (without duplication) Specially Serviced Mortgage Loans and each underlying mortgage loan, if any, as to which the related mortgaged real property has become an REO Property, and

- in the case of each underlying mortgage loan will—

    1. be calculated on the same interest accrual basis as that underlying mortgage loan,

    2. accrue at a sub-servicing fee rate of 0.0500% *per annum* on the Stated Principal Balance of the related underlying mortgage loan,

    3. accrue on the same principal amount as interest accrues or is deemed to accrue from time to time with respect to that underlying mortgage loan, and

    4. be payable monthly from amounts received with respect to interest on that underlying mortgage loan (or if not so paid, will accrue and remain outstanding).

If Wells Fargo Bank resigns or is terminated as master servicer, Wells Fargo Bank will be entitled to retain any sub-servicing fee payable to it in its capacity as primary servicer so long as it continues to act in that capacity for any underlying mortgage loan.

The right of the master servicer to receive the master servicing fee or the master servicer surveillance fee may not be transferred in whole or in part except in connection with the transfer of all of the master servicer's responsibilities and obligations under the Pooling and Servicing Agreement.

Prepayment Interest Shortfalls. The Pooling and Servicing Agreement provides that, although the loan documents require the payment of a full month's interest on any voluntary prepayment not made on a due date, if any Prepayment Interest Shortfall is incurred by reason of the master servicer's acceptance, other than at the request of the directing certificateholder, of any principal prepayment relating to one or more underlying mortgage loans during any Collection Period, then the master servicer must make a payment prior to the related distribution date in an amount equal to the aggregate of such Prepayment Interest Shortfalls for such Collection Period up to an amount not to exceed the master servicing fee for such Collection Period, with no right to reimbursement. This obligation to cover Prepayment Interest Shortfalls will not apply with respect to a principal prepayment accepted by the master servicer (i) with respect to any Specially Serviced Mortgage Loan, (ii) subsequent to a default under the related loan documents (*provided* that the master servicer or the special servicer reasonably believes that acceptance of such prepayment is consistent with the Servicing Standard), (iii) pursuant to applicable law or a court order, (iv) in respect of a payment of insurance and condemnation proceeds or (v) pursuant to any term of the related loan documents that allows such prepayment to be made without the payment of a full month's interest.

In addition, if Prepayment Interest Shortfalls are incurred during any Collection Period with respect to any underlying mortgage loan serviced by the master servicer and the master servicer's payment in respect of such Prepayment Interest Shortfalls as contemplated by the prior paragraph is less than the entire amount of Prepayment Interest Shortfalls, then the master servicer (i) must apply any Prepayment Interest Excesses received during that Collection Period with respect to other underlying mortgage loans to offset such Prepayment Interest Shortfalls and (ii) in any event, may retain, as additional compensation, any such Prepayment Interest Excesses that are not needed to accomplish such offset.

No other master servicing compensation will be available to cover Prepayment Interest Shortfalls, and the master servicer's obligation to make payments to cover Prepayment Interest Shortfalls in respect of a particular Collection Period will not carry over to any subsequent Collection Period.

Any payments made by the master servicer with respect to any distribution date to cover Prepayment Interest Shortfalls, and any Prepayment Interest Excesses applied to offset Prepayment Interest Shortfalls, will be included in the Available Distribution Amount for that distribution date, as described under "Description of the Certificates—

Distributions" in this information circular. If the amount of Prepayment Interest Shortfalls incurred with respect to the mortgage pool during any Collection Period exceeds the sum of—

- any payments made by the master servicer with respect to the related distribution date to cover those Prepayment Interest Shortfalls, and
- any Prepayment Interest Excesses applied to offset those Prepayment Interest Shortfalls,

then the resulting Net Aggregate Prepayment Interest Shortfall will be allocated among the respective interest-bearing classes of certificates, in reduction of the interest distributable on those certificates, as and to the extent described under "Description of the Certificates—Distributions—Interest Distributions" in this information circular.

Principal Special Servicing Compensation. The principal compensation to be paid to the special servicer with respect to its special servicing activities will be—

- the corresponding special servicing fees;
- the corresponding workout fees;
- the corresponding liquidation fees; and
- the special servicer surveillance fee.

Special Servicing Fee. A special servicing fee:

- will be earned with respect to—
    1. each underlying mortgage loan, if any, that is being specially serviced, and
    2. each underlying mortgage loan, if any, as to which the related mortgaged real property has become an REO Property;
- in the case of each underlying mortgage loan described in the previous bullet, will—
    1. be calculated on the same interest accrual basis as that underlying mortgage loan,
    2. accrue at a special servicing fee rate of 0.2500% *per annum*, and
    3. accrue on the Stated Principal Balance of that underlying mortgage loan outstanding from time to time; and
- will generally be payable to the special servicer monthly from general collections on the mortgage pool.

Special Servicer Surveillance Fee. A special servicer surveillance fee:

- will be earned with respect to each Surveillance Fee Mortgage Loan,
- will be calculated on the same interest accrual basis as that Surveillance Fee Mortgage Loan,
- will accrue at a special servicer surveillance fee rate of 0.01076% *per annum*,
- will accrue on the same principal amount as interest accrues or is deemed to accrue from time to time with respect to that Surveillance Fee Mortgage Loan, and
- will be payable monthly from amounts received with respect to interest on that Surveillance Fee Mortgage Loan (or if not so paid, will accrue and remain outstanding).

Workout Fee. The special servicer will, in general, be entitled to receive a workout fee with respect to each Specially Serviced Mortgage Loan that has been worked out by it. The workout fee will be payable out of, and will generally be calculated by application of a workout fee rate of 1.0% to each payment of interest (other than Default Interest) and principal (including scheduled payments, prepayments, balloon payments, payments at maturity and payments resulting from a partial condemnation) received on the underlying mortgage loan for so long as it remains a worked-out underlying mortgage loan. The workout fee with respect to any worked-out underlying mortgage loan will cease to be payable if a new Servicing Transfer Event occurs with respect to that underlying mortgage loan. However, a new workout fee would become payable if the underlying mortgage loan again became a worked-out underlying mortgage loan with respect to that new Servicing Transfer Event.

If the special servicer is terminated (other than for cause) or resigns, it will retain the right to receive any and all workout fees payable with respect to underlying mortgage loans that were (or were close to being) worked out by it during the period that it acted as the special servicer and as to which no new Servicing Transfer Event had occurred as of the time of that termination. The successor special servicer will not be entitled to any portion of those workout fees.

Although workout fees are intended to provide the special servicer with an incentive to better perform its duties, the payment of any workout fee will reduce amounts payable to the certificateholders.

Liquidation Fee. The special servicer will be entitled to receive a liquidation fee with respect to each Specially Serviced Mortgage Loan for which it obtains a full, partial or discounted payoff from the related borrower. The special servicer will also be entitled to receive a liquidation fee with respect to any Specially Serviced Mortgage Loan or REO Property as to which it receives any Liquidation Proceeds, except as described in the next paragraph. A liquidation fee will also be payable in connection with the repurchase or replacement of any worked-out underlying mortgage loan for a material breach of a representation or warranty or a material document defect, as described under "Description of the Underlying Mortgage Loans—Cures, Repurchases and Substitutions" in this information circular, if the repurchase or substitution occurs after the end of the applicable cure period (and any applicable extension of the applicable cure period). As to each Specially Serviced Mortgage Loan and REO Property, the liquidation fee will generally be payable from, and will be calculated by application of a liquidation fee rate of 1.0% to, the related payment or proceeds, exclusive of liquidation expenses.

However, no liquidation fee will be payable based on, or out of, proceeds received in connection with—

- the purchase of a Defaulted Loan if the purchaser is the directing certificateholder and it purchases such underlying mortgage loan within 90 days after the special servicer provides the initial Fair Value Notice described in "—Realization Upon Mortgage Loans—Purchase Option" below, or at any time if the purchaser is Freddie Mac or the related Junior Loan Holder (or another holder of a related Junior Loan) as described under "—Realization Upon Mortgage Loans—Purchase Option" below;

- the repurchase or replacement of any underlying mortgage loan for a material breach of a representation or warranty or a material document defect as described under "Description of the Underlying Mortgage Loans—Cures, Repurchases and Substitutions" in this information circular, within the applicable cure period (and any applicable extension of the applicable cure period); or

- the purchase of all of the underlying mortgage loans and REO Properties in the issuing entity by the master servicer, the special servicer or holders of more than 50% of the percentage interests of the Controlling Class in connection with the termination of the issuing entity, as described under "—Termination" below.

Although liquidation fees are intended to provide the special servicer with an incentive to better perform its duties, the payment of any liquidation fee will reduce amounts payable to the certificateholders.

The right of the special servicer to receive the related special servicing fee and special servicer surveillance fee may not be transferred in whole or in part except in connection with the transfer of all of the special servicer's responsibilities and obligations under the Pooling and Servicing Agreement.

However, the special servicer may, subject to the above-described prohibition on transfers of the right to receive the special servicing fee and the special servicer surveillance fee, enter into one or more arrangements to assign to

another person (including, without limitation, any certificateholder or an affiliate of any certificateholder), or to provide for the payment by the special servicer to such person, of all or a portion of the special servicer's compensation (excluding the special servicing fee or the special servicer surveillance fee, as described above) under the Pooling and Servicing Agreement, *provided*, that any such assignment or provision will not be binding on any successor special servicer or any other party to the Pooling and Servicing Agreement.

Additional Servicing Compensation. The master servicer may retain, as additional compensation, any Prepayment Interest Excesses received with respect to the underlying mortgage loans, but only to the extent that such Prepayment Interest Excesses are not needed to offset Prepayment Interest Shortfalls, as described under "—Prepayment Interest Shortfalls" above. The master servicer may also retain all the Transfer Processing Fees collected on or with respect to any underlying mortgage loans that are not Specially Serviced Mortgage Loans (a portion of which may be payable to the sub-servicer under the Sub-Servicing Agreement).

Any late payment charges and Default Interest actually collected on an underlying mortgage loan and that are not otherwise applied as described in the last paragraph under "Description of the Certificates—Reductions of Certificate Principal Balances in Connection with Realized Losses and Additional Issuing Entity Expenses" in this information circular, will be allocated between the master servicer and the special servicer as additional compensation in accordance with the Pooling and Servicing Agreement.

Transfer Fees and collateral substitution fees collected on the underlying mortgage loans (other than Specially Serviced Mortgage Loans) will be allocated between the master servicer (a portion of which may be payable to the sub-servicer under the Sub-Servicing Agreement) and the directing certificateholder as shown under "Description of the Certificates—Fees and Expenses" in this information circular.

Any extension fees, modification fees, assumption fees, assumption application fees, earnout fees, consent/waiver fees and other comparable transaction fees and charges collected on the Specially Serviced Mortgage Loans will be allocated to the special servicer, as shown under "Description of the Certificates—Fees and Expenses" in this information circular.

The master servicer will be authorized to invest or direct the investment of funds held in its collection account, or in any escrow and/or reserve account maintained by it, in Permitted Investments. See "—Collection Account" below. The master servicer—

- will generally be entitled to retain any interest or other income earned on those funds; and

- will be required to cover any losses of principal from its own funds, to the extent those losses are incurred with respect to investments made for the master servicer's benefit, but the master servicer is not required to cover any losses caused by the insolvency of the depository institution or trust company holding such account so long as (i) such depository institution or trust company (a) satisfied the requirements set forth in the Pooling and Servicing Agreement at the time such investment was made and (b) is neither the master servicer nor an affiliate of the master servicer and (ii) such insolvency occurs within 30 days of the date on which such depository institution or trust company no longer satisfies the requirements set forth in the Pooling and Servicing Agreement.

Notwithstanding anything to the contrary in the loan documents or the Servicing Standard and except with respect to Transfer Fees, Transfer Processing Fees, collateral substitution fees, late payment charges, Default Interest, charges for beneficiary statements or demands and amounts collected for checks returned for insufficient funds, the master servicer may not as a condition to granting any request by a borrower for consent, modification, waiver or indulgence or any other matter or thing pursuant to the terms of the related loan documents (including but not limited to any transaction, matter or request involving the full or partial condemnation of the related mortgaged real property or any borrower request for consent to subject the related mortgaged real property to an easement, right of way or similar agreement for utilities, access, parking, public improvements or another purpose, Permitted Transfers and/or permitted subordinate mortgage debt), require that such borrower pay to it, or otherwise accept, as additional servicing compensation or otherwise (i) any transfer, processing, transaction, review or similar fee, (ii) any fee for additional services performed in connection with such request, including expediting or similar fees or (iii) any related costs and expenses incurred by the master servicer, other than attorneys' fees and costs and the fees and expenses of any third-party service and/or title insurance providers and, if applicable, any NRSRO.

The special servicer will be authorized to invest or direct the investment of funds held in its REO account in Permitted Investments. See "—Realization Upon Mortgage Loans—REO Account" below. The special servicer—

- will generally be entitled to retain any interest or other income earned on those funds; and
- will be required to cover any losses of principal from its own funds, to the extent those losses are incurred with respect to investments made for the special servicer's benefit, but the special servicer is not required to cover any losses caused by the insolvency of the depository institution or trust company holding the REO accounts so long as (i) such depository institution or trust company (a) satisfied the requirements set forth in the Pooling and Servicing Agreement at the time such investment was made and (b) is neither the special servicer nor an affiliate of the special servicer and (ii) such insolvency occurs within 30 days of the date on which such depository institution or trust company no longer satisfies the requirements set forth in the Pooling and Servicing Agreement.

Servicing Advances. With respect to each underlying mortgage loan, in accordance with the Servicing Standard, the master servicer will be obligated, if and to the extent necessary, to advance all such amounts as are necessary to pay, among other things, (i) premiums on insurance policies with respect to the related mortgaged real property; (ii) operating, leasing, managing and liquidation expenses for the mortgaged real property after it has become an REO Property; (iii) the cost of environmental inspections with respect to the mortgaged real property; (iv) real estate taxes, assessments and other items that are or may become a lien on the mortgaged real property; (v) the costs and expenses of any enforcement or judicial proceedings with respect to that underlying mortgage loan, including foreclosure and similar proceedings; (vi) the cost of appraisals with respect to such mortgaged real property and (vii) any other amount required to be paid as a servicing advance or deemed to be a servicing advance under the Pooling and Servicing Agreement (each, a "Servicing Advance"). The special servicer will have no obligation to make any Servicing Advances.

With respect to any underlying mortgage loan that has a related subordinate loan and is subject to an intercreditor agreement that allows the lender for the underlying mortgage loan to cure defaults on the related subordinate loan, any advance made by the master servicer or the special servicer to exercise the issuing entity's rights under such intercreditor agreement to cure any such default on the subordinate loan will be limited to the monthly debt service payments on the subordinate loan and will be deemed to be a Servicing Advance. This monthly debt service payment limitation does not apply to defaults under the related subordinate loan which are also defaults under the senior underlying mortgage loan and as to which the Servicing Advance is being made pursuant to the related underlying mortgage loan documents and not solely to cure the default on the subordinate loan. In addition, with respect to any underlying mortgage loan that has a related subordinate loan, any Servicing Advance that is made or proposed to be made in order to cure a default on such subordinate loan will be subject to the same application, reimbursements and nonrecoverability determinations as any other Servicing Advance under the Pooling and Servicing Agreement. The master servicer will not be required to make any Servicing Advance that would, if made, constitute a Nonrecoverable Servicing Advance.

Any and all customary, reasonable and necessary out-of-pocket costs and expenses (including for the remediation of any adverse environmental circumstance or condition at any of the mortgaged real properties) incurred by the master servicer or the special servicer in connection with the servicing of an underlying mortgage loan if a default, delinquency or other unanticipated event has occurred or is reasonably foreseeable, or in connection with the administration of any REO Property in the issuing entity, will be Servicing Advances. Servicing Advances will be reimbursable from future payments and other collections, including insurance proceeds, condemnation proceeds and Liquidation Proceeds, received in connection with the related underlying mortgage loan or REO Property, except as described below with respect to Nonrecoverable Servicing Advances.

The special servicer will request the master servicer to make required Servicing Advances with respect to a Specially Serviced Mortgage Loan or REO Property on a monthly basis (except for Servicing Advances required on an emergency basis). The special servicer must make the request not less than five Business Days prior to the date the subject advance is required to be made (except for Servicing Advances required on an emergency basis). The master servicer must make the requested Servicing Advance within a specified number of days following the master servicer's receipt of the request. The special servicer will be required to provide the master servicer any information in its possession as the master servicer may reasonably request to enable the master servicer to determine whether a

requested Servicing Advance would be recoverable from expected collections on the Specially Serviced Mortgage Loan or REO Property.

To the extent that the master servicer fails to make a Servicing Advance that it is required to make under the Pooling and Servicing Agreement and a responsible officer of the trustee has received written notice or has actual knowledge of such failure by the master servicer, the trustee will be required to make such Servicing Advance pursuant to the Pooling and Servicing Agreement no later than one Business Day following the master servicer's failure to make such Servicing Advances by expiration of the applicable cure period as described under "—Events of Default" below.

Despite the foregoing discussion, neither the trustee nor the master servicer will be obligated to make Servicing Advances that, in its judgment (in accordance with the Servicing Standard in the case of the judgment of the master servicer, or in accordance with good faith business judgment in the case of the judgment of the trustee), would not be ultimately recoverable from expected collections on the related underlying mortgage loan or REO Property. If the master servicer or the trustee makes a Servicing Advance with respect to any underlying mortgage loan or related REO Property (including any such Servicing Advance that is a Workout-Delayed Reimbursement Amount), that the master servicer, the trustee or the special servicer subsequently determines (in accordance with the Servicing Standard in the case of the determination of the master servicer or the special servicer, as applicable, or in accordance with good faith business judgment in the case of the trustee) is not recoverable from expected collections on that underlying mortgage loan or REO Property (or, if such advance becomes a Workout-Delayed Reimbursement Amount, out of collections of principal on all the underlying mortgage loans after the application of those principal payments and collections to reimburse any party for a Nonrecoverable Advance) (any such Servicing Advance, a "Nonrecoverable Servicing Advance"), the master servicer or the trustee, as applicable, may obtain reimbursement for that advance, together with interest on that advance, out of general collections on the mortgage pool. In making such determination, the master servicer, the trustee or the special servicer, as applicable, may take into account a range of relevant factors, including, among other things, (i) the existence of any outstanding Nonrecoverable Advance or Workout-Delayed Reimbursement Amount on any underlying mortgage loan or REO Loan, (ii) the obligations of the borrower under the related underlying mortgage loan, (iii) the related mortgaged real property in its "as is" condition, (iv) future expenses and (v) the timing of recoveries. Any reimbursement of a Nonrecoverable Servicing Advance (including interest accrued on such amount) will be deemed to be reimbursed first from payments and other collections of principal on the underlying mortgage loans (thereby reducing the amount of principal otherwise distributable on the certificates on the related distribution date) prior to the application of any other general collections on the mortgage pool against such reimbursement. The special servicer's determination that a Servicing Advance is a Nonrecoverable Servicing Advance will be conclusive and binding on the master servicer and the trustee. However, absent such a determination by the special servicer, each of the master servicer and the trustee will be entitled to make its own determination that a Servicing Advance is a Nonrecoverable Servicing Advance. In addition, the trustee will be entitled to conclusively rely on the master servicer's determination that a Servicing Advance is a Nonrecoverable Servicing Advance. A determination by the special servicer that a previously made or proposed Servicing Advance would be recoverable will not be binding on the master servicer or the trustee.

However, instead of obtaining reimbursement out of general collections on the mortgage pool immediately, the master servicer or the trustee, as applicable, may, in its sole discretion, elect to obtain reimbursement for a Nonrecoverable Servicing Advance over a period of time (not to exceed six months without the consent of the directing certificateholder or 12 months in any event), with interest on such amount at the Prime Rate. At any time after such a determination to obtain reimbursement over time in accordance with the preceding sentence, the master servicer or the trustee, as applicable, may, in its sole discretion, decide to obtain reimbursement from general collections on the mortgage pool immediately. In general, such a reimbursement deferral will only be permitted under the Pooling and Servicing Agreement if and to the extent that the subject Nonrecoverable Servicing Advance, after taking into account other outstanding Nonrecoverable Advances, could not be reimbursed with interest out of payments and other collections of principal on the mortgage pool during the current Collection Period. The fact that a decision to recover a Nonrecoverable Servicing Advance over time, or not to do so, benefits some classes of certificateholders to the detriment of other classes of certificateholders will not constitute a violation of the Servicing Standard or a breach of the terms of the Pooling and Servicing Agreement by any party to the Pooling and Servicing Agreement, or a violation of any duty owed by any party to the Pooling and Servicing Agreement, to the certificateholder.

In addition, in the event that any Servicing Advance becomes a Workout-Delayed Reimbursement Amount, the master servicer or the trustee, as applicable, will be entitled to reimbursement for such advance and interest accrued on such advance (even though that advance is not deemed a Nonrecoverable Servicing Advance), on a monthly basis, out of – but solely out of – payments and other collections of principal on all the underlying mortgage loans after the application of those principal payments and collections to reimburse any party for any Nonrecoverable Advance, prior to any distributions of principal on the certificates. If any such advance is not reimbursed in whole due to insufficient principal collections during the related Collection Period, the portion of that advance which remains unreimbursed will be carried over (with interest on such amount continuing to accrue) for reimbursement in the following Collection Period (to the extent of principal collections available for that purpose). If any such advance, or any portion of any such advance, is determined, at any time during this reimbursement process, to be a Nonrecoverable Advance, then the master servicer or the trustee, as applicable, will be entitled to immediate reimbursement as a Nonrecoverable Advance from general collections on the mortgage pool in an amount equal to the portion of that advance that remains outstanding, plus accrued interest.

The master servicer is permitted (or is required to, at the direction of the special servicer if a Specially Serviced Mortgage Loan or REO Property is involved) to pay directly out of its collection account any servicing expense that, if advanced by the master servicer, would not be recoverable from expected collections on the related underlying mortgage loan or REO Property. This is only to be done, however, when the master servicer, or the special servicer if a Specially Serviced Mortgage Loan or REO Property is involved, has determined in accordance with the Servicing Standard that making the payment is in the best interests of the certificateholders as a collective whole.

The master servicer, the special servicer and the trustee will be entitled to receive interest on Servicing Advances made by them. The interest will accrue on the amount of each Servicing Advance for so long as the Servicing Advance is outstanding, at a rate *per annum* equal to the Prime Rate. Interest accrued with respect to any Servicing Advance made with respect to any underlying mortgage loan or the related mortgaged real property will be payable in connection with the reimbursement of that Servicing Advance—

- *first*, out of any Default Interest and late payment charges collected on that underlying mortgage loan subsequent to the accrual of that advance interest, and

- *then*, at the time or after the advance has been reimbursed, if and to the extent that the Default Interest and late payment charges referred to in the prior bullet are insufficient to cover the advance interest, out of any amounts on deposit in the collection account.

Enforcement of "Due-on-Sale" and "Due-on-Encumbrance" Clauses

The special servicer, with respect to the Specially Serviced Mortgage Loans, and the master servicer, with respect to the other underlying mortgage loans, each will be required to determine, in a manner consistent with the Servicing Standard, whether to exercise or waive any right the lender may have under either a due-on-sale or due-on-encumbrance clause to accelerate payment of that underlying mortgage loan. Generally, the master servicer or the special servicer (in the case of any Specially Serviced Mortgage Loan), will be required to enforce such due-on-sale or due-on-encumbrance clause, unless the master servicer or the special servicer, as applicable, determines, in accordance with the Servicing Standard, and subject to the applicable provisions of the Pooling and Servicing Agreement, that (i) not declaring an event of default (as defined in the related loan documents) or (ii) granting its consent, in its reasonable judgment, would be consistent with the Servicing Standard. In addition, the master servicer or the special servicer, as applicable, may not waive its rights under a due-on-sale or due-on-encumbrance clause unless the related borrower or a third party, but in no event the issuing entity, pays all related expenses with respect to such waiver. Furthermore, neither the master servicer nor the special servicer may waive its rights or grant its consent under any due-on-sale or due-on-encumbrance clause, other than as expressly permitted pursuant to the Pooling and Servicing Agreement, without the consent of the directing certificateholder (subject to the last paragraph of "—Realization Upon Mortgage Loans—Asset Status Report" below with respect to any Affiliated Borrower Loan), *provided* that the directing certificateholder provides such consent within the time period specified in the Pooling and Servicing Agreement.

Before the master servicer or the special servicer may waive any rights under a "due-on-sale" or "due-on-encumbrance" clause, the master servicer or the special servicer, as applicable, must have provided notice to the

directing certificateholder and Freddie Mac in accordance with the Pooling and Servicing Agreement, and provided the directing certificateholder with its written recommendation and analysis and any other information and documents reasonably requested by the directing certificateholder. In addition, with respect to a requested transfer discussed under "Description of the Underlying Mortgage Loans—Certain Terms and Conditions of the Underlying Mortgage Loans—Due-on-Sale and Due-on-Encumbrance Provisions," the master servicer or the special servicer must have included along with its written recommendation and analysis (i) all material documents reviewed to reach such recommendation and analysis that such requested transfer is satisfactory from a credit perspective (taking into consideration, among other things, with respect to the existing borrower, any proposed replacement borrower, any proposed replacement designated entity for transfers under the loan documents, any proposed replacement guarantor or any proposed replacement property manager, past performance and management experience, balance sheet, equity at risk, net worth, ownership structure and any credit enhancers) and (ii) any additional information or documents that are reasonably requested by the directing certificateholder. The directing certificateholder's approval must be obtained prior to any such waiver. However, the directing certificateholder's approval will be deemed to have been obtained if it does not approve or disapprove the request within five Business Days of its receipt of the documents described in clauses (i) and (ii) above and the recommendation and analysis from the master servicer or the special servicer, as applicable. Such approval is not permitted to be unreasonably withheld in connection with a requested transfer.

Subject to the five Business Day period described above, the Pooling and Servicing Agreement provides that the directing certificateholder may, at its own expense, request that the Directing Certificateholder Servicing Consultant prepare and deliver to it a recommendation relating to such waiver request. In providing a recommendation in response to any such request, the Directing Certificateholder Servicing Consultant will be acting as a consultant to the directing certificateholder and any such recommendation provided will not be subject to the Servicing Standard. The Directing Certificateholder Servicing Consultant will have no duty or liability to any certificateholder other than the directing certificateholder in connection with any recommendation it gives the directing certificateholder or actions taken by any party as a result of such consultation services provided to the directing certificateholder as contemplated above. In no event will any expenses incurred by the Directing Certificateholder Servicing Consultant be an expense of the issuing entity.

With respect to any non-Specially Serviced Mortgage Loan and in connection with the master servicer's review, consent and/or approval of any Transfer Processing Fee Transaction, the master servicer may as a condition to reviewing any such request by a borrower require that such borrower pay to it as additional servicing compensation, or otherwise, the Transfer Processing Fee. In addition, if the related loan documents require lender consent to a borrower's request for an assumption or waiver of a "due-on-sale" clause with respect to any loan, the master servicer may require that such borrower pay to it as additional servicing compensation, or otherwise, the Transfer Fee; provided that notwithstanding anything to the contrary in the related loan documents, the master servicer may not require a borrower to pay a Transfer Fee in excess of $250,000 in connection with any single transaction, provided that a transaction involving multiple underlying mortgage loans in a Crossed Loan Group will not be deemed to constitute a single transaction. The master servicer is not permitted to waive any Transfer Fee set forth in the related loan documents without the consent of the directing certificateholder if the consent or review of the directing certificateholder is required with respect to the related Transfer.

If the loan documents do not expressly permit an assumption of the related underlying mortgage loan or the incurrence of subordinate debt, the master servicer or the special servicer, as applicable, will be required to receive confirmation from the directing certificateholder (which confirmation must be provided within the time periods specified in the Pooling and Servicing Agreement and, with respect to a requested assumption, which confirmation may not be unreasonably withheld) that the conditions to such assumption or additional subordinate financing of the underlying mortgage loan have been met prior to (i) agreeing to a requested assumption of an underlying mortgage loan or (ii) agreeing to the incurrence of additional subordinate financing (subject to the last paragraph of "—Realization Upon Mortgage Loans—Asset Status Report" below with respect to any Affiliated Borrower Loan).

Modifications, Waivers, Amendments and Consents

The Pooling and Servicing Agreement will permit the master servicer or the special servicer, as applicable, to modify, waive or amend any term of any underlying mortgage loan if it determines in accordance with the Servicing

Standard that it is appropriate to do so. However, no such modification, waiver or amendment of a non-Specially Serviced Mortgage Loan may—

- affect the amount or timing of any scheduled payments of principal, interest or other amounts (including Yield Maintenance Charges and Static Prepayment Premiums) payable under the underlying mortgage loan, with limited exceptions generally involving the waiver of Default Interest and late payment charges;

- affect the obligation of the related borrower to pay a Yield Maintenance Charge or Static Prepayment Premium or permit a principal prepayment during the applicable lockout period;

- result in a release of the lien of the related mortgage on any material portion of such mortgaged real property without a corresponding principal prepayment, except as expressly provided by the related loan documents, a pending or threatened condemnation or in connection with a material adverse environmental condition at the related mortgaged real property;

- in the judgment of the master servicer or the special servicer, as applicable, materially impair the security for the underlying mortgage loan or reduce the likelihood of timely payment of amounts due on such underlying mortgage loan; or

- violate the terms of any intercreditor agreement;

unless in the reasonable judgment of the master servicer or the special servicer, as applicable, such modification, waiver or amendment is reasonably likely to produce a greater (or equal) recovery to the certificateholders; and either (i) the underlying mortgage loan is in default, default is reasonably foreseeable or the master servicer or the special servicer, as applicable, reasonably determines that a significant risk of default exists within the meaning of the REMIC Provisions, and after such modification, waiver or amendment the underlying mortgage loan does not fail to qualify as a "qualified mortgage" within the meaning of the REMIC Provisions subject to and in accordance with the requirements of applicable REMIC Provisions (and such servicer may rely on an opinion of counsel in making such determination); *provided* that a release of the lien on any portion of a mortgaged real property (whether prior to or following a default) must satisfy the requirements of the following clause (as determined by the master servicer or the special servicer, as applicable) or (ii) the master servicer or the special servicer, as the case may be, has determined (and may rely on an opinion of counsel in making such determination) that such modification, waiver or amendment will not be a "significant modification" of the subject underlying mortgage loan within the meaning of Section 1.860G-2(b) of the regulations promulgated by Treasury ("Treasury Regulations") and will not cause the applicable Trust REMIC to fail to qualify as a REMIC or subject such Trust REMIC to any tax. In order to meet these requirements, in the case of a release of real property collateral securing an underlying mortgage loan, the master servicer or the special servicer, as applicable, will be required to observe the REMIC requirements pertaining to a required payment of principal if the related loan-to-value ratio (as determined pursuant to the following paragraph) immediately after such release exceeds 125%.

In connection with (i) the release of any portion of the mortgaged real property securing any underlying mortgage loan from the lien of such underlying mortgage loan or (ii) the taking of any portion of the mortgaged real property securing any underlying mortgage loan by exercise of the power of eminent domain or condemnation, if the loan documents require the master servicer or the special servicer, as applicable, to calculate (or to approve the calculation of the related borrower of) the loan-to-value ratio of the remaining mortgaged real property securing such underlying mortgage loan or the fair market value of the real property constituting the remaining mortgaged real property securing such underlying mortgage loan, for purposes of REMIC qualification of the related underlying mortgage loan, then such calculation will be required to include only the value of the real property constituting the remaining mortgaged real property securing such underlying mortgage loan.

Despite the limitations on modifications, waivers and amendments described above, but subject to the limitations described below and the terms of any related intercreditor agreement, the special servicer may (or, in some cases, may consent to a request by the master servicer to), in accordance with the Servicing Standard—

- reduce the amounts owing under any Specially Serviced Mortgage Loan by forgiving principal and/or, accrued interest and/or any Yield Maintenance Charge or Static Prepayment Premiums;

- reduce the amount of the monthly payment on any Specially Serviced Mortgage Loan, including by way of a reduction in the related mortgage interest rate;

- forbear in the enforcement of any right granted under any mortgage note or mortgage relating to a Specially Serviced Mortgage Loan;

- extend the maturity of a Specially Serviced Mortgage Loan;

- permit the release or substitution of collateral for a Specially Serviced Mortgage Loan; and/or

- accept a principal prepayment during any lockout period;

provided that the related borrower is in default with respect to the Specially Serviced Mortgage Loan or such default is reasonably foreseeable (including, for this purpose, if the special servicer reasonably determines that a significant risk of default exists within the meaning of the REMIC Provisions), and in the case of a release pursuant to the fifth bullet point above, the underlying mortgage loan continues to be a "qualified mortgage" within the meaning of the REMIC Provisions, and in any case, the special servicer has determined (and may rely on an opinion of counsel in making such determination) that the modification, waiver or amendment will not be a "significant modification" of the underlying mortgage loan within the meaning of Treasury Regulations Section 1.860G-2(b) and will not cause the applicable Trust REMIC to fail to qualify as a REMIC or subject such Trust REMIC to any tax.

However, in no event will—

(1) the master servicer or the special servicer be permitted to extend the scheduled maturity date of any underlying mortgage loan if the interest rate on such underlying mortgage loan is less than the lower of (a) the interest rate in effect prior to such extension or (b) the then prevailing interest rate for comparable mortgage loans;

(2) the master servicer be permitted to defer interest due on any underlying mortgage loan in excess of 5% of the Stated Principal Balance of such underlying mortgage loan; or

(3) the master servicer or the special servicer extend the scheduled maturity date of any underlying mortgage loan beyond the earlier of (i) October 1, 2028 or (ii) in the case of an underlying mortgage loan secured by a leasehold estate (if any), the date that is 20 years prior to the expiration of the ground lease (after giving effect to the exercise of any extension options).

Neither the master servicer nor the special servicer may permit or modify an underlying mortgage loan that is not a Specially Serviced Mortgage Loan to permit a voluntary prepayment of a mortgage loan on any day other than its due date, unless: (i) the master servicer or the special servicer also collects interest on such underlying mortgage loan through the due date following the date of such prepayment; (ii) that prepayment is otherwise permitted under the related loan documents; (iii) that principal prepayment would not result in a Prepayment Interest Shortfall; (iv) that principal prepayment is accepted by the master servicer or the special servicer at the request of or with the consent of the directing certificateholder (subject to the last paragraph of "—Realization Upon Mortgage Loans—Asset Status Report" below with respect to any Affiliated Borrower Loan), or if accepted by the master servicer, with the consent of the special servicer; or (v) it is consistent with the Servicing Standard to do so.

To the extent not inconsistent with the limitations to modifications and consents contained in the Pooling and Servicing Agreement, the master servicer or the special servicer, as applicable, may, consistent with the Servicing Standard, without the consent of any other party, including the directing certificateholder, (i) modify, waive or amend the terms of any underlying mortgage loan, in accordance with the Servicing Standard, in order to (A) cure any non-material ambiguity or mistake in the related loan documents, (B) correct or supplement any non-material provisions in any related loan documents which may be inconsistent with any other provisions in the related loan documents or correct any non-material error or (C) waive minor covenant defaults or (ii) effect other non-material waivers, consents, modifications or amendments in the ordinary course of servicing an underlying mortgage loan.

The special servicer or the master servicer, as applicable, will be required to notify the trustee and the certificate administrator among others, of any modification, waiver or amendment of any term of an underlying mortgage loan

and must deliver to the custodian (with a copy to the master servicer) for deposit in the related mortgage file an original counterpart of the agreement related to such modification, waiver or amendment, promptly following the execution of any such modification, waiver or amendment (and, in any event, within 30 Business Days). Copies of each agreement whereby any such modification, waiver or amendment of any term of any underlying mortgage loan is effected are required to be available for review during normal business hours, upon prior request, at the offices of the master servicer or the special servicer, as applicable. However, no such notice will be required with respect to any waiver of Default Interest or late payment charges and any such waiver need not be in writing.

In connection with a borrower's request received by the master servicer for the master servicer to take a Consent Action with respect to non-Specially Serviced Mortgage Loans that are (A) on the most recent CREFC® servicer watchlist and have a debt service coverage ratio less than 1.10x (calculated in accordance with the terms of the Pooling and Servicing Agreement) or (B) with respect to which an event of default has occurred in the last 12 months, the master servicer will be required to obtain the consent of the directing certificateholder prior to taking such Consent Actions and will be required to promptly forward its recommendation and analysis (together with any additional documents and information that the directing certificateholder may reasonably request) to the directing certificateholder with a copy to the special servicer. The directing certificateholder will be deemed to have approved such recommendation, and the master servicer will be deemed to have obtained the directing certificateholder's consent, if not denied within five Business Days after the later of its receipt of the recommendation and analysis or receipt of all additional documents and information that it may reasonably request. Subject to the five-Business Day period, the Pooling and Servicing Agreement provides that the directing certificateholder may, at its own expense, request that the Directing Certificateholder Servicing Consultant prepare and deliver a recommendation relating to such Consent Action request. In providing a recommendation in response to any such request, the Directing Certificateholder Servicing Consultant will be acting as a consultant to the directing certificateholder and any such recommendation provided will not be subject to the Servicing Standard. The Directing Certificateholder Servicing Consultant will have no duty or liability to any certificateholder other than the directing certificateholder in connection with any recommendation it gives the directing certificateholder or actions taken by any party as a result of such consultation services provided to the directing certificateholder as contemplated by the preceding sentence. In no event will any expenses incurred by the Directing Certificateholder Servicing Consultant be an expense of the issuing entity.

The ability of the master servicer or the special servicer to agree to modify, waive or amend any of the terms of any underlying mortgage loan will be subject to the discussions under "—Realization Upon Mortgage Loans—Directing Certificateholder" and "—Asset Status Report" below.

Notwithstanding anything to the contrary in the loan documents or the Servicing Standard and except with respect to Transfer Fees, Transfer Processing Fees, collateral substitution fees, late payment charges, Default Interest, charges for beneficiary statements or demands and amounts collected for checks returned for insufficient funds, the master servicer may not as a condition to granting any request by a borrower for consent, modification, waiver or indulgence or any other matter or thing pursuant to the terms of the related loan documents (including but not limited to any transaction, matter or request involving the full or partial condemnation of the related mortgaged real property or any borrower request for consent to subject the related mortgaged real property to an easement, right of way or similar agreement for utilities, access, parking, public improvements or another purpose, Permitted Transfers and/or permitted subordinate mortgage debt), require that such borrower pay to it, or otherwise accept, as additional servicing compensation or otherwise (i) any transfer, processing, transaction, review or similar fee, (ii) any fee for additional services performed in connection with such request, including expediting or similar fees or (iii) any related costs and expenses incurred by the master servicer, other than attorneys' fees and costs and the fees and expenses of any third-party service and/or title insurance providers and, if applicable, any NRSRO.

The special servicer may, as a condition to granting any request by a borrower for consent, modification, waiver or indulgence or any other matter or thing the granting of which is within its discretion pursuant to the terms of the related loan documents and is permitted by the terms of the Pooling and Servicing Agreement, require that such borrower pay to it (i) as additional servicing compensation, a reasonable or customary fee for the additional services performed in connection with such request (provided that such fee does not constitute a "significant modification" of such underlying mortgage loan under Treasury Regulations Section 1.860G-2(b)) and (ii) any related costs and expenses incurred by it. In no event will the special servicer be entitled to payment of such fees or expenses unless such payment is collected from the related borrower.

The Pooling and Servicing Agreement provides that the directing certificateholder may, at its own expense, request that the Directing Certificateholder Servicing Consultant prepare and deliver recommendations relating to certain requests for consent to assumptions, modifications, waivers or amendments. The directing certificateholder will be entitled to certain borrower-paid fees in connection with such assumptions, modifications, waivers, amendments or consents. See "Description of the Certificates—Fees and Expenses" in this information circular.

Required Appraisals

Within 60 days following the occurrence of any Appraisal Reduction Event with respect to any of the underlying mortgage loans, the special servicer must use reasonable efforts to perform an internal valuation pursuant to the following paragraph or use reasonable efforts to obtain an MAI appraisal of the related mortgaged real property from an independent appraiser meeting the qualifications set forth in the Pooling and Servicing Agreement. In any event, such appraisal(s) or internal valuation(s) are required to be obtained within 120 days or such other reasonable longer time period as agreed to in writing by the directing certificateholder and Freddie Mac from the occurrence of the event that, with the passage of time, would become such Appraisal Reduction Event, unless—

- an appraisal had previously been obtained within the prior 12 months; and
- there has been no material change in the circumstances surrounding the related mortgaged real property subsequent to that appraisal that would, in the judgment of the special servicer, materially affect the value set forth in that earlier appraisal.

However, if the outstanding principal balance of the subject underlying mortgage loan is less than $2,000,000, then the special servicer may perform an internal valuation of the related mortgaged real property in lieu of an appraisal.

As a result of any appraisal or internal valuation, the master servicer may determine that an Appraisal Reduction Amount exists with respect to the subject underlying mortgage loan. If such appraisal is not received or an internal valuation is not completed, as applicable, within the time period specified above, the Appraisal Reduction Amount for the related underlying mortgage loan will be 25% of the Stated Principal Balance of such underlying mortgage loan as of the date of the related Appraisal Reduction Event. An Appraisal Reduction Amount is relevant to the determination of the amount of any advances of delinquent interest required to be made with respect to the affected underlying mortgage loan. See "Description of the Certificates—Advances of Delinquent Monthly Debt Service Payments" in this information circular.

If an Appraisal Reduction Event occurs with respect to any underlying mortgage loan, then the special servicer will have an ongoing obligation to obtain or perform, as the case may be, within 30 days of each anniversary of the occurrence of that Appraisal Reduction Event, an update of the prior required appraisal or internal valuation. Based on that update, the master servicer is to redetermine and report to the trustee, the certificate administrator, the Guarantor and the special servicer the new Appraisal Reduction Amount, if any, with respect to the subject underlying mortgage loan. This ongoing obligation will cease if and when—

- the underlying mortgage loan has become a Corrected Mortgage Loan as contemplated under "—Servicing Under the Pooling and Servicing Agreement" above and has remained current for 12 consecutive monthly payments under the terms of the workout; and
- no other Servicing Transfer Event or Appraisal Reduction Event has occurred with respect to the underlying mortgage loan during the preceding three months.

The cost of each required appraisal, and any update of that appraisal, will be advanced by the master servicer, at the direction of the special servicer, and will be reimbursable to the master servicer as a Servicing Advance.

Collection Account

General. The master servicer will be required to establish and maintain a collection account for purposes of holding payments and other collections that it receives with respect to the underlying mortgage loans. Each

collection account must be maintained in a manner and with a depository institution that meets the requirements of the Pooling and Servicing Agreement.

The funds held in the collection account may be held as cash or invested in Permitted Investments. Subject to the limitations in the Pooling and Servicing Agreement, any interest or other income earned on funds in the collection account will be paid to the master servicer as additional compensation. See "—Servicing and Other Compensation and Payment of Expenses—Additional Servicing Compensation" above.

Deposits. The master servicer must deposit or cause to be deposited in its collection account on a daily basis in the case of payments from the borrowers and other collections on the underlying mortgage loans, or as otherwise required under the Pooling and Servicing Agreement, the following payments and collections received or made by or on behalf of the master servicer with respect to the underlying mortgage loans for which it is responsible, subsequent to the Closing Date —

- all principal payments collected, including principal prepayments;
- all interest payments collected, including late payment charges and Default Interest (net of master servicing fees, sub-servicing fees, master servicer surveillance fees, special servicing fees, special servicer surveillance fees, and in respect of late payment charges and Default Interest, net of amounts used to offset interest on any advances);
- any Static Prepayment Premiums and Yield Maintenance Charges;
- any proceeds received under any property damage, flood, title or other insurance policy that provides coverage with respect to a mortgaged real property or the related underlying mortgage loan, and all proceeds received in connection with the condemnation or the taking by right of eminent domain of a mortgaged real property, in each case to the extent not required to be applied to the restoration of the related mortgaged real property or released to the related borrower;
- any amounts received and retained in connection with the liquidation of a Defaulted Loan by foreclosure, deed-in-lieu of foreclosure or as otherwise contemplated under "—Realization Upon Mortgage Loans" below, in each case to the extent not required to be returned to the related borrower;
- any amounts paid by the mortgage loan seller in connection with the repurchase or replacement of, or the curing of any breach of a representation and warranty with respect to, an underlying mortgage loan by that party as described under "Description of the Underlying Mortgage Loans—Cures, Repurchases and Substitutions" in this information circular;
- any amounts paid to purchase or otherwise acquire all the underlying mortgage loans and any REO Properties in connection with the termination of the issuing entity pursuant to the clean-up call as contemplated under "—Termination" below;
- any amounts required to be deposited by the master servicer in connection with losses incurred with respect to Permitted Investments of funds held in its collection account;
- all payments required to be paid by the master servicer or received from the special servicer with respect to any deductible clause in any blanket property damage insurance policy or master lender placed property damage insurance policy, as described under "Description of the Underlying Mortgage Loans—Certain Terms and Conditions of the Underlying Mortgage Loans—Property Damage, Liability and Other Insurance" in this information circular; and
- any amount transferred by the special servicer from its REO account with respect to the REO Properties.

Upon its receipt of any of the amounts described in the prior paragraph (other than in connection with a clean-up call) with respect to any Specially Serviced Mortgage Loan, the special servicer is required to remit those amounts within one Business Day to the master servicer for deposit in the collection account.

Withdrawals. The master servicer may make withdrawals from its collection account for any of the following purposes (to the extent that each of the following is to be paid from the collection account in accordance with the terms of the Pooling and Servicing Agreement), which are not listed in any order of priority:

1. to remit to the certificate administrator for deposit in the distribution account, as described under "Description of the Certificates—Distribution Account" in this information circular, on the Remittance Date, all payments and other collections on the underlying mortgage loans and any REO Properties that are then on deposit in the collection accounts, exclusive of any portion of those payments and other collections that represents one or more of the following—

   (a) monthly debt service payments due on a due date subsequent to the end of the related Collection Period;

   (b) payments and other collections received by or on behalf of the issuing entity after the end of the related Collection Period; and

   (c) amounts that are payable or reimbursable from the collection account to any person other than the certificateholders in accordance with any of clauses 2 through 21 below;

2. to reimburse itself or the trustee, as applicable, for any unreimbursed advances made by that party with respect to the mortgage pool, as described under "—Servicing and Other Compensation and Payment of Expenses" above and "Description of the Certificates—Advances of Delinquent Monthly Debt Service Payments" in this information circular, with that reimbursement to be made out of collections on the underlying mortgage loan or REO Property as to which the advance was made;

3. to pay (i) itself and/or the sub-servicer, as applicable, any accrued and unpaid master servicing fees, sub-servicing fees or master servicer surveillance fees with respect to each underlying mortgage loan and (ii) the special servicer accrued and unpaid special servicer surveillance fees, with the payments under clause (i) or (ii) to be made out of collections on that underlying mortgage loan or REO Loan, as applicable, that represent payments of interest;

4. to pay itself, the sub-servicer and/or the special servicer, as applicable, any master servicing fees, sub-servicing fees, master servicer surveillance fees or special servicer surveillance fees with respect to each underlying mortgage loan or REO Loan that remain unpaid in accordance with clause 3 above following a final recovery determination made with respect to such underlying mortgage loan or the related REO Property and the deposit into the collection account of all amounts received in connection with such final recovery determination;

5. to pay the special servicer, out of general collections, accrued and unpaid special servicing fees with respect to each underlying mortgage loan that is either a Specially Serviced Mortgage Loan or an REO Loan;

6. to pay the special servicer accrued and unpaid workout fees and liquidation fees to which it is entitled, with that payment to be made from the sources described under "—Servicing and Other Compensation and Payment of Expenses" above;

7. to reimburse itself or the trustee, as applicable, out of general collections on the mortgage pool, for any unreimbursed advance made by that party with respect to the mortgage pool as described under "—Servicing and Other Compensation and Payment of Expenses" above and "Description of the Certificates—Advances of Delinquent Monthly Debt Service Payments" in this information circular, which advance has been determined not to be ultimately recoverable under clause 2 above (or, if the subject underlying mortgage loan has been worked out and returned to performing status, is not recoverable under clause 2 above by the time it is returned to performing status) out of collections on the related underlying mortgage loan or REO Property; *provided* that any such reimbursement is required to be made as and to the extent described under "—Servicing and Other Compensation and Payment of Expenses" above, in the case of a Servicing Advance, or "Description of the Certificates—Advances of Delinquent Monthly Debt Service Payments" in this information circular, in the case of a P&I Advance;

8. to pay itself or the trustee, as applicable, out of general collections on the mortgage pool unpaid interest accrued on any advance made by that party with respect to the mortgage pool (generally at or about the time of reimbursement of that advance); *provided* that, in the case of any advance reimbursed as described in clause 7 above, the payment of any interest on such advance is to be made as and to the extent described under "—Servicing and Other Compensation and Payment of Expenses" above, in the case of interest on any such advance that is a Servicing Advance, or "Description of the Certificates—Advances of Delinquent Monthly Debt Service Payments" in this information circular, in the case of interest on any such advance that is a P&I Advance;

9. to pay itself, the special servicer, the directing certificateholder or any Affiliated Borrower Loan Directing Certificateholder, as applicable, any items of additional servicing compensation on deposit in the collection account as discussed under "—Servicing and Other Compensation and Payment of Expenses—Additional Servicing Compensation" above;

10. to pay any unpaid liquidation expenses incurred with respect to any liquidated mortgage loan or REO Property in the issuing entity;

11. to pay, out of general collections on the mortgage pool, any servicing expenses that would, if advanced, be nonrecoverable under clause 2 above;

12. to pay, out of general collections on the mortgage pool, for costs and expenses incurred by the issuing entity due to actions taken pursuant to any environmental assessment, in accordance with the Pooling and Servicing Agreement;

13. to pay Freddie Mac (in its capacity as servicing consultant), itself (and certain indemnified sub-servicers), the special servicer, the trustee, the certificate administrator, the depositor or any of their or our respective affiliates, directors, general or limited partners, members, managers, shareholders, officers, employees, controlling persons and agents, as the case may be, out of general collections on the mortgage pool, any of the reimbursements or indemnities to which we or any of those other persons or entities are entitled, subject to the relevant Aggregate Annual Cap, as described under "—Certain Indemnities" below;

14. to pay, out of general collections on the mortgage pool, for (a) the costs of various opinions of counsel related to the servicing and administration of mortgage loans not paid by the related borrower; (b) expenses properly incurred by the trustee or the certificate administrator in connection with providing tax-related advice to the special servicer and (c) the fees of the trustee for confirming a Fair Value determination by the special servicer of a Defaulted Loan;

15. to reimburse itself, the special servicer, the depositor, the trustee or the certificate administrator, as the case may be, for any unreimbursed expenses reasonably incurred in respect of any material breach of a representation or warranty or a material document defect in respect of an underlying mortgage loan giving rise to a repurchase obligation of the mortgage loan seller or other party, or the enforcement of such obligation, under the mortgage loan purchase agreement;

16. to pay for—

    (a) the cost of the opinions of counsel for purposes of REMIC administration or amending the Pooling and Servicing Agreement; and

    (b) the cost of obtaining an extension from the IRS for the sale of any REO Property;

17. to pay, out of general collections for any and all U.S. federal, state and local taxes imposed on either of the Trust REMICs or their assets or transactions together with incidental expenses;

18. to pay to the mortgage loan seller any amounts that represent monthly debt service payments due on the underlying mortgage loans on or prior to the Cut-off Date or, in the case of a replacement mortgage loan, during or before the month in which that loan was added to the issuing entity;

19. to withdraw amounts deposited in the collection account in error, including amounts received on any mortgage loan or REO Property that has been purchased or otherwise removed from the issuing entity;

20. to pay any other items described in this information circular as being payable from a collection account; and

21. to clear and terminate the collection account upon the termination of the Pooling and Servicing Agreement.

The master servicer will be required to keep and maintain separate accounting records, on a loan by loan and property by property basis, for the purpose of justifying any withdrawal from the collection account.

Realization Upon Mortgage Loans

Purchase Option. The Pooling and Servicing Agreement grants the directing certificateholder (subject to the last paragraph of this section "—Purchase Option") and Freddie Mac and, with respect to Defaulted Loans for which the related Junior Loan Holder holds a lower priority lien, the related Junior Loan Holder, an assignable option (a "Purchase Option") to purchase Defaulted Loans from the issuing entity in the manner and at the price described below; *provided* that, as described in this section "—Realization Upon Mortgage Loans—Purchase Option," if such Junior Loan Holder elects to not exercise such option to purchase such Defaulted Loan then the holder of the next most subordinate Junior Loan (if any) will be entitled to exercise such Purchase Option.

Each of the directing certificateholder, Freddie Mac and the related Junior Loan Holder may assign its Purchase Option to any person.

Promptly after the determination that an underlying mortgage loan has become a Defaulted Loan, the master servicer (if the underlying mortgage loan is not a Specially Serviced Mortgage Loan) or the special servicer (if the underlying mortgage loan is a Specially Serviced Mortgage Loan) will be required to notify the trustee, the certificate administrator, the master servicer or the special servicer, as applicable, Freddie Mac, any related Junior Loan Holder and the directing certificateholder of such determination. Subject to (a) the Junior Loan Holder's right with respect to a Defaulted First Lien Loan (as defined below), (b) Freddie Mac's right to offer an increased purchase price, as described below, (c) the bidding procedures for Defaulted Crossed Loans (as defined below) and (d) the last paragraph of this section "—Purchase Option" in the case of any Affiliated Borrower Loan, the directing certificateholder will then have the right to exercise its Purchase Option at a cash price equal to the Option Price until such right automatically terminates (i) upon the Defaulted Loan becoming a Corrected Mortgage Loan or an REO Loan, (ii) upon the modification, waiver or payoff (full, partial or discounted) of the Defaulted Loan in connection with a workout, (iii) upon purchase of the Defaulted Loan by Freddie Mac pursuant to the Pooling and Servicing Agreement or (iv) with respect to a Defaulted First Lien Loan, upon purchase of such Defaulted First Lien Loan by the Junior Loan Holder pursuant to the Pooling and Servicing Agreement and the related intercreditor agreement.

Subject to the next paragraph in the case of a Defaulted Loan that is a Defaulted First Lien Loan (as defined below), subject to the second following paragraph in the case of a Defaulted Loan that is a Defaulted Crossed Loan (as defined below) and subject to the last paragraph of this section "—Purchase Option" in the case of any Affiliated Borrower Loan, within ten Business Days (the "Freddie Mac Increased Offer Notice Period") after receipt from the directing certificateholder of its notice (the "Fair Value Purchase Notice") that it will exercise its option to purchase a Defaulted Loan and which specifies a purchase price that equals at least the Fair Value of the Defaulted Loan (the "Defaulted Loan Fair Value Purchase Price"), but is less than 99% of the Purchase Price of such Defaulted Loan, Freddie Mac will have the right to purchase such Defaulted Loan by giving notice (the "Freddie Mac Increased Offer Notice") to the directing certificateholder, the master servicer, the special servicer, the certificate administrator and the trustee, specifying a purchase price at least 2.5% more than the Defaulted Loan Fair Value Purchase Price offered by the directing certificateholder in the Fair Value Purchase Notice. If the directing certificateholder is willing to purchase the Defaulted Loan after receipt of the Freddie Mac Increased Offer Notice, it will only be permitted to do so at a purchase price equal to the lesser of (i) at least 2.5% more than the purchase price specified by Freddie Mac in the Freddie Mac Increased Offer Notice and (ii) 99% of the Purchase Price, by giving notice (the "Directing Certificateholder Increased Offer Notice") of the same to Freddie Mac, the master servicer, the special servicer, the certificate administrator and the trustee within ten Business Days of receiving the Freddie Mac Increased Offer Notice (the "Directing Certificateholder Increased Offer Notice Period"). Any person exercising the

Purchase Option described in this paragraph will be required to consummate such purchase within 15 Business Days after the expiration of the Freddie Mac Increased Offer Notice Period or the Directing Certificateholder Increased Offer Notice Period, as applicable.

However, subject to the next paragraph in the case of a Defaulted Loan that is a Defaulted Crossed Loan, for any Defaulted Loan for which the related Junior Loan Holder is the holder of a subordinate priority lien (a "Defaulted First Lien Loan"), the related Junior Loan Holder will have the first option to purchase that Defaulted Loan for the Purchase Price; *provided* that if any such Junior Loan Holder elects to not exercise such option, then the holder of the next most subordinate Junior Loan (if any) will be entitled to exercise such right. However, upon the determination of Fair Value and receipt of the Fair Value Notice relating to any Defaulted First Lien Loan, each of the related Junior Loan Holder and the directing certificateholder (other than with respect to any Affiliated Borrower Loan) will have the right to purchase such Defaulted First Lien Loan at the Defaulted Loan Fair Value Purchase Price by giving notice to the other party, the trustee, the certificate administrator, the master servicer and the special servicer (the first party to give such notice, the "First Offeror"). Within ten Business Days after receipt from the First Offeror of notice of its intent to exercise the Purchase Option (the "Initial Offer Notice Period"), the related Junior Loan Holder or the directing certificateholder, as the case may be, will have the right to purchase such Defaulted First Lien Loan by giving notice (the "Increased Offer Notice") to the First Offeror, the trustee, the certificate administrator, the master servicer and the special servicer, specifying a purchase price of at least 2.5% more than the purchase price specified by the First Offeror in the initial purchase option notice. If the First Offeror is willing to purchase the Defaulted First Lien Loan after receipt of the Increased Offer Notice, it will only be permitted to do so at the Purchase Price by giving notice of the same (the "Par Purchase Notice") to the other party, the trustee, the certificate administrator, the master servicer and the special servicer within five Business Days after receiving the Increased Offer Notice ("Par Purchase Notice Period"). Any purchase will be required to be consummated no later than 15 Business Days after the expiration of the Initial Offer Notice Period or Par Purchase Notice Period, as applicable. In addition, if there are multiple holders of Junior Loans, the Junior Loan Holder entitled to exercise an option to purchase any Defaulted First Lien Loan will have the first option to purchase any Defaulted First Lien Loan; *provided* that if any such Junior Loan Holder elects to not exercise such option, then the holder of the next most subordinate Junior Loan (if any) will be entitled to exercise such right.

However, if a Crossed Loan becomes both a Defaulted Loan and a Servicing Transferred Crossed Loan (a "Defaulted Crossed Loan") and is subject to the directing certificateholder's or Junior Loan Holder's purchase option, the special servicer will be required to "deem" all related crossed mortgage loans to be subject to the directing certificateholder's or Junior Loan Holder's purchase option, as applicable (*provided*, that the related crossed mortgage loans that are not Defaulted Crossed Loans will not be deemed to be in special servicing or a "Defaulted Loan" for any other purpose under the Pooling and Servicing Agreement other than this Defaulted Crossed Loan purchase option), and the directing certificateholder and any Junior Loan Holder will be required to follow the following bidding procedures:

(i) Before the special servicer determines the Fair Value of the Defaulted Crossed Loan and all related crossed mortgage loans, any Junior Loan Holder will have the first option to purchase, by giving notice to the special servicer, the trustee, the certificate administrator, the master servicer, Freddie Mac and the directing certificateholder, (1) the Defaulted Crossed Loan and all related crossed mortgage loans at the aggregate of their Purchase Prices or (2) with the consent of the directing certificateholder, only the Defaulted Crossed Loan at the Purchase Price, which consent will be deemed given by the directing certificateholder if the Junior Loan Holder does not receive a response from the directing certificateholder within five Business Days; *provided* that if any such Junior Loan Holder elects to not exercise such option, then the holder of the next most subordinate Junior Loan (if any) will be entitled to exercise such right.

(ii) After the special servicer determines the Fair Value of the Defaulted Crossed Loan and all related crossed mortgage loans, the directing certificateholder and any Junior Loan Holder may each offer to purchase, by giving notice to the special servicer, the trustee, the certificate administrator, the master servicer, Freddie Mac and the Junior Loan Holder or the directing certificateholder, as applicable, the Defaulted Crossed Loan and all related crossed mortgage loans at a price at least equal to the Fair Value of the Defaulted Crossed Loan and all related crossed mortgage loans. Any subsequent offeror must outbid the prior offeror by at least 2.5% or offer to purchase the Defaulted Crossed Loan and all related crossed mortgage loans at the aggregate of their Purchase Prices. Bidding between the directing certificateholder and any Junior Loan

Holder will continue in the same manner as described in the preceding paragraph until the highest price is achieved for the Defaulted Crossed Loan and all related crossed mortgage loans; *provided*, *however*, that if the Defaulted Loan Fair Value Purchase Price is less than 99% of the aggregate of the Purchase Prices for such Defaulted Crossed Loan and all related crossed mortgage loans, Freddie Mac will also have the right to purchase the Defaulted Crossed Loan and all related crossed mortgage loans in the manner described in the second preceding paragraph; *provided*, *further*, that (i) if any Junior Loan Holder offers to purchase the Defaulted Crossed Loan and all related crossed mortgage loans at the aggregate of their Purchase Prices, the directing certificateholder will have a right of first refusal to purchase the Defaulted Crossed Loan and all related crossed mortgage loans at the same price and (ii) if any Junior Loan Holder fails to provide notice of its intent to exercise its purchase rights provided in this clause (ii) within 15 Business Days after the determination of Fair Value, then the directing certificateholder may exercise its purchase rights under clause (iii) below. If any such Junior Loan Holder elects not to exercise such option, then the holder of the next most subordinate Junior Loan (if any) will be entitled to exercise such right.

(iii) In addition, provided that there is either no Junior Loan Holder or the Junior Loan Holder or the holder of the next most subordinate Junior Loan (if any) fails to exercise its purchase rights under clauses (i) or (ii) above, after the special servicer determines the Fair Value of the Defaulted Crossed Loan and all related crossed mortgage loans, the directing certificateholder may offer to purchase, by giving notice to the special servicer, the trustee, the certificate administrator, the master servicer, Freddie Mac and any Junior Loan Holder, the Defaulted Crossed Loan at the Purchase Price.

(iv) Despite the provisions described in clauses (i), (ii) and (iii) above, if the directing certificateholder or any Junior Loan Holder, or any of their respective managing members or affiliates, is the borrower or an affiliate of the borrower of the Defaulted Crossed Loan or any related crossed loans, such directing certificateholder or Junior Loan Holder will only be permitted to purchase the Defaulted Crossed Loan and all related crossed loans at the aggregate of their Purchase Prices (and will not be permitted to purchase only the Defaulted Crossed Loan).

A Defaulted Loan may not be purchased in the manner described above while any underlying mortgage loan that is cross-collateralized or cross-defaulted with such Defaulted Loan remains in the issuing entity unless (i) the special servicer modifies, upon such purchase, the related loan documents in a manner whereby (A) such Defaulted Loan would no longer be cross-collateralized or cross-defaulted with any underlying mortgage loan that remains in the issuing entity, (B) all underlying mortgage loans that are cross-defaulted with such Defaulted Loan that remain in the issuing entity, if any, will continue to be cross-defaulted with one another and (C) all underlying mortgage loans in the related Crossed Loan Group that remain in the issuing entity, if any, will continue to be cross-collateralized with one another and (ii) the purchaser of such Defaulted Loan will have furnished each of the trustee, the certificate administrator, the master servicer and the special servicer, at such purchaser's expense, with an opinion of counsel that such modification will not cause an Adverse REMIC Event. Notwithstanding the terms of the related cross-collateralization agreement, no release premium will be payable by the directing certificateholder or the Junior Loan Holder in connection with any such purchase of only a Defaulted Loan. Any expense incurred by the special servicer in connection with the modification of the cross-collateralization or cross-default provisions in any loan documents in connection with the purchase by the directing certificateholder or the Junior Loan Holder of a Defaulted Loan from the issuing entity will be paid by the related borrower pursuant to, or if not prohibited by, the loan documents and, to the extent prohibited by or not payable pursuant to such loan documents, will be deemed to be a Servicing Advance.

Within 60 days after an underlying mortgage loan becomes a Defaulted Loan (which 60-day period may be extended for an additional 15 days by the special servicer if the special servicer has given notice prior to the end of such 60-day period that it has not received the information it reasonably requires to make its Fair Value determination), the special servicer will be required to determine the Fair Value of such underlying mortgage loan in accordance with the Servicing Standard and consistent with the guidelines contained in the Pooling and Servicing Agreement. The special servicer will be required to change from time to time thereafter (but before the entry into a binding agreement on behalf of the issuing entity for the consummation of any related purchase) its determination of the Fair Value of a Defaulted Loan if the special servicer obtains knowledge of changed circumstances, new information or otherwise, in accordance with the Servicing Standard. All reasonable costs and expenses of the special servicer in connection with the determination of the Fair Value of a Defaulted Loan will be paid by the

master servicer and be reimbursable as Servicing Advances. The special servicer must give prompt written notice (the "Fair Value Notice") of its Fair Value determination and any subsequent change to such determination of Fair Value to the trustee, the certificate administrator, the master servicer, Freddie Mac, the related Junior Loan Holder and the directing certificateholder. If, after receiving the Fair Value Notice, and subject to the last paragraph of this section "—Purchase Option," the directing certificateholder or its assignee elects to purchase such Defaulted Loan from the issuing entity at the Defaulted Loan Fair Value Purchase Price, such party must notify the special servicer, the trustee, the certificate administrator, the master servicer and Freddie Mac of such election and specify the Defaulted Loan Fair Value Purchase Price.

However, if an underlying mortgage loan becomes a Defaulted Loan due to a delinquency in respect of its balloon payment (without giving effect to any permitted grace period), but a Servicing Transfer Event has not occurred with respect to such underlying mortgage loan due to the exception set forth in the first bullet point under the definition of Servicing Transfer Event, then the special servicer will have no duty to obtain an appraisal or calculate a Fair Value for such underlying mortgage loan unless and until a Servicing Transfer Event has occurred under the first bullet point under the definition of Servicing Transfer Event with respect to such underlying mortgage loan. Further, no Purchase Option will exist with respect to an underlying mortgage loan that became a Defaulted Loan solely due to a delinquency in respect of its balloon payment (without giving effect to any permitted grace period), unless and until a Servicing Transfer Event has occurred under the first bullet point under the definition of Servicing Transfer Event with respect to such underlying mortgage loan.

If the related Junior Loan Holder or the directing certificateholder, or an assignee thereof (as identified to the certificate administrator) that proposes to purchase a Defaulted Loan or Defaulted First Lien Loan, as applicable, is an affiliate of the special servicer, the trustee will be required to determine, prior to the consummation of the related purchase, whether the special servicer's determination of Fair Value for such Defaulted Loan constitutes a fair price in its reasonable judgment. In doing so, the trustee may conclusively rely on an opinion of an appraiser or other independent expert in real estate matters, in each case, appointed with due care and obtained at the expense of such affiliate of the special servicer proposing to purchase such Defaulted Loan or Defaulted First Lien Loan, as applicable. The trustee, in making a Fair Value determination in accordance with the second preceding sentence, will be entitled to receive from the special servicer all information in the special servicer's possession relevant to making such determination and will be further entitled to a $1,500 fee payable by the issuing entity in connection with each such Fair Value determination. All reasonable costs and expenses of the trustee in connection with the determination of the Fair Value of a Defaulted Loan will paid by the master servicer and be reimbursable as Servicing Advances.

Subject to the discussion above and the last paragraph of this section "—Purchase Option," each holder of a Purchase Option may, at its option, purchase the subject Defaulted Loan from the issuing entity at a price (the "Option Price") equal to—

- if the special servicer has not yet determined the Fair Value of that Defaulted Loan, the Purchase Price; or
- if the special servicer has made such Fair Value determination, at least the Defaulted Loan Fair Value Purchase Price.

If the most recent Fair Value calculation was made more than 90 days prior to the exercise date of a Purchase Option, then the special servicer must confirm or revise the Fair Value determination, and the Option Price at which the Defaulted Loan may be purchased will be modified accordingly.

Unless and until the Purchase Option with respect to a Defaulted Loan is exercised, the special servicer will be required to pursue such other resolution strategies available under the Pooling and Servicing Agreement, including workout and foreclosure, consistent with the Servicing Standard, but it will not be permitted to sell the Defaulted Loan other than pursuant to the exercise of the Purchase Option or in accordance with any applicable intercreditor or co-lender agreement.

If not exercised sooner, the Purchase Option with respect to any Defaulted Loan will automatically terminate upon—

- the cure by the related borrower or a party with cure rights of all defaults that caused the subject underlying mortgage loan to be a Defaulted Loan;

- the acquisition on behalf of the issuing entity of title to the related mortgaged real property by foreclosure or deed-in-lieu of foreclosure; or

- the modification, waiver or payoff (full, partial or discounted) of the Defaulted Loan in connection with a workout.

However, the directing certificateholder (or its assignee) will only be able to purchase an Affiliated Borrower Loan from the issuing entity at a cash price equal to the Purchase Price.

Foreclosure and Similar Proceedings. Pursuant to the Pooling and Servicing Agreement, if an event of default on an underlying mortgage loan has occurred and is continuing, the special servicer, on behalf of the issuing entity, may at any time institute foreclosure proceedings, exercise any power of sale contained in the related mortgage or otherwise acquire title to the related mortgaged real property. The special servicer may not, however, acquire title to any mortgaged real property or take any other action with respect to any mortgaged real property that would cause the trustee, for the benefit of the certificateholders or any other specified person to be considered to hold title to, to be a "mortgagee-in-possession" of or to be an "owner" or an "operator" of such mortgaged real property within the meaning of certain federal environmental laws, unless the special servicer has previously received a report prepared by a person who regularly conducts environmental audits (the cost of which report will be a Servicing Advance) and either—

- such report indicates that (i) the mortgaged real property is in compliance with applicable environmental laws and regulations and (ii) there are no circumstances or conditions present at the mortgaged real property for which investigation, testing, monitoring, containment, clean-up or remediation could be required under any applicable environmental laws and regulations; or

- the special servicer, based solely (as to environmental matters and related costs) on the information set forth in such report, determines that taking such actions as are necessary to bring the mortgaged real property into compliance with applicable environmental laws and regulations and/or taking the actions contemplated by clause (ii) of the preceding bullet, is reasonably likely to increase the net proceeds of the liquidation of such mortgaged real property, than not taking such actions.

A borrower's failure to make required mortgage loan payments may mean that operating income from the mortgaged real property is insufficient to service the mortgage debt, or may reflect the diversion of that income from the servicing of the mortgage debt. In addition, a borrower that is unable to make mortgage loan payments may also be unable to make timely payments of taxes or otherwise to maintain and insure the mortgaged real property. In general, the special servicer will be required to monitor any Specially Serviced Mortgage Loan serviced by it, evaluate whether the causes of the default can be corrected over a reasonable period without significant impairment of the value of the mortgaged real property, initiate corrective action in cooperation with the borrower if cure is likely, inspect the mortgaged real property and take such other actions as it deems necessary and appropriate. A significant period of time may elapse before the special servicer is able to assess the success of any such corrective action or the need for additional initiatives. The time within which the special servicer can make the initial determination of appropriate action, evaluate the success of corrective action, develop additional initiatives, institute foreclosure proceedings and actually foreclose, or accept a deed to a mortgaged real property in lieu of foreclosure, on behalf of the certificateholders may vary considerably depending on the particular circumstances with respect to the related underlying mortgage loan, the mortgaged real property, the borrower, the presence of an acceptable party to assume the underlying mortgage loan and the laws of the jurisdiction in which the mortgaged real property is located. If a borrower files a bankruptcy petition, the special servicer may not be permitted to accelerate the maturity of the Defaulted Loan or to foreclose on the related mortgaged real property for a considerable period of time and may be required by the court to materially extend the term of the loan paid to the final maturity date, lower significantly the related interest rate and/or reduce the principal balance of the loan.

REO Properties. If title to any mortgaged real property is acquired by the special servicer on behalf of the issuing entity, the special servicer will be required to sell that property as soon as practicable, but not later than the end of the third calendar year following the year of acquisition, unless—

- the IRS grants an extension of time to sell the property;

- an extension of time to sell the property has been timely requested from the IRS and (i) the IRS has not denied such request (in which event the property is required to be sold by the end of the extended time period requested, but not more than three additional years), or (ii) if the IRS denies such request (in which event, the property is required to be sold within 30 days after the date of such denial); or

- the special servicer obtains an opinion of independent counsel generally to the effect that the holding of the property subsequent to the end of the third calendar year following the year in which the acquisition occurred will not result in the imposition of a tax on the assets of the issuing entity or cause either Trust REMIC created under the Pooling and Servicing Agreement to fail to qualify as a REMIC under the Code.

The special servicer will be required to use reasonable efforts to solicit cash offers for any REO Property held in the issuing entity in a manner that will be reasonably likely to realize a fair price for the property within the time periods contemplated by the prior paragraph. Such solicitation will be required to be made in a commercially reasonable manner. The special servicer will be required to accept the highest cash offer received from any entity for such REO Property in an amount at least equal to the Purchase Price for such REO Property. In the absence of any such offer, the special servicer will be required to accept the highest cash offer received from any entity that is determined by the special servicer to be a fair price for such REO Property and whose offer the special servicer reasonably determines is likely to lead to an actual sale and is in compliance with applicable law. If the special servicer reasonably believes that it will be unable to realize a fair price for such REO Property within the time constraints imposed by the prior paragraph, then the special servicer will be required to dispose of such REO Property upon such terms and conditions as the special servicer deems necessary and desirable to maximize the recovery on such REO Property under the circumstances, and will be required to accept the highest outstanding cash offer from any entity that is determined by the special servicer to be a fair price for such REO Property and whose offer the special servicer reasonably determines is likely to lead to an actual sale and is in compliance with applicable law. If the special servicer determines that the offers being made with respect to such REO Property are not in the best interests of the certificateholders, in each case, taken as a collective whole, and that the end of the period referred to in the prior paragraph with respect to such REO Property is approaching, the special servicer will be required to seek an extension of such period in the manner described in the prior paragraph.

Whether any cash offer constitutes a fair price for any REO Property will be determined by the special servicer, if the highest offeror is a person other than the special servicer or an affiliate of the special servicer, and by the trustee, if the highest offeror is the special servicer or an affiliate of the special servicer. In determining whether any offer received from the special servicer or an affiliate of the special servicer represents a fair price for any REO Property, the trustee will be required to obtain, and may conclusively rely on, the opinion of an appraiser (the fees and costs of which will be required to be covered by a servicing advance by the master servicer) retained by the trustee. In determining whether any offer constitutes a fair price for any REO Property, the trustee will be required to request that such appraiser take into account, as applicable, among other factors, the occupancy level and physical condition of the REO Property, the state of the local economy and the obligation to dispose of any REO Property within the time period specified in the second preceding paragraph. The Purchase Price for any REO Property will in all cases be deemed a fair price.

The special servicer, at the expense of the issuing entity, will be required to retain an independent contractor to operate and manage any REO Property within 90 days of its acquisition. The retention of an independent contractor will not relieve the special servicer of its obligations with respect to any REO Property.

In general, the special servicer or an independent contractor employed by the special servicer will be obligated to operate and manage any REO Property held by the issuing entity solely for the purpose of its prompt disposition and sale, in a manner that maintains its status as "foreclosure property" within the meaning of Code Section 860G(a)(8).

Subject to the Servicing Standard and any other limitations imposed by the Pooling and Servicing Agreement, the special servicer will be permitted, with respect to any REO Property, to incur a tax on net income from foreclosure property, within the meaning of Code Section 857(b)(4)(B).

To the extent that income the issuing entity receives from an REO Property is subject to a tax on net income from foreclosure property, that income would be subject to U.S. federal tax at the highest marginal corporate tax rate, which is currently 35%.

The determination as to whether income from an REO Property held by the issuing entity would be subject to a tax will depend on the specific facts and circumstances relating to the management and operation of each REO Property. Any tax imposed on the issuing entity's income from an REO Property would reduce the amount available for payment to the certificateholders. See "Certain Federal Income Tax Consequences" in this information circular. The reasonable out-of-pocket costs and expenses of obtaining professional tax advice in connection with the foregoing will be payable out of the collection account.

REO Account. The special servicer will be required to segregate and hold all funds collected and received in connection with any REO Property held by the issuing entity separate and apart from its own funds and general assets. If an REO Property is acquired by the issuing entity, the special servicer will be required to establish and maintain an account for the retention of revenues and other proceeds derived from that REO Property. That REO account must be maintained in a manner and with a depository institution that meets the requirements of the Pooling and Servicing Agreement. The special servicer will be required to deposit, or cause to be deposited, in its REO account, within one Business Day following receipt, all net income, insurance proceeds, condemnation proceeds and Liquidation Proceeds received with respect to each REO Property held by the issuing entity. The funds held in this REO account may be held as cash or invested in Permitted Investments. Any interest or other income earned on funds in the special servicer's REO account will be payable to the special servicer, subject to the limitations described in the Pooling and Servicing Agreement. See "—Servicing Compensation and Payment Expenses—Additional Servicing Compensation" above.

The special servicer will be permitted to withdraw from its REO account funds necessary for the proper operation, management, leasing, maintenance and disposition of any REO Property administered by it, but only to the extent of amounts on deposit in the account relating to that particular REO Property. Promptly following the end of each Collection Period, the special servicer will be required to withdraw from its REO account and deposit, or deliver to the master servicer for deposit, into the collection account the total of all amounts received in respect of each REO Property administered by it during that Collection Period, net of:

- any withdrawals made out of those amounts, as described in the preceding sentence; and
- any portion of those amounts that may be retained as reserves, as described in the next paragraph.

The special servicer may, subject to the limitations described in the Pooling and Servicing Agreement, retain in its REO account in accordance with the Servicing Standard such portion of the proceeds and collections on any REO Property administered by it as may be necessary to maintain a reserve of sufficient funds for the proper operation, management, leasing, maintenance and disposition of that property, including the creation of a reasonable reserve for repairs, replacements, necessary capital improvements and other related expenses.

The special servicer will be required to keep and maintain separate records, on a loan-by-loan and a property-by-property basis, for the purpose of accounting for all deposits to, and withdrawals from, its REO account.

Liquidation Proceeds. To the extent that Liquidation Proceeds collected with respect to any underlying mortgage loan are less than the sum of—

- the outstanding principal balance of that underlying mortgage loan,
- interest (other than Default Interest) accrued on that underlying mortgage loan,
- interest accrued on any monthly debt service advance made with respect to that underlying mortgage loan,

- the aggregate amount of outstanding reimbursable expenses (including any unreimbursed Servicing Advances and unpaid and accrued interest on such advances) incurred with respect to that underlying mortgage loan, and

- any and all servicing compensation and trustee fees and certificate administrator fees due and payable with respect to that underlying mortgage loan,

then the issuing entity will realize a loss in the amount of such shortfall (although such shortfalls with respect to the offered certificates will be covered under the Freddie Mac Guarantee).

The trustee, the certificate administrator, the master servicer and/or the special servicer will be entitled to reimbursement out of the Liquidation Proceeds recovered on an underlying mortgage loan, prior to the distribution of such Liquidation Proceeds to certificateholders, of any and all amounts that represent unpaid servicing compensation, certificate administrator fees or trustee fees in respect of that underlying mortgage loan, certain unreimbursed expenses incurred with respect to that underlying mortgage loan and any unreimbursed advances made with respect to that underlying mortgage loan. In addition, amounts otherwise distributable on the certificates will be further reduced by interest payable to the master servicer or the trustee, as applicable, on any such advances.

If any mortgaged real property suffers damage such that the proceeds, if any, of the related property damage insurance policies or flood insurance are insufficient to restore fully the damaged property, the master servicer will not be required to make Servicing Advances to effect such restoration unless—

- the special servicer determines that such restoration will increase the proceeds to the certificateholders (as a collective whole) on liquidation of the underlying mortgage loan after reimbursement of the master servicer for its expenses and the special servicer receives the consent of the directing certificateholder; and

- the master servicer determines that such expenses will be recoverable by it from related Liquidation Proceeds.

Specially Serviced Mortgage Loans. With respect to any underlying mortgage loan as to which a Servicing Transfer Event has occurred, the master servicer will transfer its servicing responsibilities to the special servicer, but will continue to receive payments on such underlying mortgage loan (including amounts collected by the special servicer), to make certain calculations with respect to such underlying mortgage loan and to make remittances and prepare and deliver certain reports to the certificate administrator with respect to such underlying mortgage loan.

The special servicer will continue to be responsible for the operation and management of an REO Property. The master servicer will have no responsibility for the performance by the special servicer of its duties under the Pooling and Servicing Agreement.

The special servicer will return the full servicing of a Specially Serviced Mortgage Loan to the master servicer when all Servicing Transfer Events with respect to that underlying mortgage loan have ceased to exist and that underlying mortgage loan has become a Corrected Mortgage Loan.

Directing Certificateholder. The " directing certificateholder" initially will be a certificateholder or any designee selected by holders of certificates representing a majority interest in the class B certificates, until the outstanding principal balance of such class is less than 25% of the initial principal balance of such class. Thereafter, Freddie Mac, as the holder of the class A-1 and A-2 certificates, will act as the directing certificateholder. However, if the class B certificates are the only class with an outstanding principal balance, the directing certificateholder will be a certificateholder or any designee selected by holders of certificates representing a majority interest in the class B certificates. In addition, until a directing certificateholder is so selected or after receipt of a notice from the holders of certificates representing a majority interest in the applicable class that a directing certificateholder is no longer designated, the person or entity that beneficially owns the largest outstanding principal balance of the applicable class of certificates, or its designee, will be the directing certificateholder or, in the event that no one holder owns the largest outstanding principal balance of the applicable class (e.g., because multiple holders each hold equal amounts of the outstanding principal balance of the Controlling Class), then there will be no directing certificateholder until one is appointed in accordance with the terms of the Pooling and Servicing Agreement. For the purpose of determining whether the directing certificateholder is an affiliate of a borrower (or any proposed

replacement borrower) with respect to any underlying mortgage loan, the " directing certificateholder" will include the directing certificateholder (and any affiliate of the directing certificateholder), any of its managing members or general partners and any party directing or controlling the directing certificateholder (or any such affiliate), including, for example, in connection with any re-securitization of the Controlling Class.

By its acceptance of a certificate, each certificateholder confirms its understanding that (i) the directing certificateholder may take actions, and the Directing Certificateholder Servicing Consultant may provide recommendations, that favor the interests of one or more classes of certificates over other classes of certificates, (ii) the directing certificateholder and the Directing Certificateholder Servicing Consultant may have special relationships and interests that conflict with those of holders of some classes of certificates, (iii) the directing certificateholder and the Directing Certificateholder Servicing Consultant will have no liability to any certificateholder for any action taken or not taken, or any recommendation provided, as applicable, and (iv) each certificateholder agrees to take no action against the directing certificateholder or the Directing Certificateholder Servicing Consultant as a result of any such action or omission, recommendation or special relationship or conflict. See "Risk Factors—Risks Related to the Offered Certificates—The Interests of the Directing Certificateholder or Freddie Mac May Be in Conflict with the Interests of the Offered Certificateholders" in this information circular.

As and to the extent described under "—Asset Status Report" below, the directing certificateholder may direct the master servicer or the special servicer with respect to various servicing matters involving each of the underlying mortgage loans. However, upon the occurrence and during the continuance of any Affiliated Borrower Loan Event with respect to any Affiliated Borrower Loan, the directing certificateholder's (i) right to approve and consent to certain actions with respect to such underlying mortgage loan, (ii) right to purchase any such Defaulted Loan from the issuing entity and (iii) access to certain information and reports regarding such underlying mortgage loan will be restricted as described in "—Asset Status Report" below and "—Purchase Option" above, as applicable. Upon the occurrence and during the continuance of an Affiliated Borrower Loan Event, the special servicer, as the Affiliated Borrower Loan Directing Certificateholder, will be required to exercise any approval, consent, consultation or other rights with respect to any matters related to an Affiliated Borrower Loan as described in "—Asset Status Report" below.

Asset Status Report. The special servicer is required to prepare and deliver a report to the master servicer, the directing certificateholder and Freddie Mac (the "Asset Status Report") with respect to any underlying mortgage loan that becomes a Specially Serviced Mortgage Loan within 60 days of the special servicer's receipt of the information it reasonably requires after a Servicing Transfer Event.

Any Asset Status Report prepared by the special servicer will set forth the following information, to the extent reasonably determinable:

- a summary of the status of the Specially Serviced Mortgage Loan;
- a discussion of the legal and environmental considerations reasonably known to the special servicer, consistent with the Servicing Standard, that are applicable to the exercise of remedies and whether outside legal counsel has been retained;
- a current rent roll and income or operating statement available for the related mortgaged real property;
- the appraised value of the mortgaged real property, together with the assumptions used in the calculation if the appraisal is less than 12 months old;
- a recommendation by the special servicer as to how the Specially Serviced Mortgage Loan might be returned to performing status, returned to the master servicer for regular servicing or otherwise realized upon;
- a summary of any proposed actions and a discussion of whether or not taking such action is reasonably likely to produce a greater recovery on a present value basis than not taking such action;
- a status report on any foreclosure actions or other proceedings undertaken with respect to the related mortgaged real property, any proposed workouts with respect to the Specially Serviced Mortgage Loan and

the status of any negotiations with respect to those workouts and an assessment of the likelihood of additional events of default on such underlying mortgage loan; and

- such other information as the special servicer deems relevant in light of the Servicing Standard.

If, within ten Business Days following delivery of the Asset Status Report, the directing certificateholder does not disapprove in writing of any action proposed to be taken in that Asset Status Report or, upon delivery of a finalized Asset Status Report as described below, the special servicer is required to implement the recommended action as outlined in such Asset Status Report. If the directing certificateholder disapproves in writing such Asset Status Report within such ten Business Days, the special servicer is required to revise and deliver a new Asset Status Report within 30 days after such disapproval. The special servicer must continue to revise that Asset Status Report until either (a) the directing certificateholder fails to disapprove the revised Asset Status Report within ten Business Days of receipt, (b) the special servicer determines that an extraordinary event has occurred with respect to the mortgaged real property as described below or (c) the passage of 60 days from the date of preparation of the first Asset Status Report. The special servicer will be required to deliver the finalized Asset Status Report to the directing certificateholder, Freddie Mac, the master servicer, the certificate administrator and the trustee. However, the special servicer (i) may, following the occurrence of an extraordinary event with respect to the related mortgaged real property, take any action set forth in such Asset Status Report before the expiration of a ten-Business Day approval period if the special servicer has reasonably determined that failure to take such action would materially and adversely affect the interests of the certificateholders and it has made a reasonable effort to contact the directing certificateholder and (ii) in any case, must determine whether any affirmative disapproval by the directing certificateholder described in this paragraph is not in the best interest of all of the certificateholders pursuant to the Servicing Standard. The special servicer is required to notify the directing certificateholder upon taking any such action.

The special servicer in its capacity as special servicer (and not in its capacity as Directing Certificateholder Servicing Consultant, if selected to serve in such capacity) may not take any action inconsistent with an Asset Status Report, unless that action would be required in order to act in accordance with the Servicing Standard. The special servicer may, from time to time, modify any Asset Status Report it has previously delivered and implement that report, *provided* that the revised report has been prepared, reviewed and not rejected pursuant to the terms described above.

In addition to the foregoing, with respect to a Specially Serviced Mortgage Loan, the special servicer is required to, subject to the Servicing Standard and the terms of the Pooling and Servicing Agreement, obtain the consent of the directing certificateholder and respond to any reasonable request for information from Freddie Mac prior to the taking by the special servicer of the following actions (the "Consent Actions")—

- any proposed or actual foreclosure upon or comparable conversion of (which may include acquisitions of an REO Property) the ownership of the property or properties securing any Specially Serviced Mortgage Loans as come into and continue in default;

- any modification, amendment or waiver of a monetary term (including any change in the timing of payments but excluding the waiver of Default Interest and late payment charges), any material non-monetary term or any waiver of a due-on-sale or due-on-encumbrance clause of an underlying mortgage loan (other than any easement, right of way or similar agreement);

- any acceptance of a discounted payoff with respect to a Specially Serviced Mortgage Loan;

- any proposed or actual sale of an REO Property out of the issuing entity for less than the outstanding principal balance of, and accrued interest (other than Default Interest) on, the related underlying mortgage loan, except in connection with a termination of the issuing entity as described under "—Termination" below;

- any determination to bring an REO Property held by the issuing entity into compliance with applicable environmental laws or to otherwise address hazardous material located at the REO Property;

- any release of real property collateral for an underlying mortgage loan, other than in accordance with the specific terms of, or upon satisfaction of, that underlying mortgage loan; *provided*, *however*, that the directing certificateholder's consent to any release of non-material parcels of the mortgaged real property must not be unreasonably withheld;

- any acceptance of substitute or additional real property collateral for an underlying mortgage loan, other than in accordance with the specific terms of that underlying mortgage loan;

- any approval of releases of earn-out reserves or related letters of credit with respect to a mortgaged real property securing an underlying mortgage loan other than in accordance with the specific terms of that underlying mortgage loan;

- the release of any reserves in excess of the threshold set forth in the Pooling and Servicing Agreement; and

- any approval of a borrower request for consent to a replacement property manager for Specially Serviced Mortgage Loans (which approval may not be unreasonably withheld), other than in connection with any pre-approved servicing request with respect to an underlying mortgage loan set forth in the Pooling and Servicing Agreement.

However, no direction of the directing certificateholder, and no failure to consent to any action requiring the consent of the directing certificateholder under the Pooling and Servicing Agreement, may (i) require or cause the master servicer or the special servicer to violate the terms of the subject Specially Serviced Mortgage Loan, applicable law or any provision of the Pooling and Servicing Agreement or any related intercreditor agreement; (ii) result in the imposition of a "prohibited transaction" or "prohibited contribution" tax under the REMIC Provisions; (iii) expose the master servicer, the special servicer, the trustee, the certificate administrator, the custodian, the depositor, Freddie Mac, the issuing entity or any of various other parties to any claim, suit or liability or (iv) materially expand the scope of the special servicer's or the master servicer's responsibilities under the Pooling and Servicing Agreement. The master servicer or the special servicer, as the case may be, will not (x) follow any such direction of the directing certificateholder, (y) initiate any such actions having any of the effects set out above, or (z) take or refrain from taking any action, if following such directions, taking such action or refraining from taking such action would violate the Servicing Standard. The master servicer or the special servicer, as the case may be, will be required to use reasonable efforts to notify the directing certificateholder if it does not follow any such direction of the directing certificateholder.

Upon the occurrence of an Affiliated Borrower Loan Event (except with respect to any Affiliated Borrower Loan Event that exists on the Closing Date and is described in the definition of Affiliated Borrower Loan Event), the directing certificateholder will be required to provide written notice of the same to the trustee, the certificate administrator, the master servicer, the special servicer and Freddie Mac within two Business Days after the occurrence of such Affiliated Borrower Loan Event. In addition, the directing certificateholder will be required to provide written notice to the trustee, the certificate administrator, the master servicer, the special servicer and Freddie Mac of the termination of any Affiliated Borrower Loan Event within two Business Days after the termination of such Affiliated Borrower Loan Event. Except with respect to any Affiliated Borrower Loan Event that exists on the Closing Date and is described in the definition of Affiliated Borrower Loan Event, prior to its receipt of any notice from the directing certificateholder of the occurrence of an Affiliated Borrower Loan Event (or, following its receipt of notice, if any, of the termination of any Affiliated Borrower Loan Event, prior to its receipt of any notice of the occurrence of another Affiliated Borrower Loan Event), the master servicer, the special servicer, the trustee, the certificate administrator and Freddie Mac may conclusively assume that no Affiliated Borrower Loan Event exists, unless a responsible officer of the trustee or certificate administrator, as applicable, or a servicing officer of the master servicer or the special servicer, as applicable, has actual knowledge of any Affiliated Borrower Loan Event. The master servicer, the special servicer, the trustee, the certificate administrator and Freddie Mac may rely on any such notice of the occurrence or the termination of an Affiliated Borrower Loan Event without making any independent investigation. Upon the occurrence and during the continuance of an Affiliated Borrower Loan Event, the directing certificateholder will not have any approval, consent, consultation or other rights under the Pooling and Servicing Agreement with respect to any matters related to any Affiliated Borrower Loan, and the Affiliated Borrower Loan Directing Certificateholder upon receipt of written notice from the directing certificateholder, or any party on its behalf, of the occurrence of any Affiliated Borrower Loan Event, and prior to

receipt of written notice from the directing certificateholder, or any party on its behalf, of the termination of such Affiliated Borrower Loan Event (i) will be required to exercise any such rights in its sole discretion and in accordance with the Servicing Standard and on behalf of the certificateholders as a collective whole, without seeking the consent or consultation of any other party, except that the Affiliated Borrower Loan Directing Certificateholder may consult with Freddie Mac with respect to any matters related to the Affiliated Borrower Loan, but will not be bound by any such consultation with Freddie Mac and (ii) will be entitled to any fees that would otherwise be payable to the directing certificateholder under "Description of the Certificates—Fees and Expenses" in this information circular but for the occurrence of the Affiliated Borrower Loan Event. Upon receipt of written notice from the directing certificateholder, or any party on its behalf, of the occurrence of any Affiliated Borrower Loan Event and prior to receipt of written notice from the directing certificateholder, or any party on its behalf, of the termination of such Affiliated Borrower Loan Event, none of the trustee, the certificate administrator, the master servicer or the special servicer will be permitted under the Pooling and Servicing Agreement to seek, accept or take any action based on the approval, consent or consultation of the directing certificateholder with respect to any matters related to any Affiliated Borrower Loan. In addition, for so long as an Affiliated Borrower Loan Event exists with respect to any Affiliated Borrower Loan, and to the extent the certificate administrator has actual knowledge of such Affiliated Borrower Loan Event, the certificate administrator may not provide to the directing certificateholder any asset status report, inspection report, appraisal or internal valuation related to such Affiliated Borrower Loan. In addition, for so long as an Affiliated Borrower Loan Event exists with respect to any underlying mortgage loan, the trustee, the certificate administrator, the master servicer and the special servicer may withhold from the directing certificateholder any information with respect to such underlying mortgage loan that the trustee, the certificate administrator, the master servicer or the special servicer, as applicable, determines, in its sole discretion, is related to the workout of such underlying mortgage loan.

Inspections; Collection of Operating Information

The special servicer will be required, at the expense of the issuing entity, to physically inspect or cause a physical inspection of the related mortgaged real property as soon as practicable after any underlying mortgage loan becomes a Specially Serviced Mortgage Loan and annually thereafter for so long as that underlying mortgage loan remains a Specially Serviced Mortgage Loan. The master servicer will be required, at its own expense, to physically inspect or cause a physical inspection of each mortgaged real property securing an underlying mortgage loan for which it acts as master servicer at least once per 12 month period or, in the case of each underlying mortgage loan with an outstanding principal balance (or allocated loan amount) less than $2,000,000, once every 24 month period, if the special servicer has not already done so in that period as contemplated by the preceding sentence. For each underlying mortgage loan, such 12 month period or 24 month period, as applicable, will begin on such date as is consistent with the Guide. The master servicer and the special servicer will be required to prepare or cause the preparation of a written report of each inspection performed by it that generally describes the condition of the particular mortgaged real property and, upon request, deliver such written report in electronic format to (i) the certificate administrator and (ii) the master servicer (if such written report was prepared by the special servicer).

Most of the loan documents obligate the related borrower to deliver quarterly, and substantially all loan documents require annual, property operating statements. However, we cannot assure you that any operating statements required to be delivered will in fact be delivered, nor is the special servicer or the master servicer likely to have any practical means of compelling such delivery in the case of an otherwise performing mortgage loan.

Servicer Reports

As set forth in the Pooling and Servicing Agreement, on a date preceding the applicable distribution date, the master servicer is required to deliver to the certificate administrator, the directing certificateholder and Freddie Mac a servicer remittance report setting forth the information necessary for the certificate administrator to make the distributions set forth under "Description of the Certificates—Distributions" in this information circular and containing the information to be included in the distribution report for that distribution date delivered by the certificate administrator as described under "Description of the Certificates—Reports to Certificateholders and Freddie Mac; Available Information" in this information circular.

Evidence as to Compliance

No later than the date specified below of each year, commencing in 2017, each of the master servicer and the special servicer must deliver or cause to be delivered, as applicable, to the depositor, the trustee, the certificate administrator and Freddie Mac, among others:

- by March 15th of each year, a statement of compliance signed by an officer of the master servicer or the special servicer, as the case may be, to the effect that, among other things, (i) a review of the activities of the master servicer or the special servicer, as the case may be, during the preceding calendar year—or, in the case of the first such certification, during the period from the Closing Date through December 31, 2016 inclusive—and of its performance under the Pooling and Servicing Agreement, has been made under such officer's supervision; (ii) to the best of such officer's knowledge, based on such review, the master servicer or the special servicer, as the case may be, has fulfilled its obligations under the Pooling and Servicing Agreement in all material respects throughout the preceding calendar year or the portion of that year during which the certificates were outstanding (or, if there has been a failure to fulfill any such obligation in any material respect, specifying each such failure known to such officer and the nature and status of each such failure); (iii) that the master servicer or the special servicer, as the case may be, has maintained an effective internal control system over the servicing of mortgage loans, including the underlying mortgage loans; (iv) whether the master servicer or the special servicer has received any notice regarding qualification of or challenge to the status of, either Trust REMIC as a REMIC from the IRS or any other governmental agency or body; and (v) in the case of the master servicer only, to the best of such officer's knowledge, each sub-servicer, if any, has fulfilled its obligations under its Sub-Servicing Agreement in all material respects (or, if there has been a failure to fulfill any such obligation in any material respect, specifying each such failure known to such officer and the nature and status of each such failure and proposed actions with respect to the default); *provided, however,* that the master servicer will be entitled to conclusively rely on a review of the activities of such sub-servicer conducted by Freddie Mac, so long as the master servicer does not have any actual knowledge of such sub-servicer's material non-fulfillment or material default (Freddie Mac will provide the master servicer access to such sub-servicer reviews by March 1 of each year beginning with March 1, 2017), and

- as to each annual statement of compliance delivered by the master servicer or the special servicer, as the case may be, as described in the preceding bullet, by April 15th of each year, an accountant's statement from a registered public accounting firm to the effect that the asserting party complied with the minimum servicing standards identified in (a) Item 1122 of Regulation AB or (b) the Uniform Single Attestation Program for Mortgage Bankers. For purposes of determining compliance with the minimum standards identified in clauses (a) or (b) above, the master servicer and its accountants will be entitled to rely on the sub-servicer reviews delivered by Freddie Mac pursuant to the preceding bullet point, subject to the limitations set forth in the preceding bullet point.

As long as one party is performing the duties of both the master servicer and the special servicer, that party will be required to deliver only one report, certificate or statement satisfying the requirements listed immediately above. Copies of such statement will be provided to any certificateholder, upon written request of any certificateholder, by the certificate administrator.

Events of Default

Each of the following events, circumstances and conditions will be considered events of default with respect to the master servicer or the special servicer under the Pooling and Servicing Agreement:

1. any failure by the master servicer to make (i) any required deposit into its collection account or any other account created under the Pooling and Servicing Agreement, which failure continues unremedied for two Business Days, or any required remittance to the certificate administrator for deposit in the distribution account by the time required under the Pooling and Servicing Agreement on the Business Day prior to the related distribution date, which failure continues unremedied until 11:00 a.m. (New York City time) on the related distribution date; or (ii) any required Servicing Advance within the time specified in the Pooling and Servicing Agreement, which failure remains uncured for 15 days (or such shorter time as is necessary

to avoid the lapse of any required insurance policy for any mortgaged real property or the foreclosure of any tax lien on the related mortgaged real property);

2. any failure by the special servicer to deposit into the REO account, or to remit to the master servicer for deposit in the collection account, any such deposit or remittance required to be made by the special servicer, when so required under the Pooling and Servicing Agreement, which failure continues unremedied for two Business Days;

3. any failure by the master servicer or the special servicer duly to observe or perform in any material respect any of its other covenants or obligations under the Pooling and Servicing Agreement, which failure continues unremedied for 30 days (15 days in the case of a failure to pay the premium for any required insurance policy for any mortgaged real property) after written notice of such failure has been given to the master servicer or the special servicer, as the case may be, by any other party to the Pooling and Servicing Agreement, or to the master servicer or the special servicer, as applicable, the depositor and the trustee (with a copy to the certificate administrator) by the holders of 25% of the percentage interests of any class of certificates; *provided*, *however*, if such failure (other than a failure to pay insurance policy premiums for any mortgaged real property) is not capable of being cured within such 30-day period and the master servicer or the special servicer, as applicable, is diligently pursuing such cure, then such 30-day period will be extended for an additional 30 days;

4. any breach by the master servicer or the special servicer of a representation or warranty contained in the Pooling and Servicing Agreement that materially and adversely affects the interests of the certificateholders and continues unremedied for 30 days after the date on which notice of such breach is given to the master servicer or the special servicer, as the case may be, by any other party to the Pooling and Servicing Agreement, or to the master servicer or the special servicer, as applicable, the depositor and the trustee (with a copy to the certificate administrator) by the holders of 25% of the percentage interests of any class of certificates; *provided*, *however*, if such breach is not capable of being cured within such 30-day period and the master servicer or the special servicer, as applicable, is diligently pursuing such cure, then such 30-day period will be extended for an additional 30 days;

5. certain events of insolvency, readjustment of debt, marshaling of assets and liabilities or similar proceedings in respect of or relating to the master servicer or the special servicer, as applicable, and certain actions by or on behalf of the master servicer or the special servicer, as applicable indicating its insolvency or inability to pay its obligations and such decree or order remains in force for 60 days;

6. a consent by the master servicer or the special servicer to the appointment of a conservator, receiver, liquidator, trustee or similar official in any bankruptcy, insolvency, readjustment of debt, marshaling of assets and liabilities or similar proceedings of or relating to such master servicer or special servicer or relating to all or substantially all of its property;

7. an admission by the master servicer or the special servicer in writing of its inability to pay its debts generally as they become due, the filing of a petition to take advantage of any applicable bankruptcy, insolvency or reorganization statute, the making of an assignment for the benefit of its creditors, the voluntary suspension of payment of its obligations or the taking of any corporate action in furtherance of the foregoing;

8. a Ratings Trigger Event occurs with respect to the master servicer or the special servicer, as applicable; or

9. failure of the master servicer to provide the certificate administrator with certain periodic information pertaining to the underlying mortgage loans as required under the Pooling and Servicing Agreement more than three times in a rolling 12-month period within one Business Day of the date on which the relevant report is due, unless such failure is due to force majeure or an act of God or such failure is waived by Freddie Mac; *provided* that Freddie Mac is not permitted to grant more than one waiver in such rolling 12-month period without the consent of the directing certificateholder, which consent may not be unreasonably withheld or delayed; *provided further*, that a report will not be considered late unless Freddie Mac provides the master servicer with written notice, with a copy to the certificate administrator, that the report was late within five days after the related distribution date.

If the master servicer is terminated solely due to an event described in clause 8 above, the master servicer will have 45 days to solicit bids and complete the sale of the servicing rights with respect to the underlying mortgage loans to a servicer acceptable under the Pooling and Servicing Agreement, during which time period the master servicer will continue to service the underlying mortgage loans.

Rights Upon Event of Default

If an event of default described under "—Events of Default" above occurs with respect to the master servicer or the special servicer and remains unremedied, the trustee will be authorized, and at the direction of the directing certificateholder or Freddie Mac, the trustee will be required, to terminate all of the obligations and all of the rights of the defaulting party pursuant to the Pooling and Servicing Agreement in and to the underlying mortgage loans and proceeds of the underlying mortgage loans, other than any rights the defaulting party may have (i) as a certificateholder or (ii) in respect of compensation, indemnities and reimbursements accrued by or owing to such defaulting party on or prior to the date of termination or due to such defaulting party thereafter for services rendered and expenses incurred. Upon any such termination, the trustee must either:

- succeed to all of the responsibilities, duties and liabilities of the defaulting party under the Pooling and Servicing Agreement; or
- appoint an established mortgage loan servicing institution to act as successor to the defaulting party under the Pooling and Servicing Agreement that meets the Successor Servicer Requirements;

subject, in both cases, to (a) the right of the master servicer to sell its servicing rights with respect to the underlying mortgage loans as described in "—Events of Default" above, (b) the right of the directing certificateholder to appoint a successor special servicer as described under "—Resignation, Removal and Replacement of Servicers; Transfer of Servicing Duties" above and (c) the right of certificateholders entitled to at least $66^{2}/_{3}\%$ of the voting rights allocated to each class of certificates affected by any event of default to waive such event of default as described below.

If the trustee is unwilling or unable to act as the permanent successor master servicer or special servicer or does not satisfy the Successor Servicer Requirements, it may (or, at the written request of certificateholders entitled to not less than 25% of the voting rights will be required to), promptly appoint, or petition a court of competent jurisdiction to appoint as successor to the master servicer or the special servicer, as applicable, an established mortgage loan servicing institution, which satisfies the Successor Servicer Requirements.

In general, certificateholders entitled to at least $66^{2}/_{3}\%$ of the voting rights allocated to each class of certificates affected by any event of default may waive the event of default. However, the events of default described in clauses 1 and 2 under "—Events of Default" above may only be waived by all of the holders of the affected classes of certificates, the trustee and Freddie Mac. Furthermore, if the certificate administrator or the trustee is required to spend any monies in connection with any event of default or any waiver of that event of default, then that event of default may not be waived unless and until the certificate administrator or the trustee has been reimbursed for such amounts by the party requesting the waiver. Upon any waiver of an event of default, the event of default will cease to exist and will be deemed to have been remedied for every purpose under the Pooling and Servicing Agreement.

No certificateholder will have the right under the Pooling and Servicing Agreement to institute any proceeding with respect to the Pooling and Servicing Agreement or the certificates unless:

- that holder previously has given to the trustee written notice of default;
- except in the case of a default by the trustee, certificateholders representing at least 25% of a class have made written request upon the trustee to institute that proceeding in its own name as trustee under the Pooling and Servicing Agreement and have offered to the trustee reasonable security or indemnity; and
- the trustee for 60 days has neglected or refused to institute any such proceeding.

Each certificateholder will be deemed under the Pooling and Servicing Agreement to have expressly covenanted with every other certificateholder and the trustee, that no one or more certificateholders will have any right in any

manner whatsoever by virtue of any provision of the Pooling and Servicing Agreement or the certificates to affect, disturb or prejudice the rights of the holders of any other certificates, or to obtain or seek to obtain priority over or preference to any other certificateholder, or to enforce any right under the Pooling and Servicing Agreement or the certificates, except in the manner provided in the Pooling and Servicing Agreement or the certificates and for the equal, ratable and common benefit of all certificateholders.

Neither the trustee nor the certificate administrator, however, will be under any obligation to exercise any of the trusts or powers vested in it by the Pooling and Servicing Agreement or the certificates or to make any investigation of matters arising thereunder or under the certificates or to institute, conduct or defend any litigation under or in relation to the Pooling and Servicing Agreement or the certificates at the request, order or direction of any of the certificateholders, unless in the certificate administrator's or the trustee's opinion, as applicable, those certificateholders have offered to the certificate administrator or the trustee, as applicable, reasonable security or indemnity against the costs, expenses and liabilities which may be incurred by the certificate administrator or the trustee as a result.

Matters Regarding the Trustee, the Certificate Administrator and the Custodian

Each of the trustee and the certificate administrator is at all times required to be a corporation, national bank, trust company or national banking association organized and doing business under the laws of the U.S. or any State of the U.S. or the District of Columbia. Furthermore, the trustee and the certificate administrator must at all times, among other things—

- be authorized under those laws to exercise corporate trust powers;
- have a combined capital and surplus of at least $50,000,000; and
- be subject to supervision or examination by federal or state authority.

If the corporation, national bank, trust company or national banking association publishes reports of condition at least annually, in accordance with law or the requirements of the supervising or examining authority, then the combined capital and surplus of that corporation, national bank, trust company or national banking association will be deemed to be its combined capital and surplus as described in its most recent published report of condition.

We, the master servicer, the special servicer, Freddie Mac and our and their respective affiliates, may from time to time enter into normal banking and trustee relationships with the trustee, the certificate administrator and their affiliates. The trustee, the certificate administrator and any of their respective affiliates may hold certificates in its own name. In addition, for purposes of meeting the legal requirements of some local jurisdictions, the trustee will have the power to appoint a co-trustee or separate trustee of all or any part of the assets of the issuing entity. All rights, powers, duties and obligations conferred or imposed upon the trustee will be conferred or imposed upon the trustee and the separate trustee or co-trustee jointly or, in any jurisdiction in which the trustee is incompetent or unqualified to perform some acts, singly upon the separate trustee or co-trustee, who may exercise and perform its rights, powers, duties and obligations solely at the direction of the trustee.

The trustee and the certificate administrator will be entitled to a monthly fee for their services as trustee, certificate administrator and custodian, as applicable. This fee will accrue with respect to each and every underlying mortgage loan. The trustee fee will accrue at 0.000473% *per annum* on the Stated Principal Balance of each underlying mortgage loan outstanding from time to time and will be calculated on the same basis as interest on each underlying mortgage loan. The certificate administrator fee will accrue at 0.007127% *per annum* on the Stated Principal Balance of each underlying mortgage loan outstanding from time to time and will be calculated on the same basis as interest on each underlying mortgage loan. The trustee fee and the certificate administrator fee are payable out of general collections on the mortgage pool in the issuing entity.

The certificate administrator initially will be the custodian of the mortgage files. The certificate administrator may appoint, at the certificate administrator's own expense, one or more custodians to hold all or a portion of the mortgage files on behalf of the trustee; however the certificate administrator will be required to inform the master servicer, the trustee and Freddie Mac of such appointment and the appointment of any custodian will require the approval of Freddie Mac. Each custodian will be required to (a) be a depository institution supervised and regulated

by a federal or state banking authority, (b) have combined capital and surplus of at least $10,000,000, (c) be qualified to do business in the jurisdiction in which it holds any mortgage file, (d) not be the depositor, the mortgage loan seller or any affiliate of the depositor or the mortgage loan seller, and (e) have in place Fidelity Insurance and errors and omissions insurance, each in such form and amount as is customarily required of custodians acting on behalf of Freddie Mac or Fannie Mae. Each custodian will be subject to the same obligations, standard of care, protections and indemnities as would be imposed on, or would protect, the certificate administrator under the Pooling and Servicing Agreement in connection with the retention of mortgage files directly by the certificate administrator. The appointment of one or more custodians will not relieve the certificate administrator from any of its obligations under the Pooling and Servicing Agreement, and the certificate administrator will remain responsible for all acts and omissions of any custodian.

Certain Indemnities

The depositor, the master servicer (either in its own right or on behalf of an indemnified sub-servicer), the servicing consultant and the special servicer (including in its capacity as the Affiliated Borrower Loan Directing Certificateholder) and any officer, director, general or limited partner, shareholder, member, manager, employee, agent, affiliate or controlling person of the depositor, the master servicer, the special servicer or the servicing consultant will be entitled to be indemnified and held harmless by the issuing entity against any and all losses, liabilities, damages, claims, judgments, costs, fees, penalties, fines, forfeitures or other expenses (including reasonable legal fees and expenses) that may be imposed on, incurred by or asserted against them in connection with, related to, or arising out of, the Pooling and Servicing Agreement, the transactions contemplated by the Pooling and Servicing Agreement or the certificates, other than any loss, liability, damage, claim, judgment, cost, fee, penalty, fine, forfeiture or other expense (including reasonable legal fees and expenses) (i) that is specifically required to be borne by the party seeking indemnification, without right of reimbursement pursuant to the terms of the Pooling and Servicing Agreement or (ii) incurred by reason of a breach of any representation or warranty by the depositor, the master servicer or the special servicer, as applicable, under the Pooling and Servicing Agreement, or by reason of the willful misconduct, bad faith, fraud or negligence of the depositor, the servicing consultant, the master servicer or the special servicer, as applicable, in the performance of its respective duties under the Pooling and Servicing Agreement or negligent disregard of its respective obligations or duties under the Pooling and Servicing Agreement. For the avoidance of doubt, the indemnification provided by the issuing entity pursuant to the preceding sentence will not entitle the servicing consultant, the master servicer or the special servicer, as applicable, to reimbursement for ordinary costs or expenses incurred by the servicing consultant, the master servicer or the special servicer, as applicable, in connection with its usual and customary performance of its duties and obligations under the Pooling and Servicing Agreement that are not expressly payable or reimbursable to the servicing consultant, the master servicer or the special servicer, as applicable, under the Pooling and Servicing Agreement. The master servicer, on behalf of an indemnified sub-servicer, will be entitled to pursue the issuing entity under the Pooling and Servicing Agreement for any indemnification due to an indemnified sub-servicer under the terms of the Sub-Servicing Agreement. The master servicer will be required to promptly upon receipt and identification remit such indemnification amounts to the affected indemnified sub-servicer upon reimbursement of such amounts from the collection account or (upon receipt from the trustee) the distribution account, as applicable. If the master servicer determines that a claim for indemnification submitted by the sub-servicer should not be pursued under the terms of the Sub-Servicing Agreement or the Pooling and Servicing Agreement, the master servicer will be required to promptly notify Freddie Mac in writing of the nature of such claim and a summary explanation of the master servicer's reason for denying such claim.

The trustee (in each of its capacities under the Pooling and Servicing Agreement), the certificate administrator (in each of its capacities under the Pooling and Servicing Agreement), the custodian and their respective officers, directors, general or limited partners, shareholders, members, managers, employees, agents, affiliates and controlling persons will be entitled to be indemnified and held harmless by the issuing entity against any and all losses, liabilities, damages, claims, judgments, costs, fees, penalties, fines, forfeitures or other expenses (including reasonable legal fees and expenses) that may be imposed on, incurred by or asserted against the trustee, the certificate administrator or the custodian, as applicable, in connection with, related to, or arising out of the Pooling and Servicing Agreement, the transactions contemplated by the Pooling and Servicing Agreement or the certificates other than any loss, liability, damage, claim, judgment, cost, fee, penalty, fine, forfeiture or other expense (including reasonable legal fees and expenses) (i) that constitutes a specific liability of the trustee, the certificate administrator or the custodian, as applicable, under the Pooling and Servicing Agreement, (ii) incurred by reason of any breach of

any representation or warranty by the trustee, the certificate administrator or the custodian, as applicable, under the Pooling and Servicing Agreement or by reason of the willful misconduct, bad faith, fraud or negligence of the trustee, the certificate administrator or the custodian, as applicable, in the performance of its duties under the Pooling and Servicing Agreement or negligent disregard of its obligations or duties under the Pooling and Servicing Agreement or (iii) that would not constitute "unanticipated expenses incurred by the REMIC" within the meaning of Treasury Regulations Section 1.860G-1(b)(3)(iii).

However, subject to the last two sentences of this paragraph, in any calendar year, indemnification to us, the trustee, the certificate administrator, the custodian, the master servicer (for itself or certain indemnified sub-servicers, as applicable), the special servicer and their respective general or limited partners, members, managers, shareholders, affiliates, directors, officers, employees, agents and controlling persons will not exceed an amount equal to the Depositor Aggregate Annual Cap, the Trustee Aggregate Annual Cap or the Certificate Administrator/Custodian Aggregate Annual Cap (if different persons or entities are the trustee and the certificate administrator/custodian), the Trustee/Certificate Administrator/Custodian Aggregate Annual Cap (if the same person or entity is the trustee and the certificate administrator/custodian), the Master Servicer Aggregate Annual Cap or the Special Servicer Aggregate Annual Cap, as applicable. Any amounts payable in excess of the relevant Aggregate Annual Cap will be required to be paid, to the extent the funds are available, in the subsequent year or years (subject to the relevant Aggregate Annual Cap in each year) until paid in full. Any indemnification amounts unpaid as a result of the relevant Aggregate Annual Cap will accrue interest at a rate equal to the Prime Rate from the date on which such amounts would have otherwise been paid had such Aggregate Annual Cap not applied to the date on which such amount is paid. The foregoing Aggregate Annual Caps will not apply after the Aggregate Annual Cap Termination Date. Freddie Mac and the directing certificateholder will have the right, in their sole and absolute discretion, to waive (as evidenced by a waiver signed by both Freddie Mac and the directing certificateholder) the Depositor Aggregate Annual Cap, the Master Servicer Aggregate Annual Cap, the Trustee Aggregate Annual Cap, the Certificate Administrator/Custodian Aggregate Annual Cap, the Trustee/Certificate Administrator/Custodian Aggregate Annual Cap or the Special Servicer Aggregate Annual Cap upon the written request (which request, in the case of certain indemnified sub-servicers, is required to be accompanied by notice to the master servicer) of the depositor, the trustee, the certificate administrator, the master servicer, certain indemnified sub-servicers or the special servicer, as applicable.

Termination

The obligations created by the Pooling and Servicing Agreement will terminate following the earliest of—

1. the final payment or advance on, or other liquidation of, the last underlying mortgage loan or related REO Property remaining in the issuing entity;

2. the purchase of all of the underlying mortgage loans and REO Properties remaining in the issuing entity by the holders of a majority interest of the Controlling Class (excluding Freddie Mac), the master servicer or the special servicer, in the order of preference discussed below; and

3. with the satisfaction of the conditions set forth in the proviso to the definition of "Sole Certificateholder" in this information circular and with the consent of the master servicer, the exchange by the Sole Certificateholder (excluding Freddie Mac) of all its certificates (other than the class R certificates) for all of the underlying mortgage loans and REO Properties remaining in the issuing entity.

Written notice of termination of the Pooling and Servicing Agreement will be given to each certificateholder and Freddie Mac. The final distribution with respect to each certificate will be made only upon surrender and cancellation of that certificate at the office of the certificate registrar or at any other location specified in the notice of termination.

The following parties will each in turn, according to the order listed below, have the option to purchase all of the underlying mortgage loans and all other property remaining in the issuing entity on any distribution date on which the total Stated Principal Balance of the mortgage pool is less than 1.0% of the initial mortgage pool balance, upon written notice to the trustee and the other parties to the Pooling and Servicing Agreement:

- the holders of a majority interest of the Controlling Class (excluding Freddie Mac);

- the special servicer; and

- the master servicer.

Any purchase by the holders of a majority interest of the Controlling Class (excluding Freddie Mac), a master servicer or a special servicer of all the underlying mortgage loans and REO Properties remaining in the issuing entity is required to be made at a price equal to:

- the sum of—

    1. the Purchase Price of all the underlying mortgage loans then included in the issuing entity, exclusive of REO Loans;

    2. the appraised value of all REO Properties then included in the issuing entity, as determined by an appraiser mutually agreed upon by the master servicer and the special servicer;

    3. without duplication, any unreimbursed Additional Issuing Entity Expenses; and

    4. any Unreimbursed Indemnification Expenses; minus

- solely in the case of a purchase by the master servicer or the special servicer, the total of all amounts payable or reimbursable to the purchaser under the Pooling and Servicing Agreement.

The purchase will result in early retirement of the then outstanding certificates. However, the right of the holders of a majority interest of the Controlling Class (excluding Freddie Mac), the master servicer or the special servicer to make the purchase is subject to the requirement that the total Stated Principal Balance of the mortgage pool be less than 1.0% of the initial mortgage pool balance. The termination price, exclusive of any portion of the termination price payable or reimbursable to any person other than the certificateholders, will constitute part of the Available Distribution Amount for the final distribution date. Any person or entity making the purchase will be responsible for reimbursing the parties to the Pooling and Servicing Agreement for all reasonable out-of-pocket costs and expenses incurred by those parties in connection with the purchase.

If, with the consent of the master servicer and satisfaction of the conditions set forth in the proviso to the definition of "Sole Certificateholder" in this information circular, the Sole Certificateholder elects to exchange all of its certificates (other than the class R certificates) for all of the underlying mortgage loans and REO Properties remaining in the issuing entity, the Sole Certificateholder will be required to deposit in the collection account all amounts due and owing to the depositor, the master servicer, the special servicer, the certificate administrator, the custodian and the trustee under the Pooling and Servicing Agreement through the date of the liquidation of the issuing entity, but only to the extent that such amounts are not already on deposit in the collection account. In addition, the master servicer will be required to remit to the certificate administrator for deposit into the distribution account all amounts required to be transferred to the distribution account on such Remittance Date from the collection account. Upon confirmation that such final deposits have been made and following the surrender by the Sole Certificateholder of all its certificates (other than the class R certificates) on the first distribution date thereafter, the trustee will be required to release or cause to be released to the Sole Certificateholder or its designee the mortgage files for the underlying mortgage loans and execute all assignments, endorsements and other instruments furnished to it by the Sole Certificateholder necessary to effectuate transfer of the underlying mortgage loans and REO Properties remaining in the issuing entity to the Sole Certificateholder, and the issuing entity will be liquidated. In connection with any such exchange and liquidation of the issuing entity, the holders of the class R certificates will be required to surrender their class R certificates.

The directing certificateholder, with the consent of the holders of the Controlling Class, will be required to act on behalf of the holders of the Controlling Class in purchasing the assets of the issuing entity and terminating the issuing entity.

Amendment

In general, the Pooling and Servicing Agreement may be amended by mutual agreement of the parties to the Pooling and Servicing Agreement without the consent of any of the holders of the certificates (except as set forth in item 8 below with respect to the consent of the directing certificateholder) for the following reasons—

1. to cure any ambiguity;

2. to correct, modify or supplement any provision in the Pooling and Servicing Agreement which may be inconsistent with this information circular;

3. to correct, modify or supplement any provision in the Pooling and Servicing Agreement which may be inconsistent with any other provision in that document or to correct any error;

4. to make any other provisions with respect to matters or questions arising under the Pooling and Servicing Agreement that are not inconsistent with the existing provisions of that document;

5. to modify, supplement or make any other provision with regard to the resignation of the trustee in connection with defeasance of 20% or more of the mortgage pool when the trustee is an affiliate of any of the sub-servicers;

6. with an opinion of counsel delivered to the trustee, the certificate administrator, the master servicer and the special servicer, to relax or eliminate (a) any requirement under the Pooling and Servicing Agreement imposed by the REMIC Provisions or (b) any transfer restriction imposed on the certificates, in each case, if such laws are amended or clarified such that any such restriction may be relaxed or eliminated;

7. with an opinion of counsel delivered to the trustee, the certificate administrator, the master servicer and the special servicer, to comply with the Code, avoid the occurrence of a prohibited transaction or reduce any tax that would arise from any actions taken with respect to the operation of either Trust REMIC;

8. with the consent of the directing certificateholder, to allow the mortgage loan seller and its affiliates to obtain accounting "sale" treatment for the underlying mortgage loans sold by the mortgage loan seller to the depositor under applicable accounting standards;

9. to modify the procedures in the Pooling and Servicing Agreement relating to Rule 15Ga-1 under the Exchange Act; or

10. to modify, alter, amend, add to or rescind any of the provisions contained in the Pooling and Servicing Agreement to comply with any rules or regulations promulgated by the SEC from time to time.

No amendment described in clauses (3), (4) or (8) may adversely affect in any material respect the interests of any certificateholder or any third party beneficiary to the Pooling and Servicing Agreement or any provision of the Pooling and Servicing Agreement, as evidenced by the receipt by the trustee and the certificate administrator of an opinion of counsel to that effect or, alternatively, in the case of any particular certificateholder or third party beneficiary, an acknowledgment to that effect from such person.

In addition, the Pooling and Servicing Agreement may be amended by the parties to the Pooling and Servicing Agreement with the consent of the holders of not less than 51% of the voting rights that are materially affected by the amendment, to (a) add to, change or eliminate any of the provisions of the Pooling and Servicing Agreement or (b) modify the rights of the holders of the certificates. However, no such amendment may:

1. reduce the amount of, or delay the timing of, payments received or advanced on the underlying mortgage loans and/or REO Properties which are required to be distributed on any certificate, without the consent of the holder of such certificate;

2. adversely affect in any material respect the interests of the holders of any class of certificates in a manner other than as described in clause (1) above, without the consent of the holders of all certificates of such class;

3. modify the amendment provisions of the Pooling and Servicing Agreement or the definitions of Accepted Servicing Practices, Freddie Mac Servicing Practices or Servicing Standard without the consent of the holders of all certificates then outstanding;

4. modify the obligation of the Guarantor to guarantee the Guaranteed Certificates;

5. significantly change the activities of the issuing entity, without the consent of holders of certificates entitled to not less than $66^{2}/_{3}$% of the voting rights (not taking into account certificates held by the depositor or any of its affiliates or agents or Freddie Mac); or

6. adversely affect in any material respect the interests of any third party beneficiary to the Pooling and Servicing Agreement without the consent of such third party beneficiary.

The Pooling and Servicing Agreement provides that any amendments made to it must be accompanied by an opinion of counsel stating that the amendment will not adversely affect the REMIC status of either Trust REMIC created under the Pooling and Servicing Agreement.

CERTAIN FEDERAL INCOME TAX CONSEQUENCES

General

The following is a general discussion of the anticipated material federal income tax consequences of the purchase, ownership and disposition of the offered certificates. The discussion below does not purport to address all federal income tax consequences that may be applicable to particular categories of investors, some of which (such as banks, insurance companies and foreign investors) may be subject to special rules. The authorities on which this discussion is based are subject to change or differing interpretations, and any such change or interpretation could apply retroactively. This discussion reflects the applicable provisions of the Code and Treasury Regulations. Investors should consult their own tax advisors in determining the federal, state, local or any other tax consequences to them of the purchase, ownership and disposition of certificates.

Elections will be made to treat applicable portions of the issuing entity as two separate REMICs within the meaning of Code Section 860D (the "Lower-Tier REMIC" and the "Upper-Tier REMIC", and collectively, the "Trust REMICs"). The Lower-Tier REMIC will hold the underlying mortgage loans, the proceeds of the related underlying mortgage loans, the related portion of the collection account, the related portion of the distribution account and other related accounts, and the portion of any property that secured a related underlying mortgage loan that was acquired by foreclosure or deed-in-lieu of foreclosure, and will issue certain uncertificated classes of "regular interests" (the "Lower-Tier REMIC Regular Interests") as classes of "regular interests" in the Lower-Tier REMIC and the sole class of "residual interests" in the Lower-Tier REMIC, represented by the class R certificates. The Upper-Tier REMIC will hold the Lower-Tier REMIC Regular Interests and the related portion of the distribution account and will issue the offered certificates and the non-offered certificates other than the class R certificates (the "Regular Certificates") as "regular interests" in the Upper-Tier REMIC and the sole class of "residual interests" in the Upper-Tier REMIC, represented by the class R certificates. Qualification as a REMIC requires ongoing compliance with certain conditions. Assuming (i) the making of appropriate elections, (ii) compliance with the Pooling and Servicing Agreement, and (iii) compliance with any changes in the law, including any amendments to the Code or applicable Treasury Regulations thereunder, in the opinion of Cadwalader, Wickersham & Taft LLP, counsel to the depositor, each of the Trust REMICs will qualify as a REMIC on the Closing Date and thereafter. References in this information circular to "REMIC" refer to either the Lower-Tier REMIC or the Upper-Tier REMIC, as appropriate. References to "Holder" or "Certificateholder" in this discussion are to the beneficial owner of a certificate as specified in this information circular.

Qualification as a REMIC

In order for each of the Trust REMICs to qualify as a REMIC, there must be ongoing compliance on the part of each REMIC with the requirements set forth in the Code. Each of the Trust REMICs must fulfill an asset test, which requires that no more than a *de minimis* portion of the assets of each REMIC, as of the close of the third calendar month beginning after the "Startup Day" (which for purposes of this discussion is the Closing Date) and at all times

thereafter, may consist of assets other than "qualified mortgages" and "permitted investments." The Treasury Regulations applicable to REMICs (the "REMIC Regulations") provide a safe harbor pursuant to which the *de minimis* requirements will be met if at all times the aggregate adjusted basis of the nonqualified assets is less than 1% of the aggregate adjusted basis of all the REMIC's assets. Each REMIC also must provide "reasonable arrangements" to prevent its residual interests from being held by "disqualified organizations" or their agents and must furnish applicable tax information to transferors or agents that violate this requirement. The Pooling and Servicing Agreement will provide that no legal or beneficial interest in the class R certificates may be transferred or registered unless certain conditions, designed to prevent violation of this requirement, are met.

A qualified mortgage is any obligation that is principally secured by interest in real property and that is either transferred to the REMIC on the Startup Day or is either purchased by the REMIC within a three-month period thereafter or represents an increase in the loan advanced to the obligor under its original terms, in either case, pursuant to a fixed price contract in effect on the Startup Day. Qualified mortgages include whole mortgage loans or participation interests in whole mortgage loans, such as the underlying mortgage loans, and regular interests in another REMIC, such as the Lower-Tier REMIC Regular Interests that are held by the Upper-Tier REMIC, *provided*, in general, (i) the fair market value of the real property security (including buildings and structural components of the buildings) is at least 80% of the outstanding principal balance of the related underlying mortgage loan either at origination or as of the Startup Day (a loan-to-value ratio of not more than 125% with respect to the real property security) or (ii) substantially all the proceeds of an underlying mortgage loan were used to acquire, improve or protect an interest in real property that, at the origination date, was the only security for the underlying mortgage loans. If an underlying mortgage loan was not in fact principally secured by real property or is otherwise not a qualified mortgage, it must be disposed of within 90 days of discovery of such defect, or otherwise ceases to be a qualified mortgage after such 90-day period.

Permitted investments include cash flow investments, qualified reserve assets and foreclosure property. A cash flow investment is an investment, earning a return in the nature of interest, of amounts received on or with respect to qualified mortgages for a temporary period, not exceeding 13 months, until the next scheduled distribution to Holders of interests in the REMIC. A qualified reserve asset includes any intangible property held for investment that is part of any reasonably required reserve maintained by the REMIC to provide for payments of expenses of the REMIC or amounts due on the regular or residual interests in the event of defaults (including delinquencies) on the qualified mortgages, lower than expected reinvestment returns, prepayment interest shortfalls and certain other contingencies. The Trust REMICs will not hold any reserve funds. Foreclosure property is real property acquired by a REMIC in connection with the default or imminent default of a qualified mortgage and maintained by the REMIC in compliance with applicable rules, *provided* the depositor had no knowledge or reason to know as of the Startup Day that such a default had occurred or would occur. Foreclosure property may generally not be held after the close of the third calendar year beginning after the date the REMIC acquires such property, with one extension that may be granted by the IRS.

In addition to these requirements, the various interests in a REMIC also must meet certain requirements. All of the interests in a REMIC must be either of the following: (i) one or more classes of regular interests or (ii) a single class of residual interests on which distributions, if any, are made *pro rata*. A regular interest is an interest in a REMIC that is issued on the Startup Day with fixed terms, is designated as a regular interest, unconditionally entitles the Holder to receive a specified principal amount, and provides that interest payments, if any, at or before maturity either are payable based on a fixed rate or a qualified variable rate, or consist of a specified, nonvarying portion of the interest payments on the qualified mortgages. The rate on the specified portion may be a fixed rate, a variable rate, or the difference between one fixed or qualified variable rate and another fixed or qualified variable rate. The specified principal amount of a regular interest that provides for interest payments consisting of a specified, nonvarying portion of interest payments on qualified mortgages may be zero. An interest in a REMIC may be treated as a regular interest even if payments of principal with respect to such interest are subordinated to payments on other regular interests or the residual interest in the REMIC, and are dependent on the absence of defaults or delinquencies on qualified mortgages or permitted investments, lower than reasonably expected returns on permitted investments, expenses incurred by REMIC or Prepayment Interest Shortfalls. A residual interest is an interest in a REMIC other than a regular interest that is issued on the Startup Day and that is designated as a residual interest. Accordingly, the Regular Certificates will constitute classes of regular interests in the Upper-Tier REMIC; the Lower-Tier REMIC Regular Interests will constitute classes of regular interests in the Lower-Tier REMIC; and

the class R certificates will represent the sole class of residual interests in the Lower-Tier REMIC and the Upper-Tier REMIC, respectively.

If an entity fails to comply with one or more of the ongoing requirements of the Code for status as one or more REMICs during any taxable year, the Code provides that the entity or applicable portion of that entity will not be treated as a REMIC for such year and thereafter. In this event, any entity with debt obligations with two or more maturities, such as the issuing entity, may be treated as a separate association taxable as a corporation under Treasury Regulations, and the certificates may be treated as equity interests in the issuing entity. The Code, however, authorizes Treasury to provide relief where failure to meet one or more of the requirements for REMIC status occurs inadvertently and in good faith. Investors should be aware, however, that the Conference Committee Report to the Tax Reform Act of 1986 (the "1986 Act") indicates that the relief may be accompanied by sanctions, such as the imposition of a corporate tax on all or a portion of the REMIC's income for the period of time in which the requirements for REMIC status are not satisfied.

Status of Regular Certificates

Regular Certificates held by a real estate investment trust will constitute "real estate assets" within the meaning of Code Section 856(c)(5)(B) and interest and original issue discount ("OID") on the Regular Certificates will be considered "interest on obligations secured by mortgages on real property or on interests in real property" within the meaning of Code Section 856(c)(3)(B) in the same proportion that, for both purposes, the assets of the issuing entity would be so treated. For purposes of Code Section 856(c)(5)(B), payments of principal and interest on the underlying mortgage loans that are reinvested pending distribution to Holders of Regular Certificates qualify for such treatment. Regular Certificates held by a domestic building and loan association will be treated as "loans...secured by an interest in real property which is...residential real property" within the meaning of Code Section 7701(a)(19)(C)(v). For purposes of these tests, the Trust REMICs are treated as a single REMIC. If at all times 95% or more of the assets of the issuing entity qualify for each of these treatments, the Regular Certificates will qualify for the corresponding status in their entirety. Regular Certificates held by certain financial institutions will constitute an "evidence of indebtedness" within the meaning of Code Section 582(c)(1).

Taxation of Regular Certificates

General. In general, interest, OID and market discount on a Regular Certificate will be treated as ordinary income to a Certificateholder, and principal payments on a Regular Certificate will be treated as a return of capital to the extent of the Certificateholder's basis allocable to its Regular Certificate (other than accrued market discount, if any, not yet reported as income). Certificateholders must use the accrual method of accounting with respect to the Regular Certificates, regardless of the method of accounting otherwise used by such Certificateholders.

Original Issue Discount. Holders of Regular Certificates issued with OID generally must include OID in ordinary income for federal income tax purposes as it accrues in accordance with the constant yield method, which takes into account the compounding of interest, in advance of receipt of the cash attributable to such income. The following discussion is based in part on temporary and final Treasury Regulations (the "OID Regulations") under Code Sections 1271 through 1273 and 1275 and in part on the provisions of the 1986 Act. Certificateholders should be aware, however, that the OID Regulations do not adequately address certain issues relevant to prepayable securities, such as the Regular Certificates. To the extent such issues are not addressed in the OID Regulations, it is anticipated that the certificate administrator will apply the methodology described in the Conference Committee Report to the 1986 Act. No assurance can be provided that the IRS will not take a different position as to those matters not currently addressed by the OID Regulations. Moreover, the OID Regulations include an anti-abuse rule allowing the IRS to apply or depart from the OID Regulations where necessary or appropriate to ensure a reasonable tax result in light of the applicable statutory provisions. A tax result will not be considered unreasonable under the anti-abuse rule in the absence of a substantial effect on the present value of a taxpayer's tax liability. Investors are advised to consult their own tax advisors as to the discussion in this information circular and the appropriate method for reporting interest and OID with respect to the Regular Certificates.

Each Regular Certificate will be treated as a single installment obligation for purposes of determining the OID includible in a Certificateholder's income. The total amount of OID on a Regular Certificate is the excess of the "stated redemption price at maturity" of the Regular Certificate over its "issue price." The issue price of a class of

Regular Certificates is the first price at which a substantial amount of Regular Certificates of such class are sold to investors (excluding bond houses, brokers and underwriters). Although unclear under the OID Regulations, it is anticipated that the certificate administrator will treat the issue price of a class of Regular Certificates as to which there is no substantial sale as of the Closing Date as the fair market value of such class as of the Closing Date. The issue price of a class of Regular Certificates also includes the amount paid by an initial Certificateholder of such class for accrued interest that relates to a period prior to the Closing Date of such class of Regular Certificates. The stated redemption price at maturity of a Regular Certificate is the sum of all payments of the Regular Certificate other than any qualified stated interest payments. Under the OID Regulations, qualified stated interest generally means interest payable at a single fixed rate or a qualified variable rate, *provided* that such interest payments are unconditionally payable at intervals of one year or less during the entire term of the obligation. Because there is no penalty or default remedy in the case of nonpayment of interest with respect to a Regular Certificate, it is possible that no interest on any class of Regular Certificates will be treated as qualified stated interest. However, because the underlying mortgage loans provide for remedies in the event of default, it is anticipated, unless required otherwise by applicable Treasury Regulations, that the certificate administrator will treat all payments of stated interest on the class A-1 and A-2 certificates as qualified stated interest. Based on the foregoing, it is anticipated that the class A-1 and A-2 certificates will not be issued with OID.

It is anticipated that the certificate administrator will treat the class X certificates as having no qualified stated interest. Accordingly, the class X certificates will be considered to be issued with OID in amounts equal to the excess of all distributions of interest expected to be received on such certificates over their issue price (including accrued interest). Any "negative" amounts of OID on such class attributable to rapid prepayments with respect to the underlying mortgage loans will not be deductible currently. A Holder of the class X certificates may be entitled to a loss deduction, which may be a capital loss, to the extent it becomes certain that such Holder will not recover a portion of its basis in such certificate, assuming no further prepayments. In the alternative, it is possible that rules similar to the "noncontingent bond method" of the contingent interest rules of the OID Regulations may be promulgated with respect to the class X certificates. Unless and until required otherwise by applicable authority, it is not anticipated that the contingent interest rules will apply.

Under a *de minimis* rule, OID on a Regular Certificate will be considered to be zero if such OID is less than 0.2500% of the stated redemption price at maturity of the Regular Certificate multiplied by the weighted average maturity of the Regular Certificate. For this purpose, the weighted average maturity is computed as the sum of the amounts determined by multiplying the number of full years (*i.e.*, rounding down partial years) from the Closing Date until each distribution scheduled to be made by a fraction, the numerator of which is the amount of each distribution included in the stated redemption price at maturity of the Regular Certificate and the denominator of which is the stated redemption price at maturity of the Regular Certificate. The Conference Committee Report to the 1986 Act provides that the schedule of such distributions should be determined in accordance with the assumed rate of prepayment of the underlying mortgage loans, *i.e.*, no prepayments and no extensions (the "Prepayment Assumption"). Holders generally must report *de minimis* OID *pro rata* as principal payments are received, and such income will be capital gain if the Regular Certificate is held as a capital asset. However, under the OID Regulations, Certificateholders may elect to accrue all *de minimis* OID as well as market discount and premium under the constant yield method. See "—Election To Treat All Interest Under the Constant Yield Method" below.

The holder of a Regular Certificate issued with OID generally must include in gross income for any taxable year the sum of the "daily portions," as defined below, of the OID on the Regular Certificate accrued during an accrual period for each day on which it holds the Regular Certificate, including the date of purchase but excluding the date of disposition. With respect to each such Regular Certificate, a calculation will be made of the OID that accrues during each successive full accrual period that ends on the day prior to each distribution date with respect to the Regular Certificate. The OID accruing in a full accrual period will be the excess, if any, of (i) the sum of (a) the present value of all of the remaining distributions to be made on the Regular Certificate as of the end of that accrual period based on the Prepayment Assumption and (b) the distributions made on the Regular Certificate during the accrual period that are included in the Regular Certificate's stated redemption price at maturity, over (ii) the adjusted issue price of the Regular Certificate at the beginning of the accrual period. The present value of the remaining distributions referred to in the preceding sentence is calculated based on (i) the yield to maturity of the Regular Certificate as of the Startup Day and (ii) events (including actual prepayments) that have occurred prior to the end of the accrual period. For these purposes, the adjusted issue price of a Regular Certificate at the beginning of any accrual period equals the issue price of the Regular Certificate, increased by the aggregate amount of OID with

respect to the Regular Certificate that accrued in all prior accrual periods and reduced by the amount of distributions included in the Regular Certificate's stated redemption price at maturity that were made on the Regular Certificate that were attributable to such prior periods. The OID accruing during any accrual period (as determined in this paragraph) will then be divided by the number of days in the period to determine the daily portion of OID for each day in the period. The OID allocable to the short first accrual period will be computed based on the exact method.

Under the method described above, the daily portions of OID required to be included as ordinary income by a Certificateholder generally will increase to take into account prepayments on the related Regular Certificate as a result of prepayments on the underlying mortgage loans. Due to the unique nature of interest-only Regular Certificates, the preceding sentence may not apply in the case of the class X certificates.

Acquisition Premium. A purchaser of a Regular Certificate at a price greater than its adjusted issue price and less than its remaining stated redemption price at maturity will be required to include in gross income the daily portions of the OID on the Regular Certificate reduced *pro rata* by a fraction, the numerator of which is the excess of its purchase price over such adjusted issue price and the denominator of which is the excess of the remaining stated redemption price at maturity over the adjusted issue price. Alternatively, such a purchaser may elect to treat all such acquisition premium under the constant yield method, as described below under the heading "—Election To Treat All Interest Under the Constant Yield Method" below.

Market Discount. A purchaser of a Regular Certificate also may be subject to the market discount rules of Code Sections 1276 through 1278. Under these Code sections and the principles applied by the OID Regulations in the context of OID, "market discount" is the amount by which the purchaser's original basis in the Regular Certificate (i) is exceeded by the remaining outstanding principal payments and non-qualified stated interest payments due on a Regular Certificate, or (ii) in the case of a Regular Certificate having OID, is exceeded by the adjusted issue price of such Regular Certificate at the time of purchase. Such purchaser generally will be required to recognize ordinary income to the extent of accrued market discount on such Regular Certificate as distributions includible in the stated redemption price at maturity of such Regular Certificate are received, in an amount not exceeding any such distribution. Such market discount would accrue in a manner to be provided in Treasury Regulations and should take into account the Prepayment Assumption. The Conference Committee Report to the 1986 Act provides that until such regulations are issued, such market discount would accrue, at the election of the Certificateholder, either (i) on the basis of a constant interest rate or (ii) in the ratio of interest accrued for the relevant period to the sum of the interest accrued for such period plus the remaining interest after the end of such period, or, in the case of classes issued with OID, in the ratio of OID accrued for the relevant period to the sum of the OID accrued for such period plus the remaining OID after the end of such period. Such purchaser also generally will be required to treat a portion of any gain on a sale or exchange of the Regular Certificate as ordinary income to the extent of the market discount accrued to the date of disposition under one of these methods, less any accrued market discount previously reported as ordinary income as partial distributions in reduction of the stated redemption price at maturity were received. Such purchaser will be required to defer deduction of a portion of the excess of the interest paid or accrued on indebtedness incurred to purchase or carry the Regular Certificate over the interest (including OID) distributable on such Regular Certificate. The deferred portion of such interest expense in any taxable year generally will not exceed the accrued market discount on the Regular Certificate for such year. Any such deferred interest expense is, in general, allowed as a deduction not later than the year in which the related market discount income is recognized or the Regular Certificate is disposed of. As an alternative to the inclusion of market discount in income on this basis, the Certificateholder may elect to include market discount in income currently as it accrues on all market discount instruments acquired by such Certificateholder in that taxable year or thereafter, in which case the interest deferral rule will not apply. See "—Election To Treat All Interest Under the Constant Yield Method" below regarding an alternative manner in which such election may be deemed to be made.

Market discount with respect to a Regular Certificate will be considered to be zero if such market discount is less than 0.2500% of the remaining stated redemption price at maturity of such Regular Certificate multiplied by the weighted average maturity of the Regular Certificate remaining after the date of purchase. For this purpose, the weighted average maturity is determined by multiplying the number of full years (*i.e.*, rounding down partial years) from the Closing Date until each distribution in reduction of stated redemption price at maturity is scheduled to be made by a fraction, the numerator of which is the amount of each such distribution included in the stated redemption price at maturity of the Regular Certificate and the denominator of which is the total stated redemption price at maturity of the Regular Certificate. It appears that *de minimis* market discount would be reported *pro rata* as

principal payments are received. Treasury Regulations implementing the market discount rules have not yet been issued, and investors should therefore consult their own tax advisors regarding the application of these rules as well as the advisability of making any of the elections with respect to any market discount. Investors should also consult Revenue Procedure 92-67 concerning the elections to include market discount in income currently and to accrue market discount on the basis of the constant yield method.

Premium. A Regular Certificate purchased upon initial issuance or in the secondary market at a cost greater than its remaining stated redemption price at maturity generally is considered to be purchased at a premium. If the Certificateholder holds such Regular Certificate as a "capital asset" within the meaning of Code Section 1221, the Certificateholder may elect under Code Section 171 to amortize such premium under the constant yield method. Final Treasury Regulations under Code Section 171 do not, by their terms, apply to prepayable obligations such as the Regular Certificates. However, the Conference Committee Report to the 1986 Act indicates a Congressional intent that the same rules that will apply to the accrual of market discount on installment obligations will also apply to amortizing bond premium under Code Section 171 on installment obligations such as the Regular Certificates, although it is unclear whether the alternatives to the constant interest method described above under "—Market Discount" are available. Amortizable bond premium will be treated as an offset to interest income on a Regular Certificate rather than as a separate deduction item. See "—Election To Treat All Interest Under the Constant Yield Method" below regarding an alternative manner in which the Code Section 171 election may be deemed to be made. Based on the foregoing, it is anticipated that the class A-1 and A-2 certificates will be issued at a premium. Because the stated redemption price at maturity of the class X certificates will include all anticipated distributions of interest on such class, it is unlikely that such class could be purchased at a premium.

Election To Treat All Interest Under the Constant Yield Method. A Holder of a debt instrument such as a Regular Certificate may elect to treat all interest that accrues on the instrument using the constant yield method, with none of the interest being treated as qualified stated interest. For purposes of applying the constant yield method to a debt instrument subject to such an election, (i) "interest" includes stated interest, OID, *de minimis* OID, market discount and *de minimis* market discount, as adjusted by any amortizable bond premium or acquisition premium and (ii) the debt instrument is treated as if the instrument were issued on the Holder's acquisition date in the amount of the Holder's adjusted basis immediately after acquisition. A Holder generally may make such an election on an instrument-by-instrument basis or for a class or group of debt instruments. However, if the Holder makes such an election with respect to a debt instrument with amortizable bond premium or with market discount, the Holder is deemed to have made elections to amortize bond premium or to report market discount income currently as it accrues under the constant yield method, respectively, for all premium bonds held or acquired or market discount bonds acquired by the Holder on the first day of the taxable year of the election or thereafter. The election is made on the Holder's federal income tax return for the year in which the debt instrument is acquired and is irrevocable except with the approval of the IRS. Investors should consult their own tax advisors regarding the advisability of making such an election.

Treatment of Losses. Holders of the Regular Certificates will be required to report income with respect to them on the accrual method of accounting, without giving effect to delays or reductions in distributions attributable to a default or delinquency on the underlying mortgage loan, except to the extent it can be established that such losses are uncollectible. Accordingly, the Holder of a Regular Certificate may have income, or may incur a diminution in cash flow as a result of a default or delinquency, but may not be able to take a deduction (subject to the discussion below) for the corresponding loss until a subsequent taxable year. In this regard, investors are cautioned that while they generally may cease to accrue interest income if it reasonably appears that the interest will be uncollectible, the IRS may take the position that OID must continue to be accrued in spite of its uncollectibility until the debt instrument is disposed of in a taxable transaction or becomes worthless in accordance with the rules of Code Section 166. Under Code Section 166, other than with respect to Holders of the class X certificates, Certificateholders that are corporations or that otherwise hold the Regular Certificates in connection with a trade or business should in general be allowed to deduct as an ordinary loss any such loss sustained during the taxable year on account of any such Regular Certificates becoming wholly or partially worthless, and, in general, Certificateholders that are not corporations and do not hold the Regular Certificates in connection with a trade or business will be allowed to deduct as a short-term capital loss any loss with respect to principal sustained during the taxable year on account of a portion of any class of such Regular Certificates becoming wholly worthless. Although the matter is not free from doubt, such non-corporate Certificateholders should be allowed a bad debt deduction at such time as the outstanding principal balance of any class of such Regular Certificates is reduced to reflect losses resulting from liquidation of

the related underlying mortgage loan to the extent the outstanding principal balance of such Regular Certificate is reduced below the Certificateholder's basis in such Regular Certificate. Notwithstanding the foregoing, Holders of class X certificates may not be entitled to a bad debt loss under Code Section 166. The IRS could also assert that losses on a class of Regular Certificates are deductible based on some other method, such as reducing future cash flow for purposes of computing OID. This may have the effect of creating "negative" OID which, with the possible exception of the method discussed in the following sentence, would be deductible only against future positive OID or otherwise upon termination of the applicable class. Although not free from doubt, a Certificateholder with negative OID may be entitled to deduct a loss to the extent that its remaining basis would exceed the maximum amount of future payments to which such Holder was entitled, assuming no further prepayments. Certificateholders are urged to consult their own tax advisors regarding the appropriate timing, amount and character of any loss sustained with respect to such Regular Certificates. Special loss rules are applicable to banks and thrift institutions, including rules regarding reserves for bad debts. Such taxpayers are advised to consult their tax advisors regarding the treatment of losses on the Regular Certificates.

Sale or Exchange of Regular Certificates. If a Certificateholder sells or exchanges a Regular Certificate, the Certificateholder will recognize gain or loss equal to the difference, if any, between the amount received and its adjusted basis in the Regular Certificate. The adjusted basis of a Regular Certificate generally will equal the cost of the Regular Certificate to the seller, increased by any OID or market discount previously included in the seller's gross income with respect to the Regular Certificate and reduced by amounts included in the stated redemption price at maturity of the Regular Certificate that were previously received by the seller, by any amortized premium, and by any deductible losses on such Regular Certificate.

Except as described above with respect to market discount, and except as provided in this paragraph, any gain or loss on the sale or exchange of a Regular Certificate realized by an investor who holds the Regular Certificate as a capital asset will be capital gain or loss and will be long-term or short-term depending on whether the Regular Certificate has been held for the long-term capital gain holding period (currently more than one year). Such gain will be treated as ordinary income (i) if the Regular Certificate is held as part of a "conversion transaction" as defined in Code Section 1258(c), up to the amount of interest that would have accrued on the Certificateholder's net investment in the conversion transaction at 120% of the appropriate applicable Federal rate under Code Section 1274(d) in effect at the time the taxpayer entered into the transaction minus any amount previously treated as ordinary income with respect to any prior disposition of property that was held as part of such transaction, (ii) in the case of a noncorporate taxpayer, to the extent such taxpayer has made an election under Code Section 163(d)(4) to have net capital gains taxed as investment income at ordinary income rates, or (iii) to the extent that such gain does not exceed the excess, if any, of (a) the amount that would have been includible in the gross income of the Holder if his yield on such Regular Certificate were 110% of the applicable federal rate as of the date of purchase, over (b) the amount of income actually includible in the gross income of such Holder with respect to the Regular Certificate. In addition, gain or loss recognized from the sale of a Regular Certificate by certain banks or thrift institutions will be treated as ordinary income or loss pursuant to Code Section 582(c). Long-term capital gains of individuals are taxed at a lower rate than ordinary income and short-term capital gains. Tax rates of corporations are the same for capital gains and ordinary income, but their capital losses may be offset only against capital gains.

Taxation of Static Prepayment Premiums and Yield Maintenance Charges

A portion of certain Static Prepayment Premiums and Yield Maintenance Charges actually collected on the underlying mortgage loans will be paid to the offered certificates as and to the extent described in this information circular. It is not entirely clear under the Code when the amount of Static Prepayment Premiums or Yield Maintenance Charges should be taxed to the holder entitled to that amount. For federal income tax reporting purposes, the certificate administrator will report the applicable Static Prepayment Premiums or Yield Maintenance Charges as income to the holders of the offered certificates entitled to such amounts only after the master servicer's actual receipt of those amounts. The IRS may nevertheless seek to require that an assumed amount of such Static Prepayment Premiums or Yield Maintenance Charges be included in payments projected to be made on the offered certificates and that the taxable income be reported based on a projected constant yield to maturity. Therefore, the projected Static Prepayment Premiums or Yield Maintenance Charges would be included prior to their actual receipt by holders of the offered certificates. If the projected Static Prepayment Premiums or Yield Maintenance Charges were not actually received, presumably the holder of an offered certificate would be allowed to claim a deduction or reduction in gross income at the time the unpaid Static Prepayment Premiums or Yield Maintenance Charges had

been projected to be received. Moreover, it appears that Static Prepayment Premiums and Yield Maintenance Charges are to be treated as ordinary income rather than capital gain. However, the correct characterization of the income is not entirely clear. We recommend that holders of offered certificates consult their own tax advisors concerning the treatment of Static Prepayment Premiums and Yield Maintenance Charges.

Taxes That May Be Imposed on a REMIC

Prohibited Transactions. Income from certain transactions by a REMIC, called "prohibited transactions," will not be part of the calculation of income or loss includible in the federal income tax, but rather will be taxed directly to the REMIC at a 100% rate. Prohibited transactions generally include (i) the disposition of a qualified mortgage other than for (a) substitution within two years of the Startup Day for a defective (including a defaulted) obligation (or repurchase in lieu of substitution of a defective (including a defaulted) obligation at any time) or for any qualified mortgage within three months of the Startup Day, (b) foreclosure, default, or imminent default of a qualified mortgage, (c) bankruptcy or insolvency of the REMIC, or (d) a qualified (complete) liquidation, (ii) the receipt of income from assets that are not the type of mortgages or investments that the REMIC is permitted to hold, (iii) the receipt of compensation for services, or (iv) the receipt of gain from disposition of cash flow investments other than pursuant to a qualified liquidation. Notwithstanding clauses (i) and (iv) above, it is not a prohibited transaction to sell REMIC property to prevent a default on regular interests as a result of a default on qualified mortgages or to facilitate a qualified liquidation or a clean-up call. The REMIC Regulations indicate that the modification of a mortgage loan generally will not be treated as a disposition if it is occasioned by a default or reasonably foreseeable default, an assumption of a mortgage loan, or the waiver of a due-on-sale or due-on-encumbrance clause. It is not anticipated that either of the Trust REMICs will engage in any prohibited transactions.

Contributions to a REMIC After the Startup Day. In general, a REMIC will be subject to a tax at a 100% rate on the value of any property contributed to the REMIC after the Startup Day. Exceptions are provided for cash contributions to the REMIC (i) during the three months following the Startup Day, (ii) made to a qualified reserve fund by a holder of a residual interest, (iii) in the nature of a guarantee, (iv) made to facilitate a qualified liquidation or clean-up call, and (v) as otherwise permitted in Treasury Regulations yet to be issued. It is not anticipated that there will be any taxable contributions to either of the Trust REMICs.

Net Income from Foreclosure Property. The Lower-Tier REMIC will be subject to federal income tax at the highest corporate rate on "net income from foreclosure property," determined by reference to the rules applicable to real estate investment trusts. Generally, property acquired by foreclosure or deed-in-lieu of foreclosure would be treated as "foreclosure property" until the close of the third calendar year beginning after the Lower-Tier REMIC's acquisition of a mortgaged real property, with a possible extension. Net income from foreclosure property generally means gain from the sale of a foreclosure property that is inventory property and gross income from foreclosure property other than qualifying rents and other qualifying income for a real estate investment trust.

In order for a mortgaged real property to qualify as foreclosure property, any operation of the mortgaged real property by the Lower-Tier REMIC generally must be conducted through an independent contractor. Further, such operation, even if conducted through an independent contractor, may give rise to "net income from foreclosure property," taxable at the highest corporate rate. Payment of such tax by the Lower-Tier REMIC would reduce amounts available for distribution to Certificateholders.

The special servicer is required to determine generally that the operation of foreclosure property in a manner that would subject the Lower-Tier REMIC to such tax would be expected to result in higher after-tax proceeds then an alternative method of operating such property that would not subject the Lower-Tier REMIC to such tax.

Bipartisan Budget Act of 2015. On November 2, 2015, President Obama signed into law the Bipartisan Budget Act of 2015 (the "2015 Budget Act"), which includes new audit rules affecting entities treated as partnerships, their partners and the persons that are authorized to represent entities treated as partnerships in IRS audits and related procedures. Under the 2015 Budget Act, these rules will also apply to REMICs, the holders of their residual interests and the trustees or administrators authorized to represent REMICs in IRS audits and related procedures. These new audit rules are scheduled to become effective for taxable years beginning with 2018 and will apply to both new and existing REMICs.

In addition to other changes, under the 2015 Budget Act, unless a REMIC elects otherwise, taxes arising from IRS audit adjustments are required to be paid by the REMIC rather than by its residual interest holders. The certificate administrator will have the authority to utilize, and will be directed to utilize, any exceptions available under the new provisions (including any changes) and Treasury Regulations so that Holders of the Class R Certificates, to the fullest extent possible, rather than any Trust REMIC itself, will be liable for any taxes arising from audit adjustments to the Trust REMIC's taxable income. It is unclear how any such exceptions may affect the procedural rules available to challenge any audit adjustment that would otherwise be available in the absence of any such exceptions. Investors should consult their own tax advisors regarding the application of the 2015 Budget Act.

Taxation of Certain Foreign Investors

General. Interest, including OID, distributable to beneficial owners of Regular Certificates who are nonresident aliens, foreign corporations, or other non-U.S. Persons (*i.e.*, any person who is not a "U.S. Person," as defined in the next paragraph), will be considered "portfolio interest" and, therefore, generally will not be subject to 30% United States withholding tax, *provided* that such non-U.S. Person (i) is not a "10-percent shareholder" within the meaning of Code Section 871(h)(3)(B), or a controlled foreign corporation described in Code Section 881(c)(3)(C) related to, a REMIC (or possibly one or more borrowers) and (ii) provides the certificate administrator, or the person who would otherwise be required to withhold tax from such distributions under Code Section 1441 or 1442, with an appropriate statement, signed under penalties of perjury, identifying the beneficial owner and stating, among other things, that the beneficial owner of the Regular Certificate is a non-U.S. Person. The appropriate documentation includes IRS Form W-8BEN-E or IRS Form W-8BEN, if the non-U.S. Person is an entity (such as a corporation) or individual, respectively, eligible for the benefits of the portfolio interest exemption or an exemption based on a treaty; IRS Form W-8ECI if the non-U.S. Person is eligible for an exemption on the basis of its income from the Regular Certificate being effectively connected to a United States trade or business; IRS Form W-8BEN-E or IRS Form W-8IMY if the non-U.S. Person is a trust, depending on whether such trust is classified as the beneficial owner of the Regular Certificate; and IRS Form W-8IMY, with supporting documentation as is specified in the Treasury Regulations, required to substantiate exemptions from withholding on behalf of its partners, if the non-U.S. Person is a partnership. An intermediary (other than a partnership) must provide IRS Form W-8IMY, revealing all required information, including its name, address, taxpayer identification number, the country under the laws of which it is created, and certification that it is not acting for its own account. A "qualified intermediary" must certify that it has provided, or will provide, a withholding statement as required under Treasury Regulations Section 1.1441-1(e)(5)(v), but need not disclose the identity of its account holders on its IRS Form W-8IMY, and may certify its account holders' status without including each beneficial owner's certification. A "non-qualified intermediary" must additionally certify that it has provided, or will provide, a withholding statement that is associated with the appropriate IRS Forms W-8 and W-9 required to substantiate exemptions from withholding on behalf of its beneficial owners. The term "intermediary" means a person acting as a custodian, a broker, nominee or otherwise as an agent for the beneficial owner of a Regular Certificate. A "qualified intermediary" is generally a foreign financial institution or clearing organization or a non-U.S. branch or office of a U.S. financial institution or clearing organization that is a party to a withholding agreement with the IRS.

If such statement, or any other required statement, is not provided, 30% withholding will apply unless interest on the Regular Certificate is effectively connected with the conduct of a trade or business within the United States by such non-U.S. Person. In that case, such non-U.S. Person will be subject to U.S. federal income tax at regular rates. The term "U.S. Person" means a citizen or resident of the United States, a corporation or partnership created or organized in or under the laws of the United States, any State in the United States or the District of Columbia, including an entity treated as a corporation or partnership for U.S. federal income tax purposes, an estate whose income is subject to U.S. federal income tax regardless of its source, or a trust if a court within the United States is able to exercise primary supervision over the administration of such trust, and one more such U.S. Persons have the authority to control all substantial decisions of such trust (or, to the extent provided in applicable Treasury Regulations, certain trusts in existence on August 20, 1996 that have elected to be treated as U.S. Persons).

FATCA

Under the "Foreign Account Tax Compliance Act" ("FATCA") provisions of the Hiring Incentives to Restore Employment Act, a 30% withholding tax is generally imposed on certain payments, including U.S.-source interest, and, on or after January 1, 2019, gross proceeds from the sale or other disposition of debt obligations that give rise

to U.S.-source interest, to "foreign financial institutions" and certain other foreign financial entities if those foreign entities fail to comply with the requirements of FATCA. The certificate administrator will be required to withhold amounts under FATCA on payments made to Certificateholders who are subject to the FATCA requirements and who fail to provide the certificate administrator with proof that they have complied with such requirements. Prospective investors should consult their tax advisors regarding the applicability of FATCA to their Regular Certificates.

Backup Withholding

Distributions made on the Regular Certificates, and proceeds from the sale of the Regular Certificates to or through certain brokers may be subject to a "backup" withholding tax under Code Section 3406 at the current rate of 28% on "reportable payments" (including interest distributions, OID, and, under certain circumstances, principal distributions) unless the Certificateholder is a U.S. Person and provides IRS Form W-9 with the correct taxpayer identification number; is a non-U.S. Person and provides IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable, identifying the non-U.S. Person and stating that the beneficial owner is not a U.S. Person; or can be treated as an exempt recipient within the meaning of Treasury Regulations Section 1.6049-4(c)(1)(ii). Any amounts withheld from distribution on the Regular Certificates would be refunded by the IRS or allowed as a credit against the Certificateholder's federal income tax liability. Information reporting requirements may also apply regardless of whether withholding is required. Investors are urged to contact their own tax advisors regarding the application to them of backup withholding and information reporting.

3.8% Medicare Tax on "Net Investment Income"

Certain non-corporate U.S. Persons will be subject to an additional 3.8% tax on all or a portion of their "net investment income," which may include the interest payments and any gain realized with respect to the Regular Certificates, to the extent of their net investment income that, when added to their other modified adjusted gross income, exceeds $200,000 for an unmarried individual, $250,000 for a married taxpayer filing a joint return (or a surviving spouse), or $125,000 for a married individual filing a separate return. The 3.8% Medicare tax is determined in a different manner than the regular income tax. U.S. Persons should consult their tax advisors with respect to their consequences with respect to the 3.8% Medicare tax.

Reporting and Administrative Requirements

Reports of accrued interest, OID, if any, and information necessary to compute the accrual of any market discount on the Regular Certificates will be made annually to the IRS and to individuals, estates, non-exempt and non-charitable trusts, and partnerships who are either Holders of record of Regular Certificates or beneficial owners who own Regular Certificates through a broker or middleman as nominee. All brokers, nominees and all other non-exempt Holders of record of Regular Certificates (including corporations, non-calendar year taxpayers, securities or commodities dealers, real estate investment trusts, investment companies, common trust funds, thrift institutions and charitable trusts) may request such information for any calendar quarter by telephone or in writing by contacting the person designated in IRS Publication 938 with respect to the related REMIC. Holders through nominees must request such information from the nominee.

Treasury Regulations require that information be furnished annually to Holders of Regular Certificates and filed annually with the IRS concerning the percentage of each Trust REMIC's assets meeting the qualified asset tests described above under "—Status of Regular Certificates."

DUE TO THE COMPLEXITY OF THESE RULES AND THE CURRENT UNCERTAINTY AS TO THE MANNER OF THEIR APPLICATION TO THE ISSUING ENTITY AND CERTIFICATEHOLDERS, IT IS PARTICULARLY IMPORTANT THAT POTENTIAL INVESTORS CONSULT THEIR OWN TAX ADVISORS REGARDING THE TAX TREATMENT OF THEIR ACQUISITION, OWNERSHIP AND DISPOSITION OF THE CERTIFICATES.

STATE AND OTHER TAX CONSIDERATIONS

In addition to the federal income tax consequences described in "Certain Federal Income Tax Consequences," potential investors should consider the state, local and other income tax consequences of the acquisition, ownership, and disposition of the certificates. State and local income tax law may differ substantially from the corresponding federal law, and this discussion does not purport to describe any aspect of the income tax laws of any state, local or other jurisdiction. Therefore, potential investors should consult their own tax advisors with respect to the various tax consequences of investments in the certificates.

USE OF PROCEEDS

We will use the net proceeds from the sale of the offered certificates to pay part of the purchase price of the underlying mortgage loans.

PLAN OF DISTRIBUTION

Subject to the terms and conditions of a certificate purchase agreement, we have agreed to sell to Freddie Mac the offered certificates and Freddie Mac has agreed to purchase the offered certificates from us. Freddie Mac intends to include the offered certificates in pass-through pools that it will form for its SPCs.

LEGAL MATTERS

The validity of the offered certificates and certain federal income tax matters will be passed upon for us by Cadwalader, Wickersham & Taft LLP, New York, New York. Cadwalader, Wickersham & Taft LLP also regularly provides legal representation to Freddie Mac.

GLOSSARY

The following capitalized terms will have the respective meanings assigned to them in this "Glossary" section whenever they are used in this information circular, including in any of the exhibits to this information circular.

"30/360 Basis" means the accrual of interest based on a 360-day year consisting of 12 months each consisting of 30 days.

"ACA" means the Patient Protection and Affordable Care Act of 2010, as amended.

"Accepted Servicing Practices" means servicing and administering the underlying mortgage loans and/or REO Properties:

- (i) in the same manner in which, and with the same care, skill, prudence and diligence with which the master servicer or the special servicer, as the case may be, services and administers similar mortgage loans for other third party portfolios, giving due consideration to the customary and usual standards of practice of prudent institutional commercial and multifamily mortgage loan servicers servicing mortgage loans for third parties, which includes for purposes of this clause (i), Freddie Mac Servicing Practices and (ii) with the same care, skill, prudence and diligence with which the master servicer or the special servicer, as the case may be, services and administers similar commercial and multifamily mortgage loans owned by it, whichever is higher;

- with a view to the timely collection of all scheduled payments of principal and interest under the underlying mortgage loans and, in the case of the special servicer, if an underlying mortgage loan comes into and continues in default and if, in the judgment of the special servicer, no satisfactory arrangements can be made for the collection of the delinquent payments, the maximization of the recovery on that underlying mortgage loan to the certificateholders (as a collective whole), on a net present value basis; but

- without regard to—

  (i) any relationship that the master servicer or the special servicer, as the case may be, or any of their affiliates may have with the related borrower, the mortgage loan seller or any other party to the Pooling and Servicing Agreement,

  (ii) the ownership of any certificate or any subordinate debt by the master servicer or the special servicer, as the case may be, or by any of their affiliates,

  (iii) the master servicer's obligation to make advances,

  (iv) the special servicer's obligation to request that the master servicer make Servicing Advances,

  (v) the right of the master servicer or the special servicer, as the case may be, or any of their affiliates, to receive reimbursement of costs, or the sufficiency of any compensation payable to it, or with respect to any particular transaction,

  (vi) any potential conflict of interest arising from the ownership, servicing or management for others of any other mortgage loans or mortgaged real properties by the master servicer or the special servicer, as the case may be, or any affiliate of the master servicer or the special servicer, as applicable,

  (vii) any obligation of the master servicer (in its capacity as a mortgage loan originator, if applicable) to cure a breach of a representation or warranty or repurchase the underlying mortgage loan,

  (viii) any debt extended to the borrower or any of its affiliates by the master servicer or the special servicer, as the case may be, or any of their affiliates, or

(ix) the right of the master servicer or the special servicer, as the case may be, to exercise any purchase option as described in "The Pooling and Servicing Agreement—Termination" in this information circular.

Unless otherwise specified in the Pooling and Servicing Agreement, all net present value calculations and determinations made pursuant to the Pooling and Servicing Agreement with respect to the underlying mortgage loans or a mortgaged real property or REO Property (including for purposes of the definition of "Accepted Servicing Practices") will be made in accordance with the loan documents or, in the event the loan documents are silent, using a discount rate appropriate for the type of cash flows being discounted, namely (a) for principal and interest payments on an underlying mortgage loan or the sale of a Defaulted Loan, the applicable mortgage interest rate and (b) for all other cash flows, including property cash flow, the "discount rate" set forth in the most recent related appraisal (or update of such appraisal).

"Actual/360 Basis" means the accrual of interest based on the actual number of days elapsed during each one-month accrual period in a year assumed to consist of 360 days.

"ADA" means the Americans with Disabilities Act of 1990, as amended.

"Additional Issuing Entity Expense" means an expense (other than master servicer surveillance fees, special servicer surveillance fees, master servicing fees, sub-servicing fees, certificate administrator fees, trustee fees, the Guarantee Fee and CREFC® Intellectual Property Royalty License Fees) of the issuing entity that—

- arises out of a default on an underlying mortgage loan or an otherwise unanticipated event affecting the issuing entity, whether or not related to a particular underlying mortgage loan;
- is not covered by a Servicing Advance, a corresponding collection from the related borrower or indemnification from another person; and
- to the extent that it is allocable to a particular underlying mortgage loan, is not covered by late payment charges or Default Interest collected on that mortgage loan.

We provide some examples of Additional Issuing Entity Expenses under "Description of the Certificates—Reductions of Certificate Principal Balances in Connection with Realized Losses and Additional Issuing Entity Expenses" in this information circular.

"Adverse REMIC Event" means any action taken that, under the REMIC Provisions, if taken or not taken, as the case may be, could (i) cause either Trust REMIC to fail to qualify as a REMIC or (ii) result in the imposition of a tax under the REMIC Provisions upon either Trust REMIC (including the tax on prohibited transactions as defined in Section 860F(a)(2) of the Code and the tax on contributions to a REMIC set forth in Section 860G(d) of the Code, but not including the tax on net income from foreclosure property imposed by Section 860G(c) of the Code).

"Affiliated Borrower" means any borrower that controls, is controlled by or under common control with the directing certificateholder. For the purposes of this definition, "control" means the power to direct the management and policies of such borrower or directing certificateholder, as applicable, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"Affiliated Borrower Loan" means any underlying mortgage loan with an Affiliated Borrower.

"Affiliated Borrower Loan Directing Certificateholder" means the special servicer or, if the related Affiliated Borrower Loan is also an Affiliated Borrower Special Servicer Loan, the Affiliated Borrower Special Servicer.

"Affiliated Borrower Loan Event" means an event that will exist with respect to any underlying mortgage loan if at any time the directing certificateholder, any of its managing members or any of its affiliates becomes or is the related borrower (or any proposed replacement borrower) or any Restricted Mezzanine Holder or becomes aware that the directing certificateholder, any of its managing members or any of its affiliates is an affiliate of the related

borrower (or any proposed replacement borrower) or any Restricted Mezzanine Holder. As of the Closing Date, no Affiliated Borrower Loan Event is expected to exist with respect to the Initial Directing Certificateholder.

"Affiliated Borrower Special Servicer" means the successor to the resigning special servicer for the related Affiliated Borrower Special Servicer Loan, which successor is appointed in accordance with the requirements set forth in the Pooling and Servicing Agreement.

"Affiliated Borrower Special Servicer Loan" means any underlying mortgage loan with respect to which an Affiliated Borrower Special Servicer Loan Event has occurred and is continuing (except with respect to any Affiliated Borrower Special Servicer Loan Event that exists on the Closing Date and that is described in the definition of Affiliated Borrower Special Servicer Loan Event). As of the Closing Date, no Affiliated Borrower Special Servicer Loan is expected to exist.

"Affiliated Borrower Special Servicer Loan Event" means an event that will exist with respect to any underlying mortgage loan if at any time the special servicer obtains knowledge that the special servicer, any of its managing members or any of its affiliates (i) becomes, intends to become or is the related borrower (or any proposed replacement borrower) or a Restricted Mezzanine Holder, (ii) becomes aware that the special servicer, any of its managing members or any of its affiliates is or intends to become an affiliate of the related borrower (or any proposed replacement borrower) or a Restricted Mezzanine Holder or (iii) becomes or intends to become the owner of a direct or indirect interest in the related borrower (including a security interest (but not including a mezzanine loan unless the special servicer is a Restricted Mezzanine Holder) or preferred equity or participation interest) or in the related mortgaged real property (including any lien on such mortgaged real property). As of the Closing Date, no Affiliated Borrower Special Servicer Loan Event is expected to exist.

"Aggregate Annual Cap" means, with respect to the master servicer and certain indemnified sub-servicers, the Master Servicer Aggregate Annual Cap; with respect to the special servicer, the Special Servicer Aggregate Annual Cap; with respect to the trustee, the Trustee Aggregate Annual Cap; with respect to the certificate administrator and the custodian, the Certificate Administrator/Custodian Aggregate Annual Cap; and with respect to the depositor, the Depositor Aggregate Annual Cap; *provided*, that if the same person or entity is the trustee and the certificate administrator/custodian, Aggregate Annual Cap will refer to the Trustee/Certificate Administrator/Custodian Aggregate Annual Cap, and not the Trustee Aggregate Annual Cap or the Certificate Administrator/Custodian Aggregate Annual Cap.

"Aggregate Annual Cap Termination Date" means the earlier to occur of (i) the determination date in September 2024 and (ii) any determination date on which the master servicer determines that the aggregate amount of Unreimbursed Indemnification Expenses (with interest on such amounts) and other outstanding Servicing Advances (with interest on such amounts), debt service advances (with interest on such amounts), nonrecoverable advances (with interest on such amounts), Workout-Delayed Reimbursement Amounts (with interest on such amounts) and Additional Issuing Entity Expenses (excluding special servicing fees, liquidation fees and workout fees) equals or exceeds an amount equal to 50% of the outstanding principal balance of the mortgage pool on such determination date (after the application of all payments of principal and/or interest collected during the related Collection Period).

"Appraisal Reduction Amount" means, for any distribution date and for any underlying mortgage loan as to which any Appraisal Reduction Event has occurred, subject to the discussion under "The Pooling and Servicing Agreement—Required Appraisals" in this information circular, an amount equal to the excess, if any, of (1) the Stated Principal Balance of the underlying mortgage loan over (2) the excess, if any, of (a) the sum of (i) 90% of the appraised value of the related mortgaged real property as determined (A) by one or more independent MAI appraisals with respect to any underlying mortgage loan with an outstanding principal balance greater than or equal to $2,000,000 (the costs of which will be required to be paid by the master servicer as a Servicing Advance) or (B) by an independent MAI appraisal (or an update of a prior appraisal) or an internal valuation performed by the special servicer with respect to any underlying mortgage loan with an outstanding principal balance less than $2,000,000, in the case of either (A) or (B), as such appraisal or internal valuation may be adjusted downward by the special servicer in accordance with the Servicing Standard, without implying any duty to do so, based on the special servicer's review of such appraisal, internal valuation or such other information as the special servicer deems relevant, plus (ii) any letter of credit, reserve, escrow or similar amount held by the master servicer which may be applied to payments on the underlying mortgage loan over (b) the sum of (i) to the extent not previously advanced

by the master servicer or the trustee, all unpaid interest on the underlying mortgage loan at a *per annum* rate equal to its mortgage interest rate, (ii) all unreimbursed advances in respect of the underlying mortgage loan and interest on such amounts at the Prime Rate and (iii) all currently due and unpaid real estate taxes and assessments, insurance policy premiums, ground rents and all other amounts due and unpaid with respect to the underlying mortgage loan (which taxes, assessments, premiums, ground rents and other amounts have not been subject to an advance by the master servicer or the trustee and/or for which funds have not been escrowed).

"Appraisal Reduction Event" means, with respect to any underlying mortgage loan, the earliest of any of the following events—

- 120 days after an uncured delinquency (without regard to the application of any grace period) occurs in respect of an underlying mortgage loan (except that with respect to a balloon payment delinquency, an Appraisal Reduction Event will not be deemed to occur until the underlying mortgage loan becomes a Specially Serviced Mortgage Loan);

- the date on which a reduction in the amount of monthly payments on an underlying mortgage loan, or a change in any other material economic term of the underlying mortgage loan (other than an extension of its scheduled maturity date for a period of six months or less), becomes effective as a result of a modification of such underlying mortgage loan by the special servicer;

- 60 days after a receiver or liquidator has been appointed for the related borrower or immediately after a receiver has been appointed for the related mortgaged real property;

- 30 days after a borrower declares bankruptcy;

- 60 days after the borrower becomes the subject of an undischarged and unstayed decree or order for a bankruptcy proceeding; and

- immediately after a mortgaged real property becomes an REO Property;

provided, *however*, that there will be no reduction in any advance for delinquent monthly debt service payments if an Appraisal Reduction Event occurs at any time after the outstanding certificate balance of the class B certificates has been reduced to zero.

"Appraised Value" means, for any mortgaged real property securing an underlying mortgage loan, the "as is" value estimate reflected in the most recent appraisal obtained by or otherwise in the possession of the mortgage loan seller.

In general, the amount of costs assumed by the appraiser for these purposes is based on—

- an estimate by the individual appraiser;

- an estimate by the related borrower;

- the estimate set forth in the property condition assessment conducted in connection with the origination of the related underlying mortgage loan; or

- a combination of these estimates.

"Asset Status Report" means the report designated as such and described under, "The Pooling and Servicing Agreement—Realization Upon Mortgage Loans—Asset Status Report" in this information circular.

"Assumed Final Distribution Date" means, with respect to any class of certificates, the date set forth for such class in the table on page 5 of this information circular.

"Available Distribution Amount" means, with respect to any distribution date, amounts on deposit in the distribution account available to make distributions on the certificates on that date, generally equal to (a) the sum of

(i) the aggregate amount received on or with respect to the underlying mortgage loans and any related REO Properties on or prior to the related determination date, (ii) the aggregate amount of revenues and other proceeds derived from REO Properties (net of amounts necessary for the proper operation, management, leasing, maintenance and disposition of such REO Properties) for such distribution date, (iii) the aggregate amount of any P&I Advances, which P&I Advances will not include any master servicing fees, sub-servicing fees, master servicer surveillance fees and special servicer surveillance fees, made by the master servicer and/or the trustee, as applicable, for such distribution date, (iv) all funds released from the interest reserve account for distribution on such distribution date, (v) any payments made by the master servicer to cover Prepayment Interest Shortfalls incurred during the related Collection Period, and (vi) excess liquidation proceeds (but only to the extent that the Available Distribution Amount for such distribution date would be less than the amount distributable to the certificateholders on such distribution date), minus (b)(i) all collected monthly payments due after the end of the related Collection Period, (ii) all amounts payable or reimbursable from the collection account and the distribution account pursuant to the terms of the Pooling and Servicing Agreement for the payment of certain expenses, fees and indemnities, (iii) all Yield Maintenance Charges and Static Prepayment Premiums, (iv) all amounts deposited in the collection account in error, (v) any net interest or net investment income on funds in the collection account, any REO account or Permitted Investments, (vi) any withheld amounts deposited in the interest reserve account held for future distribution, and (vii) excess liquidation proceeds.

The certificate administrator will apply the Available Distribution Amount as described under "Description of the Certificates—Distributions" in this information circular to pay principal and accrued interest on the certificates on that date.

"B-Piece Buyer" means the anticipated initial investor in the class B certificates.

"Balanced Budget Act" means the Balanced Budget Act of 1997.

"Balloon Guarantor Payment" means, with respect to any distribution date and any class of Offered Principal Balance Certificates, the amount of additional principal that would have been distributed to any class of Offered Principal Balance Certificates if the Principal Distribution Amount had been increased by an amount equal to the aggregate amount of the Stated Principal Balance of each underlying Balloon Loan that reached its scheduled maturity date (without giving effect to any acceleration of principal of such underlying Balloon Loan by reason of a default and without regard to any grace period permitted by the related note or any modifications, waivers or amendments granted by the master servicer or the special servicer after the Closing Date) during the related Collection Period but as to which the related borrower failed to pay the entire outstanding principal balance of the underlying Balloon Loan, including the balloon payment by the end of such Collection Period (and with respect to which no final recovery determination has been made prior to its scheduled maturity date); such aggregate amount not to exceed the total outstanding principal balance of the Offered Principal Balance Certificates, as reduced by the Principal Distribution Amount to be applied in reduction of the outstanding principal balance of any class of Offered Principal Balance Certificates on such distribution date.

"Balloon Loan" means any underlying mortgage loan whose principal balance is not scheduled to be fully amortized by the underlying mortgage loan's scheduled maturity date and thus requires a payment at such scheduled maturity date larger than the regular monthly debt service payment due on such underlying mortgage loan.

"Bankruptcy Code" means Title 11 of the United States Code, as amended.

"Business Day" means any day other than a Saturday, a Sunday or any day on which banking institutions in the City and State of New York, the State of North Carolina, the Commonwealth of Virginia, or in the cities in which the principal offices of Freddie Mac, the certificate administrator, the custodian, the master servicer or the special servicer are located or the city in which the corporate trust office of the trustee is located, are authorized or obligated by law, executive order or governmental decree to remain closed.

"CERCLA" means the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended.

"Certificate Administrator/Custodian Aggregate Annual Cap" means $300,000 per calendar year in the aggregate with respect to the certificate administrator and the custodian.

"Class Final Guarantor Payment" means any payment made by the Guarantor in respect of clause 4 of the definition of Deficiency Amount.

"Class X Strip Rates" means, for the purposes of calculating the pass-through rate for the class X certificates, the rates *per annum* at which interest accrues from time to time on the three components of the notional amount of the corresponding component of the class X certificates outstanding immediately prior to the related distribution date. For each class of Principal Balance Certificates, the class X certificates will have a component that will have a notional amount equal to the principal balance of that class of certificates. For purposes of calculating the pass-through rate for the class X certificates for each Interest Accrual Period, (i) the applicable Class X Strip Rate with respect to the components related to the class A-1 and A-2 certificates, respectively, will be a rate *per annum* equal to the excess, if any, of (a) the Weighted Average Net Mortgage Pass-Through Rate for such distribution date minus the Guarantee Fee Rate, over (b) the pass-through rate for the class A-1 or class A-2 certificates, as applicable; and (ii) the applicable Class X Strip Rate with respect to the component related to the class B certificates will be a rate *per annum* equal to the excess, if any, of (a) the Weighted Average Net Mortgage Pass-Through Rate for such distribution date minus the CREFC® Intellectual Property Royalty License Fee Rate over (b) the pass-through rate for the class B certificates. In no event may any Class X Strip Rate be less than zero.

"Closing Date" means the date of initial issuance for the certificates, which will be on or about October 28, 2016.

"CMBS" means commercial and multifamily mortgage-backed securities.

"CMS" has the meaning assigned to such term under "Risk Factors—Risks Related to the Underlying Mortgage Loans—The Operations of the Mortgaged Real Properties May Be Subject to Regulations Promulgated by Federal, State and Local Governments, and any Failure To Comply with such Regulations May Adversely Affect the Borrower's Ability To Repay the Underlying Mortgage Loans" in this information circular.

"Code" means the Internal Revenue Code of 1986, as amended.

"Collection Period" means, with respect to any distribution date for the certificates, the related period commencing immediately following the determination date in the calendar month preceding the month in which such distribution date occurs and ending on and including the determination date in the calendar month in which such distribution date occurs, or, with respect to the first distribution date for the certificates, the period commencing on the Cut-off Date and ending on and including the determination date in November 2016.

"Consent Actions" has the meaning assigned to such term under "The Pooling and Servicing Agreement—Realization Upon Mortgage Loans—Asset Status Report" in this information circular.

"Controlling Class" means, as of the Closing Date, the class B certificates, until the outstanding principal balance of such class is less than 25% of the initial class principal balance of such class and thereafter the class A-1 and A-2 certificates, collectively. However, if the class B certificates are the only class with an outstanding principal balance, the class B certificates will be the Controlling Class.

"Corrected Mortgage Loan" means any Specially Serviced Mortgage Loan that has become a performing mortgage loan, in accordance with its original term or as modified in accordance with the Pooling and Servicing Agreement, for three consecutive monthly payments and that no other Servicing Transfer Event is continuing with respect to such Specially Serviced Mortgage Loan and the servicing of which has been returned to the master servicer; *provided* that no additional Servicing Transfer Event is foreseeable in the reasonable judgment of the special servicer.

"Cost Approach" means the determination of the value of a mortgaged real property arrived at by adding the estimated value of the land to an estimate of the current replacement cost of the improvements, and then subtracting depreciation from all sources.

"CPR" means an assumed constant rate of prepayments each month, which is expressed on a *per annum* basis, relative to the then-outstanding principal balance of a pool of mortgage loans for the life of those loans. The CPR model is the prepayment model that we use in this information circular.

"CREFC®" means the Commercial Real Estate Finance Council, an international trade organization for the commercial real estate capital markets.

"CREFC® Intellectual Property Royalty License Fee" means the monthly fee to be paid to CREFC® pursuant to the Pooling and Servicing Agreement in an amount equal to the product of (i) the CREFC® Intellectual Property Royalty License Fee Rate multiplied by (ii) the outstanding principal balance of the class B certificates.

"CREFC® Intellectual Property Royalty License Fee Rate" means the rate equal to 0.0005% *per annum* computed on the same basis and in the same manner as interest is computed on the class B certificates.

"CREFC Investor Reporting Package®" means:

1. the following seven electronic files: (i) CREFC® Loan Setup File, (ii) CREFC® Loan Periodic Update File, (iii) CREFC® Property File, (iv) CREFC® Bond Level File, (v) CREFC® Financial File, (vi) CREFC® Collateral Summary File and (vii) CREFC® Special Servicer Loan File;

2. the following 11 supplemental reports: (i) CREFC® Delinquent Loan Status Report, (ii) CREFC® Historical Loan Modification/Forbearance and Corrected Mortgage Loan Report, (iii) CREFC® Historical Liquidation Loss Report, (iv) CREFC® REO Status Report, (v) CREFC® Loan Level Reserve/LOC Report, (vi) CREFC® Comparative Financial Status Report, (vii) CREFC® Servicer Watchlist, (viii) CREFC® Operating Statement Analysis Report, (ix) CREFC® NOI Adjustment Worksheet, (x) CREFC® Reconciliation of Funds Report and (xi) the CREFC® Advance Recovery Report; and

3. such other reports as CREFC® may designate as part of the "CREFC Investor Reporting Package®" from time to time generally; or

4. in lieu of (1), (2) and (3), such new CREFC Investor Reporting Package® as published by the CREFC® and consented to by the directing certificateholder, Freddie Mac and the master servicer.

"Crossed Mortgage Loan Repurchase Criteria" has the meaning assigned to such term under "Description of the Underlying Mortgage Loans—Cures, Repurchases and Substitutions" in this information circular.

"Cut-off Date" means, with respect to each underlying mortgage loan, the applicable due date in October 2016 (which will be October 1, 2016, subject, in some cases, to a next succeeding business day convention). October 1, 2016 is considered the Cut-off Date for the issuing entity.

"Cut-off Date Balance/Unit" means:

- with respect to any underlying mortgage loan, other than an underlying mortgage loan referred to in the following bullet, the ratio of—

    1. the Cut-off Date Principal Balance of the underlying mortgage loan, to

    2. the Total Units at the related mortgaged real property.

- with respect to any underlying mortgage loan that is secured, including through cross-collateralization, by multiple mortgaged real properties, the ratio of—

    1. the aggregate Cut-off Date Principal Balance of the underlying mortgage loan and all other underlying mortgage loans with which it is cross-collateralized, to

    2. the sum of the Total Units at all of the related mortgaged real properties.

"Cut-off Date Loan-to-Value Ratio" or "Cut-off Date LTV" means:

- with respect to any underlying mortgage loan, other than an underlying mortgage loan referred to in the next bullet, the ratio of—

1. the Cut-off Date Principal Balance of the underlying mortgage loan, to

2. the most recent Appraised Value of the related mortgaged real property; and

- with respect to any underlying mortgage loan that is secured, including through cross-collateralization, by multiple mortgaged real properties, the weighted average of, for such underlying mortgage loan and all other underlying mortgage loans with which it is cross-collateralized, the ratios of—

  1. the Cut-off Date Principal Balance of the underlying mortgage loan, to

  2. the most recent Appraised Value of the related mortgaged real property,

  in each case, weighted based on the Cut-off Date Principal Balance for such underlying mortgage loan relative to the aggregate Cut-off Date Principal Balance of it and all such underlying mortgage loans with which it is cross-collateralized.

"Cut-off Date Principal Balance" or "Cut-off Date Loan Amount" means, with respect to any underlying mortgage loan, the outstanding principal balance of such underlying mortgage loan as of the Cut-off Date.

"Default Interest" means any interest that—

1. accrues on a Defaulted Loan solely by reason of the subject default; and

2. is in excess of all interest at the regular mortgage interest rate for the underlying mortgage loan.

"Defaulted Crossed Loan" means a Crossed Loan that is both a Defaulted Loan and a Servicing Transferred Crossed Loan.

"Defaulted First Lien Loan" has the meaning assigned to such term under "The Pooling and Servicing Agreement—Realization Upon Mortgage Loans—Purchase Option" in this information circular.

"Defaulted Loan" means any underlying mortgage loan (a) that is at least 60 days delinquent in respect of its monthly payments, without giving effect to any grace period permitted by the related mortgage, loan agreement or mortgage note, (b) that is delinquent in respect of its balloon payment, if any, without giving effect to any grace period permitted by the related mortgage, loan agreement or mortgage note or (c) as to which any non-monetary event of default occurs that results in the underlying mortgage loan becoming a Specially Serviced Mortgage Loan, *provided, however,* that no monthly payment (other than a balloon payment) will be deemed delinquent if less than $10 of all amounts due and payable on such underlying mortgage loan has not been received.

"Defaulted Loan Fair Value Purchase Price" has the meaning assigned to such term under "The Pooling and Servicing Agreement—Realization Upon Mortgage Loans—Purchase Option" in this information circular.

"Deficiency Amount" means, with respect to any distribution date and any class of Guaranteed Certificates, the sum of:

1. the amount, if any, by which the interest payable on such class of Guaranteed Certificates exceeds the amount of interest actually distributed to the holders of such Guaranteed Certificates on such distribution date;

2. any Balloon Guarantor Payment for such class of Guaranteed Certificates;

3. the amount, if any, of Realized Losses and Additional Issuing Entity Expenses allocated to such class of Offered Principal Balance Certificates; and

4. on the Assumed Final Distribution Date for any class of Offered Principal Balance Certificates, the outstanding principal balance of such class on such Assumed Final Distribution Date (after giving effect to all amounts distributable and allocable to principal on such class but prior to giving effect to

any Guarantor Payment including any Balloon Guarantor Payment for such class on such final distribution date).

"Depositor Aggregate Annual Cap" means $300,000 per calendar year.

"Directing Certificateholder Increased Offer Notice" has the meaning assigned to such term under "The Pooling and Servicing Agreement—Realization Upon Mortgage Loans—Purchase Option" in this information circular.

"Directing Certificateholder Increased Offer Notice Period" has the meaning assigned to such term under "The Pooling and Servicing Agreement—Realization Upon Mortgage Loans—Purchase Option" in this information circular.

"Directing Certificateholder Servicing Consultant" has the meaning assigned to such term under "Summary of Information Circular—Relevant Parties/Entities—Special Servicer" in this information circular.

"Dodd-Frank Act" means The Dodd-Frank Wall Street Reform and Consumer Protection Act.

"DOJ" means the U.S. Department of Justice.

"DRA" means the Deficit Reduction Act of 2005.

"EEA" means the European Economic Area.

"ESA" means a Phase I environmental site assessment.

"EU Risk Retention and Due Diligence Requirements" has the meaning assigned to such term under "Risk Factors—Risks Related to the Offered Certificates—Legal and Regulatory Provisions Affecting Investors Could Adversely Affect the Liquidity of Your Investment" in this information circular.

"Estimated Annual Operating Expenses" means, for each of the mortgaged real properties securing an underlying mortgage loan, the historical annual operating expenses for the property, adjusted upward or downward, as appropriate, to reflect, among other things, any expense modifications made as discussed below.

For purposes of calculating the Estimated Annual Operating Expenses for any mortgaged real property securing an underlying mortgage loan:

- the "historical annual operating expenses" for that property normally consist of historical expenses that were generally obtained/estimated—

    1. from operating statements relating to a complete fiscal year of the borrower for the prior three calendar years or a trailing 12-month period ended in one such year,

    2. by annualizing the most recent partial calendar year amount of operating expenses for which operating statements were available, with adjustments for some items deemed inappropriate for annualization,

    3. by calculating a stabilized estimate of operating expenses which takes into consideration historical financial statements and material changes in the operating position of the property, such as newly signed leases and market data, or

    4. if the property was recently constructed, by calculating an estimate of operating expenses based on the appraisal of the property or market data; and

- the "expense modifications" made to the historical annual operating expenses for that property often include—

    1. assuming, in most cases, that a management fee, equal to approximately 2.5% to 5.0% of total revenues, was payable to the property manager,

2. adjusting historical expense items upwards or downwards to reflect inflation and/or industry norms for the particular type of property,

3. the underwritten recurring replacement reserve amounts, and

4. adjusting historical expenses downwards by eliminating various items which are considered non-recurring in nature or which are considered capital improvements, including recurring capital improvements.

The amount of any underwritten recurring replacement reserve amounts and/or underwritten leasing commissions and tenant improvements for each of the mortgaged real properties securing an underlying mortgage loan is shown in the table titled "Engineering Reserves and Recurring Replacement Reserves" on Exhibit A-1. The underwritten recurring replacement reserve amounts shown on Exhibit A-1 are expressed as dollars per unit.

By way of example, Estimated Annual Operating Expenses generally include—

- salaries and wages;
- the costs or fees of—
    1. utilities,
    2. repairs and maintenance,
    3. replacement reserves,
    4. marketing,
    5. insurance,
    6. management,
    7. landscaping, and/or
    8. security, if provided at the property, and
- the amount of taxes, general and administrative expenses and other costs.

Estimated Annual Operating Expenses generally do not reflect, however, any deductions for debt service, depreciation and amortization or capital expenditures or reserves for any of those items, except as described above.

Estimated Annual Operating Expenses for each mortgaged real property are calculated on the basis of numerous assumptions and subjective judgments, which, if ultimately proven erroneous, could cause the actual operating expenses for such mortgaged real property to differ materially from the Estimated Annual Operating Expenses set forth in this information circular. Some assumptions and subjective judgments relate to future events, conditions and circumstances, including future expense levels, which will be affected by a variety of complex factors over which none of the depositor, the mortgage loan seller, the master servicer, the special servicer, the certificate administrator or the trustee have control. In some cases, the Estimated Annual Operating Expenses for any mortgaged real property are lower, and may be materially lower, than the annual operating expenses for that mortgaged real property based on historical operating statements. In determining the Estimated Annual Operating Expenses for a mortgaged real property, the mortgage loan seller in most cases relied on generally unaudited financial information provided by the respective borrowers. No assurance can be given with respect to the accuracy of the information provided by any borrower, or the adequacy of any procedures used by the mortgage loan seller in determining the Estimated Annual Operating Expenses.

"Estimated Annual Revenues" generally means, for each of the mortgaged real properties securing an underlying mortgage loan, the base estimated annual revenues for the property, adjusted upward or downward, as appropriate, to reflect any revenue modifications made as discussed below.

For purposes of calculating the Estimated Annual Revenues for any mortgaged real property securing an underlying mortgage loan:

- the "base estimated annual revenues" for that property were generally assumed to equal the annualized amounts of gross potential rents; and
- the "revenue modifications" made to the base estimated annual revenues for that property often include—

    1. adjusting the revenues downwards by applying a combined vacancy and rent loss, including concessions, adjustment that reflected then current occupancy or, in some cases, a stabilized occupancy or, in some cases, an occupancy that was itself adjusted for historical trends or market rates of occupancy with consideration to competitive properties,

    2. adjusting the revenues upwards to reflect, in the case of some tenants, increases in base rents scheduled to occur during the following 12 months,

    3. adjusting the revenues upwards for estimated income consisting of, among other items, late fees, laundry income, application fees, cable television fees, storage charges, electrical pass throughs, pet charges, janitorial services, furniture rental and parking fees, and

    4. adjusting the revenues downwards in some instances where rental rates were determined to be significantly above market rates and the subject space was then currently leased to tenants that did not have long-term leases or were believed to be unlikely to renew their leases.

Estimated Annual Revenues for each mortgaged real property are calculated on the basis of numerous assumptions and subjective judgments, which, if ultimately proven erroneous, could cause the actual revenues for such mortgaged real property to differ materially from the Estimated Annual Revenues set forth in this information circular. Some assumptions and subjective judgments relate to future events, conditions and circumstances, including the re-leasing of vacant space and the continued leasing of occupied spaces, which will be affected by a variety of complex factors over which none of the depositor, the mortgage loan seller, the master servicer, the special servicer, the certificate administrator or the trustee have control. In some cases, the Estimated Annual Revenues for any mortgaged real property are higher, and may be materially higher, than the annual revenues for that mortgaged real property based on historical operating statements. In determining the Estimated Annual Revenues for a mortgaged real property, the mortgage loan seller in most cases relied on rent rolls and/or generally unaudited financial information provided by the respective borrowers. No assurance can be given with respect to the accuracy of the information provided by any borrower, or the adequacy of any procedures used by the mortgage loan seller in determining the Estimated Annual Revenues.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Fair Value" means the amount that, in the special servicer's judgment, exercised in accordance with the Servicing Standard, and taking into account the factors specified in the Pooling and Servicing Agreement, is the fair value of a Defaulted Loan.

"Fair Value Notice" has the meaning assigned to such term under "The Pooling and Servicing Agreement—Realization Upon Mortgage Loans—Purchase Option" in this information circular.

"Fair Value Purchase Notice" has the meaning assigned to such term under "The Pooling and Servicing Agreement—Realization Upon Mortgage Loans—Purchase Option" in this information circular.

"Fannie Mae" means the Federal National Mortgage Association.

"FHFA" means the Federal Housing Finance Agency.

"Fidelity Insurance" has the meaning assigned to such term under "The Pooling and Servicing Agreement—Liability of the Servicers" in this information circular.

"First Offeror" has the meaning assigned to such term under "The Pooling and Servicing Agreement—Realization Upon Mortgage Loans—Purchase Option" in this information circular.

"Fitch" means Fitch Ratings, Inc., and its successors-in-interest.

"FMAP" means Federal Medicaid Assistance Percentage.

"Freddie Mac" means Federal Home Loan Mortgage Corporation, a corporate instrumentality of the United States created and existing under Title III of the Emergency Home Finance Act of 1970, as amended, or any successor to it ("FHLMC"), or certain of its affiliates, if any, who assume certain obligations or are assigned certain rights under the Pooling and Servicing Agreement, as described under "Description of the Mortgage Loan Seller and Guarantor—Proposed Operation of Multifamily Mortgage Business on a Stand-Alone Basis" in this information circular; provided, however, that "Freddie Mac" means FHLMC with respect to its obligations as:

(i) mortgage loan seller pursuant to the mortgage loan purchase agreement and the Pooling and Servicing Agreement; and

(ii) Guarantor of the Guaranteed Certificates pursuant to the Freddie Mac Guarantee.

"Freddie Mac Act" means Title III of the Emergency Home Finance Act of 1970, as amended.

"Freddie Mac Guarantee" means obligations of the Guarantor as described under "Description of the Certificates—Distributions—Freddie Mac Guarantee" in this information circular.

"Freddie Mac Increased Offer Notice" has the meaning assigned to such term under "The Pooling and Servicing Agreement—Realization Upon Mortgage Loans—Purchase Option" in this information circular.

"Freddie Mac Increased Offer Notice Period" has the meaning assigned to such term under "The Pooling and Servicing Agreement—Realization Upon Mortgage Loans—Purchase Option" in this information circular.

"Freddie Mac Servicing Practices" means, with regard to the servicing of the underlying mortgage loans and/or REO Properties by the master servicer, the sub-servicer or the special servicer, and only to the extent such practices have been made available in writing or communicated in writing by Freddie Mac to the master servicer, such sub-servicer or the special servicer, as applicable, servicing and administering the underlying mortgage loans and/or REO Properties in the same manner in which, and with the same care, skill, prudence and diligence with which, Freddie Mac services and administers multifamily mortgage loans owned by it, which will include, without limitation, servicing and administering the underlying mortgage loans and/or REO Properties in accordance with the Guide and any Freddie Mac written policies, procedures or other communications made available in writing by Freddie Mac to the master servicer, such sub-servicer or the special servicer, as applicable, including written communications from Freddie Mac as servicing consultant, pursuant to the Pooling and Servicing Agreement.

"FTC" means the Federal Trade Commission.

"GAAP" means generally accepted accounting principles.

"Guarantee Fee" means, for any distribution date and with respect to the Guaranteed Certificates, the fee payable to the Guarantor in respect of its services as Guarantor, which fee accrues at the Guarantee Fee Rate on a balance equal to the total outstanding principal balance of the Offered Principal Balance Certificates immediately prior to such distribution date. The Guarantee Fee with respect to the Guaranteed Certificates will accrue on a 30/360 Basis.

"Guarantee Fee Rate" means a *per annum* rate equal to 0.7500%.

"Guaranteed Certificates" means the class A-1, A-2 and X certificates.

"Guarantor" means Freddie Mac.

"Guarantor Payment" means any payment made by the Guarantor in respect of a Deficiency Amount.

"Guarantor Reimbursement Amount" means, with respect to any distribution date and any class of Guaranteed Certificates, the sum of all amounts paid by the Guarantor in respect of Deficiency Amounts for such class of Guaranteed Certificates on such distribution date and on all prior distribution dates, to the extent not previously reimbursed (including from collections in respect of any mortgage loan on which a Balloon Guarantor Payment was made).

"Guarantor Reimbursement Interest Amount" means, with respect to any distribution date and any class of Guaranteed Certificates, interest on any Guarantor Reimbursement Amount (other than with respect to a Timing Guarantor Payment) for such class of Guaranteed Certificates at a *per annum* rate for each day (calculated on a daily basis) equal to the Prime Rate for such day plus 2.00%, calculated on a 30/360 Basis.

"Guarantor Timing Reimbursement Amount" means, with respect to any distribution date and the Offered Principal Balance Certificates, the portion of any Guarantor Reimbursement Amount related to any Timing Guarantor Payment for the Offered Principal Balance Certificates, together with any related Timing Guarantor Interest.

"Guide" means the Freddie Mac Multifamily Seller/Servicer Guide, as amended or supplemented from time to time. To the extent the Freddie Mac Multifamily Seller/Servicer Guide is no longer published by Freddie Mac, either directly or indirectly, "Guide" will refer to any successor guide as prescribed by Freddie Mac, which will be provided by Freddie Mac upon request if not otherwise reasonably accessible to the parties to the Pooling and Servicing Agreement; *provided, however*, that in the event that no successor guide is prescribed by Freddie Mac within 90 days of the date on which the Guide is no longer published by Freddie Mac, all references to the "Guide" in the Pooling and Servicing Agreement will be disregarded and the Guide will no longer be applicable. For purposes of the Pooling and Servicing Agreement, the term "Guide" will not include any form referenced in the Freddie Mac Multifamily Seller/Servicer Guide. Such forms will be applicable at the option of the master servicer, the special servicer or the sub-servicer.

"Income Approach" means the determination of the value of a mortgaged real property by using the discounted cash flow method of valuation or by the direct capitalization method. The discounted cash flow analysis is used in order to measure the return on a real estate investment and to determine the present value of the future income stream expected to be generated by the mortgaged real property. The future income of the mortgaged real property, as projected over an anticipated holding period, and the resulting net operating incomes or cash flows are then discounted to present value using an appropriate discount rate. The direct capitalization method generally converts an estimate of a single year's income expectancy, or, in some cases, a hypothetical stabilized single year's income expectancy, into an indication of value by dividing the income estimate by an appropriate capitalization rate. An applicable capitalization method and appropriate capitalization rates are developed for use in computations that lead to an indication of value. In utilizing the Income Approach, the appraiser's method of determination of gross income, gross expense and net operating income for the subject property may vary from the method of determining Underwritten Net Operating Income for that property, resulting in variances in the related net operating income values.

"Increased Offer Notice" has the meaning assigned to such term under "The Pooling and Servicing Agreement—Realization Upon Mortgage Loans—Purchase Option" in this information circular.

"Initial Directing Certificateholder" means ROC Debt Strategies KS07 LLC, a Delaware limited liability company, and its successors-in-interest.

"Interest Accrual Period" means, for any distribution date, the calendar month immediately preceding the month in which that distribution date occurs, and will be deemed to consist of 30 days.

"Investment Company Act" means the Investment Company Act of 1940, as amended.

"IRS" means the Internal Revenue Service.

"Junior Loan" has the meaning assigned to such term under "Description of the Underlying Mortgage Loans—Certain Terms and Conditions of the Underlying Mortgage Loans—Permitted Additional Debt" in this information circular.

"Junior Loan Holder" means the holder of the most subordinate Junior Loan as described under "Description of the Underlying Mortgage Loans—Certain Terms and Conditions of the Underlying Mortgage Loans—Permitted Additional Debt" in this information circular.

"Liquidation Proceeds" means cash amounts (other than income, rents and profits derived from the ownership, operation or leasing of an REO Property) actually received, net of expenses, in connection with (i) the liquidation of a mortgaged real property or other collateral constituting security for a Defaulted Loan, through trustee's sale, foreclosure sale, REO disposition or otherwise, exclusive of any portion of cash amounts required to be released to the related borrower; (ii) the realization upon any deficiency judgment obtained against a borrower; (iii) the purchase of a Defaulted Loan by the directing certificateholder (or any assignee or affiliate), Freddie Mac (or any assignee) or the Junior Loan Holder in accordance with the Pooling and Servicing Agreement; (iv) the repurchase or replacement of an underlying mortgage loan by or on behalf of the mortgage loan seller pursuant to defect in any mortgage file or a breach of any of its representations and warranties; or (v) the purchase of all of the underlying mortgage loans and REO Properties remaining in the issuing entity by the holders of a majority interest of the Controlling Class (excluding Freddie Mac), the master servicer or the special servicer pursuant to the terms of the Pooling and Servicing Agreement.

"Lower-Tier REMIC" means the REMIC identified as such and described under "Certain Federal Income Tax Consequences" in this information circular.

"Master Management Agreement" means each property management agreement, dated as of August 12, 2015, between the related borrower and the related Property Manager.

"Master Servicer Aggregate Annual Cap" means $300,000 per calendar year with respect to the master servicer and certain indemnified sub-servicers under the Pooling and Servicing Agreement, collectively.

"Maturity Balance" means, with respect to any underlying mortgage loan, the outstanding principal balance of the underlying mortgage loan immediately prior to its maturity, according to the payment schedule for the underlying mortgage loan and otherwise assuming no prepayments, defaults or extensions.

"Maturity Loan-to-Value Ratio" or "Maturity LTV" means

- with respect to any underlying mortgage loan, other than an underlying mortgage loan referred to in the following bullet, the ratio of—

  1. the Maturity Balance of the underlying mortgage loan, to

  2. the most recent Appraised Value of the related mortgaged real property; and

- with respect to any underlying mortgage loan that is secured, including through cross-collateralization with other underlying mortgage loans, by multiple mortgaged real properties, the weighted average of, for such underlying mortgage loan and all other underlying mortgage loans with which it is cross-collateralized, the ratios of—

  1. the Maturity Balance of the underlying mortgage loan, to

  2. the most recent Appraised Value of the related mortgaged real property,

  in each case, weighted based on the Cut-off Date Principal Balance for such underlying mortgage loan relative to the aggregate Cut-off Date Principal Balance of it and all such underlying mortgage loans with which it is cross-collateralized.

"Modeling Assumptions" means, collectively, the following assumptions regarding the certificates and the underlying mortgage loans:

- the underlying mortgage loans have the characteristics set forth on Exhibit A-1 and the initial mortgage pool balance is approximately $464,680,000;

- the initial principal balance or notional amount, as the case may be, of each class of certificates is as described in this information circular;

- the pass-through rate for each interest-bearing class of certificates is as described in this information circular;

- there are no delinquencies, modifications or losses with respect to the underlying mortgage loans;

- no underlying mortgage loan is a Specially Serviced Mortgage Loan;

- there are no modifications, extensions, waivers or amendments affecting the monthly debt service or balloon payments by borrowers on the underlying mortgage loans;

- there are no Appraisal Reduction Amounts with respect to the underlying mortgage loans;

- there are no casualties or condemnations affecting the corresponding mortgaged real properties;

- each of the underlying mortgage loans provides monthly debt service payments to be due on the first day of each month, regardless of whether the subject date is a business day or not;

- monthly debt service payments on the underlying mortgage loans are timely received on their respective due dates in each month, regardless of whether the subject date is a business day or not;

- no voluntary or involuntary prepayments are received as to any underlying mortgage loan during that underlying mortgage loan's prepayment lockout period, Yield Maintenance Period or Static Prepayment Premium Period;

- except as otherwise assumed in the immediately preceding bullet, prepayments are made on each of the underlying mortgage loans at the indicated CPRs set forth in the subject tables or other relevant part of this information circular, without regard to any limitations in those underlying mortgage loans on partial voluntary principal prepayments;

- all prepayments on the underlying mortgage loans are assumed to be—

    1. accompanied by a full month's interest, and

    2. received on the applicable due date of the relevant month;

- no person or entity entitled under the Pooling and Servicing Agreement exercises its right of optional termination as described under "The Pooling and Servicing Agreement—Termination" in this information circular;

- none of the underlying mortgage loans is required to be repurchased or replaced by the mortgage loan seller or any other person, as described under "Description of the Underlying Mortgage Loans—Cures, Repurchases and Substitutions" in this information circular;

- the Administration Fee Rate is as set forth on Exhibit A-1 and the only other issuing entity expenses are the Guarantee Fee and the CREFC® Intellectual Property Royalty License Fee;

- there are no Additional Issuing Entity Expenses;

- funds released from the interest reserve account for any underlying mortgage loan that has paid in full will be included in the calculation of net weighted average coupon of the remaining underlying mortgage loans;

- payments on the offered certificates are made on the 25th day of each month, commencing in November 2016; and

- the offered certificates are settled on an assumed settlement date of October 28, 2016.

"Moody's" means Moody's Investors Service, Inc., and its successors-in-interest.

"Morningstar" means Morningstar Credit Ratings, LLC, and its successors-in-interest.

"Most Recent EGI" generally means, for any mortgaged real property that secures an underlying mortgage loan, the revenues received (effective gross income), or annualized or estimated in some cases, in respect of the property for the 12-month period ended as of the Most Recent Financial End Date, based on the latest available annual or, in some cases, partial-year operating statement and other information furnished by the related borrower. For purposes of the foregoing, revenues generally consist of all revenues received in respect of the property, including rental and other revenues.

In determining the Most Recent EGI for any property, the mortgage loan seller may have made adjustments to the financial information provided by the related borrower similar to those used in calculating the Estimated Annual Revenues for that property.

Most Recent EGI for each mortgaged real property are calculated on the basis of numerous assumptions and subjective judgments, which, if ultimately proven erroneous, could cause the actual revenues for such mortgaged real property to differ materially from the Most Recent EGI set forth in this information circular. Some assumptions and subjective judgments relate to future events, conditions and circumstances, including the re-leasing of vacant space and the continued leasing of occupied spaces, which will be affected by a variety of complex factors over which none of the depositor, the mortgage loan seller, the master servicer, the special servicer, the certificate administrator or the trustee have control. In some cases, the Most Recent EGI for any mortgaged real property are higher, and may be materially higher, than the annual revenues for that mortgaged real property based on historical operating statements. In determining the Most Recent EGI for a mortgaged real property, the mortgage loan seller in most cases relied on rent rolls and/or generally unaudited financial information provided by the respective borrowers. No assurance can be given with respect to the accuracy of the information provided by any borrower, or the adequacy of any procedures used by the mortgage loan seller in determining the Most Recent EGI.

"Most Recent Expenses" means, for any mortgaged real property that secures an underlying mortgage loan, the expenses incurred, or annualized or estimated in some cases, for the property for the 12-month period ended as of the most recent operating statement date, based on the latest available annual or, in some cases, partial-year operating statement and other information furnished by the related borrower.

Expenses generally consist of all expenses incurred for the property, including—

- salaries and wages;
- the costs or fees of—
    1. utilities,
    2. repairs and maintenance,
    3. marketing,
    4. insurance,
    5. management,
    6. landscaping, and/or
    7. security, if provided at the property; and

- the amount of—

    1. real estate taxes,

    2. general and administrative expenses, and

    3. other costs.

For purposes of the foregoing, expenses do not reflect, however, any deductions for debt service, depreciation, amortization or capital expenditures.

In determining the Most Recent Expenses for any property, the mortgage loan seller may have made adjustments to the financial information provided by the related borrower similar to those used in calculating the Estimated Annual Operating Expenses for that property. Most Recent Expenses for each mortgaged real property are calculated on the basis of numerous assumptions and subjective judgments, which, if ultimately proven erroneous, could cause the actual operating expenses for such mortgaged real property to differ materially from the Most Recent Expenses set forth in this information circular. Some assumptions and subjective judgments relate to future events, conditions and circumstances, including future expense levels, which will be affected by a variety of complex factors over which none of the depositor, the mortgage loan seller, the master servicer, the special servicer, the certificate administrator or the trustee have control. In some cases, the Most Recent Expenses for any mortgaged real property are lower, and may be materially lower, than the annual operating expenses for that mortgaged real property based on historical operating statements. In determining the Most Recent Expenses for a mortgaged real property, the mortgage loan seller in most cases relied on generally unaudited financial information provided by the respective borrowers. No assurance can be given with respect to the accuracy of the information provided by any borrower, or the adequacy of any procedures used by the mortgage loan seller in determining the Most Recent Expenses.

"Most Recent Financial End Date" means, with respect to each of the underlying mortgage loans, the date indicated on Exhibit A-1 as the Most Recent Financial End Date with respect to that mortgage loan. In general, this date is the end date of the period covered by the latest available annual or, in some cases, partial-year operating statement for the related mortgaged real property.

"Most Recent NCF" or "Most Recent Net Cash Flow" means, with respect to each mortgaged real property that secures an underlying mortgage loan, the Most Recent Net Operating Income, less the most recent replacement reserve amounts.

"Most Recent NOI" or "Most Recent Net Operating Income" means, with respect to each of the mortgaged real properties that secures an underlying mortgage loan, the total cash flow derived from the property that was available for annual debt service on the related underlying mortgage loan, calculated as the Most Recent EGI less Most Recent Expenses for that property.

"Net Aggregate Prepayment Interest Shortfall" means, with respect to any distribution date, the excess, if any, of:

- the total Prepayment Interest Shortfalls incurred with respect to the mortgage pool during the related Collection Period, over

- the sum of—

    1. the total payments made by the master servicer to cover any Prepayment Interest Shortfalls incurred during the related Collection Period; and

    2. the total Prepayment Interest Excesses collected during the related Collection Period that are applied to offset Prepayment Interest Shortfalls incurred during the related Collection Period.

The master servicer will not make payments to cover, or apply Prepayment Interest Excesses received on the underlying mortgage loans to offset, Prepayment Interest Shortfalls incurred with respect to the underlying mortgage loans.

"Net Mortgage Interest Rate" means, with respect to any underlying mortgage loan, the related mortgage interest rate then in effect reduced by the sum of the annual rates at which the master servicer surveillance fee (if any), the special servicer surveillance fee (if any), the master servicing fee, sub-servicing fee, the certificate administrator fee and the trustee fee are calculated.

"Net Mortgage Pass-Through Rate" means,

- with respect to any underlying mortgage loan that accrues interest on a 30/360 Basis, for any distribution date, a rate *per annum* equal to either (i) the Original Net Mortgage Interest Rate for such underlying mortgage loan or (ii) if the mortgage interest rate for such underlying mortgage loan is increased in connection with a subsequent modification of such underlying mortgage loan after the Cut-off Date (but, for the avoidance of doubt, not if the mortgage interest rate is decreased), the Net Mortgage Interest Rate for such underlying mortgage loan; and

- with respect to any underlying mortgage loan that accrues interest on an Actual/360 Basis for any distribution date, a rate *per annum* equal to 12 times a fraction, expressed as a percentage (a) the numerator of which fraction is, subject to adjustment as described below in this definition, an amount of interest equal to the product of (i) the number of days in the related interest accrual period for such underlying mortgage loan with respect to the due date for such underlying mortgage loan that occurs during the Collection Period related to such distribution date, multiplied by (ii) the Stated Principal Balance of that underlying mortgage loan immediately preceding that distribution date, multiplied by (iii) 1/360, multiplied by either (iv)(1) the Original Net Mortgage Interest Rate for such underlying mortgage loan or (2) if the mortgage interest rate for such underlying mortgage loan is increased in connection with a subsequent modification of such underlying mortgage loan after the Cut-off Date (but, for the avoidance of doubt, not if the mortgage interest rate is decreased), the Net Mortgage Interest Rate for such underlying mortgage loan, and (b) the denominator of which is the Stated Principal Balance of that underlying mortgage loan immediately preceding that distribution date.

However, if the subject distribution date occurs during January, except during a leap year, or February (unless in either case, such distribution date is the final distribution date), then, in the case of any underlying mortgage loan that accrues interest on an Actual/360 Basis, the Net Mortgage Pass-Through Rate will be decreased to reflect any interest reserve amount with respect to the underlying mortgage loan that is transferred from the distribution account to the interest reserve account during that month. Furthermore, if the subject distribution date occurs during March (or February, if the final distribution date occurs in such month), then in the case of any underlying mortgage loan that accrues interest on an Actual/360 Basis, the Net Mortgage Pass-Through Rate will be increased to reflect any interest reserve amount(s) with respect to the underlying mortgage loan that are transferred from the interest reserve account to the distribution account during that month for distribution on such distribution date.

"Nonrecoverable Advance" means any Nonrecoverable P&I Advance or Nonrecoverable Servicing Advance or any portion of such Nonrecoverable P&I Advance or Nonrecoverable Servicing Advance.

"Nonrecoverable P&I Advance" has the meaning assigned to such term under "Description of the Certificates—Advances of Delinquent Monthly Debt Service Payments" in this information circular.

"Nonrecoverable Servicing Advance" has the meaning assigned to such term under "The Pooling and Servicing Agreement—Servicing and Other Compensation and Payment of Expenses—Servicing Advances" in this information circular.

"NRSRO" means a nationally recognized statistical rating organization as defined in Section 3(a)(62) of the Exchange Act.

"Offered Certificates" means the class A-1, A-2 and X certificates.

"Offered Principal Balance Certificates" means the class A-1 and A-2 certificates, collectively.

"Option Price" means the cash price at which any Defaulted Loan may be purchased under the related Purchase Option, as described under "The Pooling and Servicing Agreement—Realization Upon Mortgage Loans" in this information circular.

"Original Net Mortgage Interest Rate" means, with respect to any underlying mortgage loan, the Net Mortgage Interest Rate in effect for such underlying mortgage loan as of the Cut-off Date (or, in the case of any underlying mortgage loan substituted in replacement of another underlying mortgage loan pursuant to or as contemplated by the mortgage loan purchase agreement, as of the date of substitution).

"Originator" means W&D.

"P&I Advance" has the meaning assigned to such term under "Description of the Certificates—Advances of Delinquent Monthly Debt Service Payments" in this information circular.

"Par Purchase Notice" has the meaning assigned to such term under "The Pooling and Servicing Agreement—Realization Upon Mortgage Loans—Purchase Option" in this information circular.

"Par Purchase Notice Period" has the meaning assigned to such term under "The Pooling and Servicing Agreement—Realization Upon Mortgage Loans—Purchase Option" in this information circular.

"Permitted Encumbrances" means, with respect to any mortgaged real property securing an underlying mortgage loan, any and all of the following—

- the lien of current real property taxes, water charges, sewer rents and assessments not yet delinquent or accruing interest or penalties,
- covenants, conditions and restrictions, rights of way, easements and other matters that are of public record,
- exceptions and exclusions specifically referred to in the related lender's title insurance policy or, if that policy has not yet been issued, referred to in a *pro forma* title policy or marked-up commitment, which in either case is binding on the subject title insurance company,
- other matters to which like properties are commonly subject,
- the rights of tenants, as tenants only, under leases, including subleases, pertaining to the related mortgaged real property, and
- if the subject mortgaged real property is a unit in a condominium, the related condominium declaration.

"Permitted Investments" means the U.S. government securities and other obligations specified in the Pooling and Servicing Agreement.

"Permitted Transfer" means any Requested Transfer as to which the related borrower satisfies (without modification or waiver) all the applicable requirements in the related loan documents, provided that such satisfaction is determined without requiring the exercise of discretion by the master servicer or the special servicer.

"Placement Agent Entities" means the placement agents for the SPCs and their respective affiliates.

"Pooling and Servicing Agreement" means the pooling and servicing agreement, to be dated as of October 1, 2016, among Wells Fargo Commercial Mortgage Securities, Inc., as depositor, Wells Fargo Bank, as master servicer and as special servicer, Wilmington, as trustee, Wells Fargo Bank, as certificate administrator and custodian, and Freddie Mac.

"Prepayment Assumption" means an assumption that there are no prepayments and no extensions of the underlying mortgage loans.

"Prepayment Interest Excess" means, with respect to any full or partial prepayment of an underlying mortgage loan made by the related borrower or otherwise in connection with a casualty or condemnation during any Collection Period after the due date for that underlying mortgage loan, the amount of any interest collected on that prepayment for the period from and after that due date, less the amount of master servicer surveillance fees (if any), special servicer surveillance fees (if any), master servicing fees and sub-servicing fees payable from that interest collection, and exclusive of any Default Interest included in that interest collection.

"Prepayment Interest Shortfall" means, with respect to any full or partial prepayment of an underlying mortgage loan made by the related borrower that is not accompanied by an amount of interest representing scheduled interest due on any date or dates in any month or months subsequent to the month of prepayment or otherwise in connection with a casualty or condemnation during any Collection Period prior to the due date for that underlying mortgage loan, the amount of any uncollected interest that would have accrued on that prepayment to, but not including, such due date, less the amount of master servicer surveillance fees (if any), special servicer surveillance fees (if any), master servicing fees and sub-servicing fees that would have been payable from that uncollected interest, and exclusive of any portion of that uncollected interest that would have been Default Interest.

"Prime Rate" means an annual rate equal to the "prime rate" as published in the "Money Rates" section of *The Wall Street Journal* (or, if such section or publication is no longer available, such other comparable publication as is determined by the certificate administrator in its sole discretion, in consultation with the master servicer) as may be in effect from time to time (or if the "Prime Rate" is not published on any calculation date, then the "Prime Rate" for such day will be the most recently published "Prime Rate" prior to such calculation date), or if the "Prime Rate" no longer exists, such other comparable rate (as determined by the certificate administrator, in its reasonable discretion, in consultation with the master servicer) as may be in effect from time to time. If the certificate administrator and the master servicer cannot agree on a comparable publication or comparable rate, the certificate administrator will have the sole right to determine such publication or rate.

"Principal Balance Certificates" means the class A-1, A-2 and B certificates.

"Principal Distribution Adjustment Amount" means, with respect to any distribution date, the sum of (i) the amount of any Nonrecoverable Advance that was reimbursed to the master servicer or the trustee since the preceding distribution date (or since the Closing Date, in the case of the first distribution date) and that was deemed to have been so reimbursed out of any collections of principal that would otherwise constitute part of the Principal Distribution Amount for such distribution date (as described in this information circular under "The Pooling and Servicing Agreement—Servicing and Other Compensation and Payment of Expenses" or "Description of the Certificates—Advances of Delinquent Monthly Debt Service Payments," as applicable), (ii) any Workout-Delayed Reimbursement Amount that was reimbursed to the master servicer or the trustee since the preceding distribution date (or since the Closing Date, in the case of the first distribution date) and that was deemed to have been so reimbursed out of any collections of principal that would otherwise constitute part of the Principal Distribution Amount for such distribution date (as described in this information circular under "The Pooling and Servicing Agreement—Servicing and Other Compensation and Payment of Expenses" or "Description of the Certificates—Advances of Delinquent Monthly Debt Service Payments," as applicable) and (iii) any principal collections for the related Collection Period used to reimburse Balloon Guarantor Payments or other unreimbursed Guarantor Reimbursement Amounts since the preceding distribution date pursuant to the terms of the Pooling and Servicing Agreement.

"Principal Distribution Amount" means:

- for any distribution date prior to the final distribution date, an amount equal to the total, without duplication, of the following—

    1. all payments of principal, including voluntary principal prepayments, received by or on behalf of the issuing entity with respect to the underlying mortgage loans during the related Collection Period, exclusive of any of those payments that represents a late collection of principal for which an advance was previously made for a prior distribution date or that represents a monthly payment of principal due on or before the Cut-off Date or on a due date for the related underlying mortgage loan subsequent to the end of the related Collection Period,

2. all monthly payments of principal received by or on behalf of the issuing entity with respect to the underlying mortgage loans prior to, but that are due during, the related Collection Period,

3. all other collections, including Liquidation Proceeds, condemnation proceeds and insurance proceeds that were received by or on behalf of the issuing entity with respect to any of the underlying mortgage loans or any related REO Properties during the related Collection Period and that were identified and applied as recoveries of principal of the subject underlying mortgage loan or, in the case of an REO Property, of the related underlying mortgage loan, in each case net of any portion of the particular collection that represents a late collection of principal for which an advance of principal was previously made for a prior distribution date or that represents a monthly payment of principal due on or before the Cut-off Date, and

4. all advances of principal made with respect to the underlying mortgage loans for that distribution date; and

- for the final distribution date, an amount equal to the total Stated Principal Balance of the mortgage pool outstanding immediately prior to that final distribution date.

However, the Principal Distribution Amount will be reduced on any distribution date by an amount equal to the Principal Distribution Adjustment Amount calculated with respect to such distribution date. The Principal Distribution Amount will be increased on any distribution date by the amount of any recovery occurring during the related Collection Period of an amount that was previously advanced with respect to any underlying mortgage loan, but only if and to the extent such advance was previously reimbursed from principal collections that would otherwise have constituted part of the Principal Distribution Amount for a prior distribution date in a manner that resulted in a Principal Distribution Adjustment Amount for such prior distribution date. In addition, if any insurance proceeds, condemnation proceeds or Liquidation Proceeds were received and/or a final recovery determination were made with respect to any underlying mortgage loan during any particular Collection Period, then the portion of the Principal Distribution Amount for the related distribution date that is otherwise allocable to that underlying mortgage loan will be reduced (to not less than zero) by any special servicing fees or liquidation fees payable in connection therewith.

"Privileged Person" means each party to the Pooling and Servicing Agreement, the initial purchaser of the certificates and, upon receipt by the certificate administrator of an investor certification in the form required by the Pooling and Servicing Agreement, each holder, beneficial owner or prospective purchaser of a certificate or an SPC and, upon receipt of a certification from an NRSRO substantially in the form as provided in the Pooling and Servicing Agreement, any NRSRO that does not have a conflict of interest identified in paragraph (b)(9) of Rule 17g-5 with respect to the certificates or the SPCs (as certified by such NRSRO) and that has been engaged by a certificateholder or a holder of an SPC, which NRSRO has provided, or will provide, an on-going rating to a class of certificates or SPCs after the Closing Date and that is requesting access to such information solely for the purpose of assessing or reaffirming such on-going rating. Any Privileged Person that is a borrower or an affiliate of a borrower, as evidenced by the information set forth in the investor certification, will only be entitled to limited information as described in "Description of the Certificates—Reports to Certificateholders and Freddie Mac; Available Information" in this information circular.

"Purchase Agreement" means the senior preferred stock purchase agreement between FHFA, as conservator of Freddie Mac, and Treasury.

"Purchase Option" means, with respect to any Defaulted Loan, the purchase option described under "The Pooling and Servicing Agreement—Realization Upon Mortgage Loans" in this information circular.

"Purchase Price" means, with respect to any underlying mortgage loan if it is to be purchased as contemplated under the Pooling and Servicing Agreement, a price equal to the outstanding principal balance of such underlying mortgage loan, plus (i) accrued and unpaid interest on such underlying mortgage loan through and including the end of the related mortgage interest accrual period in which such purchase is made (which would include accrued and unpaid master servicer surveillance fees, special servicer surveillance fees, master servicing fees and sub-servicing fees), (ii) related special servicing fees and, if applicable, liquidation fees payable to the special servicer (to the extent accrued and unpaid or previously paid by the issuing entity), (iii) all related unreimbursed Servicing

Advances or Additional Issuing Entity Expenses, (iv) all related Servicing Advances that were previously reimbursed from general collections on the mortgage pool, (v) all accrued and unpaid interest on related Servicing Advances and P&I Advances, (vi) all interest on related Servicing Advances and P&I Advances that was previously reimbursed from general collections on the mortgage pool, (vii) solely if such underlying mortgage loan is being purchased by the related borrower or an affiliate of such borrower, all default interest, late payment fees, extension fees and similar fees or charges incurred with respect to such underlying mortgage loan and all out-of-pocket expenses reasonably incurred (whether paid or then owing) by the master servicer, the special servicer, the depositor, the custodian, the certificate administrator and the trustee in respect of such purchase, including, without duplication of any amounts described above in this definition, any expenses incurred prior to such purchase date with respect to such underlying mortgage loan, and (viii) solely if such underlying mortgage loan is being purchased by or on behalf of the mortgage loan seller pursuant to or as contemplated by Section 7 of the mortgage loan purchase agreement, all out-of-pocket expenses reasonably incurred (whether paid or then owing) by the master servicer, the special servicer, the depositor, the certificate administrator, the custodian and the trustee in respect of the breach or defect giving rise to the repurchase obligation, including any expenses arising out of the enforcement of the repurchase obligation and, without duplication of any amounts described above in this definition, any expenses incurred prior to such purchase date with respect to such underlying mortgage loan; provided that if a Fair Value determination has been made, the Purchase Price must at least equal the Fair Value.

"Qualified Substitute Mortgage Loan" means a mortgage loan in the same lien position as the deleted underlying mortgage loan that must, on the date of substitution: (i) have an outstanding principal balance, after application of all scheduled payments of principal and/or interest due during or prior to the month of substitution not in excess of the Stated Principal Balance of the deleted underlying mortgage loan as of the due date in the calendar month during which the substitution occurs; (ii) have a mortgage interest rate not less than the mortgage interest rate of the deleted underlying mortgage loan; (iii) have the same due date as the deleted underlying mortgage loan; (iv) accrue interest on the same basis as the deleted underlying mortgage loan (for example, on the basis of a 360-day year and the actual number of days elapsed); (v) have a remaining term to stated maturity not greater than, and not more than two years less than, the remaining term to stated maturity of the deleted underlying mortgage loan; (vi) have an original loan-to-value ratio not higher than that of the deleted underlying mortgage loan and a current loan-to-value ratio not higher than the then current loan-to-value ratio of the deleted underlying mortgage loan; (vii) materially comply (without waiver or exception) as of the date of substitution with all of the representations and warranties set forth in the applicable purchase agreement; (viii) have an environmental report with respect to the related mortgaged real property that indicates no material adverse environmental conditions with respect to the related mortgaged real property and which will be delivered as a part of the related mortgage file; (ix) have an original debt service coverage ratio not less than the original debt service coverage ratio of the deleted underlying mortgage loan and a current debt service coverage ratio not less than the current debt service coverage ratio of the deleted underlying mortgage loan; (x) be determined by an opinion of counsel to be a "qualified replacement mortgage" within the meaning of Code Section 860G(a)(4); (xi) have been approved by each of the directing certificateholder and Freddie Mac in its sole discretion; (xii) prohibit defeasance within two years of the Closing Date; and (xiii) not be substituted for a deleted underlying mortgage loan if it would result in the termination of the REMIC status of either Trust REMIC created under the Pooling and Servicing Agreement or the imposition of tax on either Trust REMIC created under the Pooling and Servicing Agreement other than a tax on income expressly permitted or contemplated to be received by the terms of the Pooling and Servicing Agreement. In the event that one or more mortgage loans are substituted for one or more deleted underlying mortgage loans simultaneously, then the amounts described in clause (i) are required to be determined on the basis of aggregate outstanding principal balances and the rates described in clause (ii) above (*provided* that no Net Mortgage Interest Rate may be less than the pass-through rate of any class of Principal Balance Certificates then outstanding) and the remaining term to stated maturity referred to in clause (v) above will be determined on a weighted average basis. When a Qualified Substitute Mortgage Loan is substituted for a deleted underlying mortgage loan, the mortgage loan seller will be required to certify that the mortgage loan meets all of the requirements of the above definition and send the certification to the trustee and the certificate administrator, which may conclusively rely upon such certification.

"Ratings Trigger Event" means, with respect to the master servicer or the special servicer, as applicable, (a) if on the Closing Date (or in the case of any successor master servicer or special servicer, the date of appointment), such party is listed on S&P's Select Servicer List as a U.S. Commercial Mortgage Master Servicer (in the case of the master servicer) or a U.S. Commercial Mortgage Special Servicer (in the case of the special servicer), and at any time after the Closing Date (or in the case of any successor master servicer or special servicer, the date of

appointment) such party loses its status on such list and such status is not restored within 60 days, or (b) if on the Closing Date (or in the case of any successor master servicer or special servicer, the date of appointment) such party has a rating by Fitch higher than or equal to "CMS3" or "CSS3," as applicable, and at any time after the Closing Date (or in the case of any successor master servicer or special servicer, the date of appointment) such rating drops to a level lower than "CMS3" or "CSS3," as applicable, and such party is not reinstated to at least "CMS3" or " CSS3," as applicable, within 60 days.

"Realized Losses" means losses on or with respect to the underlying mortgage loans arising from the inability of the master servicer and/or the special servicer to collect all amounts due and owing under those underlying mortgage loans, including by reason of the fraud or bankruptcy of a borrower or, to the extent not covered by insurance, a casualty of any nature at a mortgaged real property. We discuss the calculation of Realized Losses under "Description of the Certificates—Reductions of Certificate Principal Balances in Connection with Realized Losses and Additional Issuing Entity Expenses" in this information circular.

"Reform Act" means the Federal Housing Finance Regulatory Reform Act.

"Regular Certificates" has the meaning assigned to such term under "Certain Federal Income Tax Consequences—General" in this information circular.

"Regulation AB" means Subpart 229.1100 – Asset Backed Securities (Regulation AB), 17 C.F.R. §§ 229.1100-229.1125, as such rules may be amended from time to time, and subject to such clarification and interpretation as have been provided by the SEC or by the staff of the SEC, or as may be provided by the SEC or its staff from time to time, in each case, effective as of the compliance dates specified therein.

"REMIC" means a "real estate mortgage investment conduit" as defined in Code Section 860D.

"REMIC Provisions" means the provisions of the federal income tax law relating to real estate mortgage investment conduits, which appear at Sections 860A through 860G of subchapter M of chapter 1 of subtitle A of the Code, and related provisions, and temporary and final regulations and, to the extent not inconsistent with such temporary and final regulations, proposed regulations, and published rulings, notices and announcements promulgated thereunder, as may be in effect from time to time.

"Remittance Date" means, with respect to each distribution date, the Business Day prior to such distribution date.

"REO Loan" means an underlying mortgage loan deemed to be outstanding with respect to an REO Property.

"REO Property" means any mortgaged real property acquired on behalf of and in the name of the trustee for the benefit of the certificateholders through foreclosure, acceptance of a deed-in-lieu of foreclosure or otherwise in accordance with applicable law in connection with the default or imminent default of the related underlying mortgage loan.

"Requested Transfer" means, with respect to any underlying mortgage loan, a request for the transfer of an interest in the related mortgaged real property, the related borrower or any designated entity for transfers, as permitted under the loan documents under certain conditions, but not including the creation of any additional lien or other encumbrance on the mortgaged real property or interests in the borrower or any designated entity for transfers.

"Restricted Mezzanine Holder" means, with respect to an underlying mortgage loan, a holder of a related mezzanine loan that has accelerated, or otherwise begun to exercise its remedies with respect to, such mezzanine loan (unless such mezzanine holder is stayed pursuant to a written agreement or court order or as a matter of law from exercising any remedies associated with foreclosure of the related equity collateral under such mezzanine loan).

"Rule 17g-5" means Rule 17g-5 under the Exchange Act.

"S&P" means S&P Global Ratings, and its successors-in-interest.

"Sales Comparison Approach" means a determination of the value of a mortgaged real property based on a comparison of that property to similar properties that have been sold recently or for which listing prices or offering figures are known. In connection with that determination, data for generally comparable properties are used and comparisons are made to demonstrate a probable price at which the subject mortgaged real property would sell if offered on the market.

"SEC" means the U.S. Securities and Exchange Commission.

"Section 8" means the Section 8 Tenant-Based Assistance Rental Certificate Program of the United States Department of Housing and Urban Development.

"Senior Loan" has the meaning assigned to such term under "Description of the Underlying Mortgage Loans—Certain Terms and Conditions of the Underlying Mortgage Loans—Permitted Additional Debt" in this information circular.

"Senior Loan Holder" has the meaning assigned to such term under "Description of the Underlying Mortgage Loans—Certain Terms and Conditions of the Underlying Mortgage Loans—Permitted Additional Debt" in this information circular.

"Servicing Advance" has the meaning assigned to such term under "The Pooling and Servicing Agreement—Servicing and Other Compensation and Payment of Expenses—Servicing Advances" in this information circular.

"Servicing Standard" means:

(a) with respect to the underlying mortgage loans other than REO Loans, REO Properties and Specially Serviced Mortgage Loans, to the extent not inconsistent with applicable law, the terms of the Pooling and Servicing Agreement or the terms of the respective underlying mortgage loans or any applicable intercreditor or co-lender and/or similar agreement(s), servicing and administering such underlying mortgage loans in accordance with (i) Freddie Mac Servicing Practices or (ii) to the extent Freddie Mac Servicing Practices do not provide sufficient guidance or Freddie Mac Servicing Practices have not been made available in writing or communicated in writing by Freddie Mac to the master servicer, the special servicer or the sub-servicer, as applicable, Accepted Servicing Practices; and

(b) with respect to REO Loans, REO Properties and Specially Serviced Mortgage Loans, to the extent not inconsistent with applicable law, the terms of the Pooling and Servicing Agreement or the terms of the respective underlying mortgage loans or any applicable intercreditor or co-lender and/or similar agreement(s), servicing and administrating such underlying mortgage loans in accordance with Accepted Servicing Practices; *provided*, *however*, that for Specially Serviced Mortgage Loans, to the extent consistent with applicable law, the terms of the Pooling and Servicing Agreement and the terms of the respective underlying mortgage loans and any applicable intercreditor or co-lender and/or similar agreement(s), the special servicer or the master servicer may, in its sole discretion, require the applicable borrower to maintain insurance consistent with either (i) Accepted Servicing Practices or (ii) Freddie Mac Servicing Practices.

To the extent of any conflict under clause (a) of this definition (1) between Freddie Mac Servicing Practices and Accepted Servicing Practices, the terms of Freddie Mac Servicing Practices will govern and be applicable and (2) between Freddie Mac Servicing Practices or Accepted Servicing Practices and the express written terms of the Pooling and Servicing Agreement, the terms of the Pooling and Servicing Agreement will govern and be applicable.

"Servicing Transfer Event" means, with respect to any underlying mortgage loan, any of the following events, among others:

- a payment default has occurred at its scheduled maturity date (except, if the borrower is making its normal monthly payment and is diligently pursuing a refinancing or sale of the mortgaged real property to a party that is not a borrower affiliate and in connection therewith delivers within 45 days after the scheduled maturity date a firm commitment to refinance or a fully executed purchase and sale contract for the related mortgaged real property, as applicable, which is acceptable to the master servicer in which case a Servicing Transfer Event would not occur as to such underlying mortgage loan until 60 days after such payment

default, which may be extended to 120 days at the discretion of the special servicer and with the consent of the directing certificateholder (subject to the last paragraph of "The Pooling and Servicing Agreement—Realization Upon Mortgage Loans—Asset Status Report" in this information circular with respect to any Affiliated Borrower Loan);

- any monthly principal and/or interest payment (other than a balloon payment) is 60 days or more delinquent;

- the related borrower has—

  (i) filed for, or consented to, bankruptcy, appointment of a receiver or conservator or a similar insolvency proceeding;

  (ii) become the subject of a decree or order for such a proceeding which is not stayed or discharged within 60 days; or

  (iii) has admitted in writing its inability to pay its debts generally as they become due;

- the master servicer or the special servicer has received notice of the foreclosure or proposed foreclosure of any lien on the mortgaged real property;

- in the judgment of (i) the master servicer (with the approval of Freddie Mac) or (ii) the special servicer (with the approval of Freddie Mac and the directing certificateholder, subject to the last paragraph of "The Pooling and Servicing Agreement—Realization Upon Mortgage Loans—Asset Status Report" in this information circular with respect to any Affiliated Borrower Loan), (a) a default under any underlying mortgage loan is reasonably foreseeable, (b) such default will materially impair the value of the related mortgaged real property as security for such underlying mortgage loan or otherwise materially adversely affect the interests of certificateholders, and (c) the default either would give rise to the immediate right to accelerate the underlying mortgage loan or such default is likely to continue unremedied for the applicable cure period under the terms of such underlying mortgage loan or, if no cure period is specified and the default is capable of being cured, for 30 days, *provided* that if Freddie Mac's approval is sought by the master servicer and not provided (and/or during the period that the master servicer is waiting for Freddie Mac's approval), the master servicer's servicing obligations with respect to such underlying mortgage loan will be to service such underlying mortgage loan as a non-Specially Serviced Mortgage Loan ; or

- any other default has occurred under the loan documents that, in the reasonable judgment of (i) the master servicer, or (ii) with the approval of the directing certificateholder (subject to the last paragraph of "The Pooling and Servicing Agreement—Realization Upon Mortgage Loans—Asset Status Report" in this information circular with respect to any Affiliated Borrower Loan), the special servicer, has materially and adversely affected the value of the related underlying mortgage loan or otherwise materially and adversely affected the interests of the certificateholders and has continued unremedied for 30 days (irrespective of any grace period specified in the related mortgage note) and, *provided* that failure of the related borrower to obtain all-risk casualty insurance which does not contain any carveout for terrorist or similar act (other than such amounts as are specifically required under the related underlying mortgage loan) will not apply with respect to this clause if the special servicer has determined in accordance with the Servicing Standard that either—

  (1) such insurance is not available at commercially reasonable rates and that such hazards are not commonly insured against for properties similar to the mortgaged real property and located in or around the region in which such mortgaged real property is located, or

  (2) such insurance is not available at any rate.

A Servicing Transfer Event will cease to exist, if and when a Specially Serviced Mortgage Loan becomes a Corrected Mortgage Loan.

The occurrence of a Servicing Transfer Event with respect to any underlying mortgage loan will not in and of itself constitute a Servicing Transfer Event with respect to any other underlying mortgage loan that is cross-defaulted with such underlying mortgage loan (if a Servicing Transfer Event would not otherwise have occurred but for giving effect to the cross-default provisions applicable to such underlying mortgage loan) unless (i) the master servicer or the special servicer (in the case of the special servicer, with the approval of the directing certificateholder, but subject to the last paragraph of "The Pooling and Servicing Agreement—Realization Upon Mortgage Loans—Asset Status Report" in this information circular with respect to any Affiliated Borrower Loan) determines, in accordance with the Servicing Standard, that it is in the best interest of the certificateholders (taken as a whole) to effect such a Servicing Transfer Event with respect to one or more such other underlying mortgage loans that are cross-defaulted with such underlying mortgage loan and (ii) Freddie Mac approves such Servicing Transfer Event with respect to one or more such other underlying mortgage loans that are cross-defaulted with such underlying mortgage loan.

"Servicing Transferred Crossed Loan" means any underlying mortgage loan with respect to which a Servicing Transfer Event has occurred, without giving effect to any cross-default provisions in the related loan documents or the occurrence of a Servicing Transfer Event with respect to any other underlying mortgage loan.

"Similar Requirements" has the meaning assigned to such term under "Risk Factors—Risks Related to the Offered Certificates—Legal and Regulatory Provisions Affecting Investors Could Adversely Affect the Liquidity of Your Investment" in this information circular.

"Sole Certificateholder" means the holder (or holders provided they act in unanimity) holding 100% of the class B certificates having an outstanding principal balance greater than zero or an assignment of the voting rights in respect of such class of certificates; *provided*, that at the time of determination the total outstanding principal balance of the class A-1 and A-2 certificates has been reduced to zero.

"SPCs" means Freddie Mac's series K-S07 structured pass-through certificates.

"Special Servicer Aggregate Annual Cap" means $300,000 per calendar year.

"Specially Serviced Mortgage Loan" means any underlying mortgage loan as to which a Servicing Transfer Event has occurred and is continuing, including any REO Loan or Defaulted Loan.

"Stated Principal Balance" means, with respect to any underlying mortgage loan (except with respect to any REO Loan), as of any date of determination, an amount equal to (i) the Cut-off Date Principal Balance of such underlying mortgage loan or with respect to a Qualified Substitute Mortgage Loan, the outstanding principal balance of such Qualified Substitute Mortgage Loan after application of all scheduled payments of principal and interest due during or prior to the month of substitution, whether or not received, minus (ii) the sum of:

(a) the principal portion of each monthly payment due on such underlying mortgage loan after the Cut-off Date (or, with respect to a Qualified Substitute Mortgage Loan, the applicable due date during the month of substitution), to the extent received from the related borrower or advanced by the master servicer or the trustee, as applicable, and distributed to the certificateholders, on or before such date of determination;

(b) all principal prepayments received with respect to such underlying mortgage loan after the Cut-off Date (or, with respect to a Qualified Substitute Mortgage Loan, the applicable due date during the month of substitution), to the extent distributed to the certificateholders, on or before such date of determination;

(c) the principal portion of all insurance and condemnation proceeds and Liquidation Proceeds received with respect to such underlying mortgage loan after the Cut-off Date (or, with respect to a Qualified Substitute Mortgage Loan, the applicable due date during the month of substitution), to the extent distributed to the certificateholders, on or before such date of determination;

(d) any reduction in the outstanding principal balance of such underlying mortgage loan resulting from a valuation of the related mortgaged real property in an amount less than the then outstanding principal balance of such underlying mortgage loan by a court of competent jurisdiction, initiated by a bankruptcy proceeding and that occurred prior to the determination date for the most recent distribution date; and

(e) any reduction in the outstanding principal balance of such underlying mortgage loan due to a modification by the special servicer pursuant to the Pooling and Servicing Agreement, which reduction occurred prior to the determination date for the most recent distribution date.

However, the "Stated Principal Balance" of any underlying mortgage loan will, in all cases, be zero as of the distribution date following the Collection Period in which it is determined that all amounts ultimately collectible with respect to that underlying mortgage loan or any related REO Property have been received.

With respect to any REO Loan, as of any date of determination, "Stated Principal Balance" means an amount equal to (i) the Stated Principal Balance of the predecessor underlying mortgage loan (determined as set forth above), as of the date the related REO Property is acquired by the issuing entity, minus (ii) the sum of:

(a) the principal portion of any P&I Advance made with respect to such REO Loan on or after the date the related REO Property is acquired by the issuing entity, to the extent distributed to certificateholders on or before such date of determination; and

(b) the principal portion of all insurance and condemnation proceeds, Liquidation Proceeds and all income, rents and profits derived from the ownership, operation or leasing of the related REO Property received with respect to such REO Loan, to the extent distributed to certificateholders, on or before such date of determination.

Any payment or other collection of principal on or with respect to any underlying mortgage loan (or any related successor REO Loan) that constitutes part of the Principal Distribution Amount for any distribution date, without regard to the last sentence of the definition of Principal Distribution Amount, and further without regard to any Principal Distribution Adjustment Amount for such distribution date, will be deemed to be distributed to certificateholders on such distribution date for purposes of this definition.

"Static Prepayment Premium" means a form of prepayment consideration payable in connection with any voluntary or involuntary principal prepayment that is calculated solely as a specified percentage of the amount prepaid, which percentage may change over time.

"Static Prepayment Premium Period" means, with respect to any underlying mortgage loan that at any time permits voluntary prepayments of principal, if accompanied by a Static Prepayment Premium, the period during the loan term when such voluntary principal prepayments may be made if accompanied by such Static Prepayment Premium.

"Sub-Management Agreement" means, with respect to each mortgaged property, the property management agreement, dated as of August 12, 2015, between the related Property Manager and the Sub-Manager.

"Sub-Manager" means Holiday AL Management Sub LLC.

"Sub-Servicing Agreement" means the sub-servicing agreement between the master servicer and W&D relating to servicing and administration of underlying mortgage loans by such sub-servicer as provided in the Pooling and Servicing Agreement.

"Successor Servicer Requirements" has the meaning assigned to such term under "The Pooling and Servicing Agreement—Resignation, Removal and Replacement of Servicers; Transfer of Servicing Duties—Resignation of the Master Servicer or the Special Servicer" in this information circular.

"Surveillance Fee Mortgage Loan" means any underlying mortgage loan other than (i) a Specially Serviced Mortgage Loan or (ii) an REO Loan.

"Timing Guarantor Interest" means, with respect to any distribution date and any class of Offered Principal Balance Certificates, the sum of (a) an amount equal to interest at the Weighted Average Net Mortgage Pass-Through Rate for the related Interest Accrual Period on any unreimbursed Timing Guarantor Payment for such class and (b) any such amount set forth in clause (a) for prior distribution dates that remains unreimbursed.

"Timing Guarantor Payment" means, with respect to any distribution date and any class of Offered Principal Balance Certificates, any Balloon Guarantor Payment or Class Final Guarantor Payment.

"Total Units" means the estimated number of units at the particular mortgaged real property, regardless of the number or size of rooms in the units as reflected in information provided by the borrower or in the appraisal on which the most recent Appraised Value is based.

"Transfer" generally means, with respect to any underlying mortgage loan, the sale, assignment, transfer or other disposition or divestment of any interest in, change of ownership of, or encumbrance of, the related borrower or the related mortgaged real property, as set forth in the related loan documents.

"Transfer Fee" means, with respect to any underlying mortgage loan, a fee payable under the related loan documents when a Transfer is completed.

"Transfer Processing Fee" means, with respect to any underlying mortgage loan and any Transfer Processing Fee Transaction, a fee equal to the lesser of (a) the fee required to be paid by the related borrower under the terms of the related loan documents for the review or processing of the Transfer Processing Fee Transaction (which may also be referred to in the loan documents as a "Transfer Review Fee") and (b) $15,000.

"Transfer Processing Fee Transaction" means, with respect to any underlying mortgage loan, any transaction or matter involving (a) the transfer of an interest in the related mortgaged real property, the related borrower, any person that controls the borrower or any person that executes a guaranty pursuant to the terms of the related loan documents, which transfer requires the master servicer's review, consent and/or approval, including, without limitation, a borrower's request for an assumption or waiver of a "due-on-sale" clause with respect to any loan pursuant to the Pooling and Servicing Agreement and/or (b) a borrower's request for a waiver of a "due-on-encumbrance" clause with respect to any underlying mortgage loan pursuant to the Pooling and Servicing Agreement; *provided*, *however*, that any transaction or matter involving (i) defeasance of such underlying mortgage loan, (ii) the full or partial condemnation of the mortgaged real property or any borrower request for consent to subject the related mortgaged real property to an easement, right of way or similar agreement for utilities, access, parking, public improvements or another purpose, (iii) Permitted Transfers, unless the related loan documents specifically provide for payment of a Transfer Processing Fee, and/or (iv) permitted subordinate mortgage debt, will not be a Transfer Processing Fee Transaction.

"Treasury" means the U.S. Department of the Treasury.

"TRIPRA" means the Terrorism Risk Insurance Program Reauthorization Act of 2015, as amended.

"Trust REMIC" means either one of two separate REMICs referred to in this information circular as the "Lower-Tier REMIC" and the "Upper-Tier REMIC."

"Trustee Aggregate Annual Cap" means $150,000 per calendar year.

"Trustee/Certificate Administrator/Custodian Aggregate Annual Cap" means if the same person or entity is acting as the trustee, the certificate administrator and the custodian, $300,000 per calendar year with respect to such person or entity.

"U.S. Person" means a citizen or resident of the United States, a corporation or partnership created or organized in or under the laws of the United States, any State in the United States or the District of Columbia, including an entity treated as a corporation or partnership for federal income tax purposes, an estate whose income is subject to U.S. federal income tax regardless of its source, or a trust if a court within the United States is able to exercise primary supervision over the administration of such trust, and one more such U.S. Persons have the authority to control all substantial decisions of such trust (or, to the extent provided in applicable Treasury Regulations, certain trusts in existence on August 20, 1996 that have elected to be treated as U.S. Persons).

"Underwritten Debt Service Coverage Ratio" means:

- with respect to any underlying mortgage loan, other than an underlying mortgage loan referred to in the following bullet, the ratio of—

    1. the Underwritten Net Cash Flow for the related mortgaged real property, to

    2. 12 times the monthly debt service payment for that underlying mortgage loan on the related due date in October 2016; and

- with respect to any underlying mortgage loan that is secured, including through cross-collateralization, by multiple mortgaged real properties, the weighted average of, for such underlying mortgage loan and all other underlying mortgage loans with which it is cross-collateralized, the ratios of—

    1. the Underwritten Net Cash Flow for the related mortgaged real property, to

    2. 12 times the monthly debt service payment for that underlying mortgage loan on the related due date in October 2016,

    in each case, weighted based on the Cut-off Date Principal Balance for such underlying mortgage loan relative to the aggregate Cut-off Date Principal Balance of it and all such underlying mortgage loans with which it is cross-collateralized;

provided that, if the underlying mortgage loan is currently in an interest-only period, then the amount in clause 2 of either bullet of this definition with respect to such underlying mortgage loan will be either (a) if that interest-only period extends to maturity, the aggregate of the first 12 monthly debt service payments to be due on such underlying mortgage loan or (b) if that interest-only period ends prior to maturity, 12 times the monthly debt service payment to be due on such underlying mortgage loan on the first due date after amortization begins.

"Underwritten Debt Service Coverage Ratio (IO)" means:

- with respect to any underlying mortgage loan that is currently in an interest-only period, other than an underlying mortgage loan referred to in the following bullet, the ratio of—

    1. the Underwritten Net Cash Flow for the related mortgaged real property, to

    2. an amount equal to the aggregate of the first 12 monthly debt service payments due on such underlying mortgage loan; and

- with respect to any underlying mortgage loan that is currently in an interest-only period and is cross-collateralized or secured by multiple mortgaged real properties, the weighted average of, for such underlying mortgage loan and all other underlying mortgage loans with which it is cross-collateralized, the ratios of—

    1. the Underwritten Net Cash Flow for the related mortgaged real property, to

    2. an amount equal to the aggregate of the first 12 monthly debt service payments due on such underlying mortgage loan,

    in each case, weighted based on the Cut-off Date Principal Balance for such underlying mortgage loan relative to the aggregate Cut-off Date Principal Balance of it and all such underlying mortgage loans with which it is cross-collateralized.

"Underwritten Net Cash Flow" means, with respect to each of the mortgaged real properties securing an underlying mortgage loan, the estimated total cash flow from that property expected to be available for annual debt service on the related underlying mortgage loan. In general, that estimate:

- was made at the time of origination of the related underlying mortgage loan or in connection with the transactions described in this information circular; and
- is equal to the excess of—
    1. the Estimated Annual Revenues for the property, over
    2. the Estimated Annual Operating Expenses for the mortgaged real property.

The management fees and reserves assumed in calculating Underwritten Net Cash Flow differ in many cases from actual management fees and reserves actually required under the loan documents for the related underlying mortgage loans. In addition, actual conditions at the mortgaged real properties will differ, and may differ substantially, from the conditions assumed in calculating Underwritten Net Cash Flow. Furthermore, the Underwritten Net Cash Flow for each of the mortgaged real properties does not reflect the effects of future competition or economic cycles. Accordingly, we cannot assure you that the Underwritten Net Cash Flow for any of the mortgaged real properties shown on Exhibit A-1 will be representative of the actual future net cash flow for the particular mortgaged real property.

Underwritten Net Cash Flow and the revenues and expenditures used to determine Underwritten Net Cash Flow for each of the mortgaged real properties are derived from generally unaudited information furnished by the related borrower. However, in some cases, an accounting firm performed agreed upon procedures, or employees of the Originator performed cash flow verification procedures, that were intended to identify any errors in the information provided by the related borrower. Audits of information furnished by borrowers could result in changes to the information. These changes could, in turn, result in the Underwritten Net Cash Flow shown on Exhibit A-1 being overstated. Net income for any of the mortgaged real properties as determined under GAAP would not be the same as the Underwritten Net Cash Flow for the property shown on Exhibit A-1. In addition, Underwritten Net Cash Flow is not a substitute for or comparable to operating income as determined in accordance with GAAP as a measure of the results of the property's operations nor a substitute for cash flows from operating activities determined in accordance with GAAP as a measure of liquidity.

"Underwritten Net Operating Income" means, with respect to each of the mortgaged real properties securing an underlying mortgage loan, the Underwritten Net Cash Flow for the property, increased by any and all of the following items that were included in the Estimated Annual Operating Expenses for the property for purposes of calculating that Underwritten Net Cash Flow (i) underwritten recurring replacement reserve amounts, and (ii) capital improvements, including recurring capital improvements.

"United States" or "U.S." means the United States of America.

"Unreimbursed Indemnification Expenses" means indemnification amounts payable by the issuing entity to the depositor, the master servicer, the special servicer, the custodian, the certificate administrator or trustee in excess of the Depositor Aggregate Annual Cap, the Trustee Aggregate Annual Cap or the Certificate Administrator/Custodian Aggregate Annual Cap (if different persons or entities are the trustee and certificate administrator/custodian), the Trustee/Certificate Administrator/Custodian Aggregate Annual Cap (if the same person or entity is the trustee and certificate administrator/custodian), the Master Servicer Aggregate Annual Cap and the Special Servicer Aggregate Annual Cap, together with any accrued and unpaid interest on such amounts, which have not been previously reimbursed.

"Upper-Tier REMIC" means the REMIC identified as such and described under "Certain Federal Income Tax Consequences" in this information circular.

"UST" means an underground storage tank.

"W&D" means Walker & Dunlop, LLC, a Delaware limited liability company and its successors-in-interest.

"WAC Cap" has the meaning assigned to such term under "Summary of Information Circular—Transaction Overview" in this information circular.

"Weighted Average Net Mortgage Pass-Through Rate" means, for each distribution date, the weighted average of the respective Net Mortgage Pass-Through Rates with respect to all of the underlying mortgage loans for that distribution date, weighted on the basis of their respective Stated Principal Balances immediately prior to that distribution date.

"Wells Fargo Bank" means Wells Fargo Bank, National Association, a national banking association, and its successors-in-interest.

"Wilmington" means Wilmington Trust, National Association, a national banking association, and its successors-in-interest.

"Workout-Delayed Reimbursement Amount" has the meaning assigned to such term under "Description of the Certificates—Advances of Delinquent Monthly Debt Service Payments" in this information circular.

"Year Built" means, with respect to any mortgaged real property securing an underlying mortgage loan, the year when construction of the property was principally completed, as reflected in information provided by the borrower or in the appraisal on which the most recent Appraised Value of the property is based or the engineering report.

"Year Renovated" means, with respect to any mortgaged real property securing an underlying mortgage loan, the year when the most recent substantial renovation of the property, if any, was principally completed, as reflected in information provided by the borrower or in the appraisal on which the most recent Appraised Value of the property is based or the engineering report.

"Yield Maintenance Charge" means a form of prepayment consideration payable in connection with any voluntary or involuntary principal prepayment that is calculated pursuant to a yield maintenance formula, including any minimum amount equal to a specified percentage of the amount prepaid.

"Yield Maintenance Period" means, with respect to any underlying mortgage loan that at any time permits voluntary prepayments of principal, if accompanied by a Yield Maintenance Charge, the period during the loan term when such voluntary principal prepayments may be made if accompanied by such Yield Maintenance Charge.

(THIS PAGE INTENTIONALLY LEFT BLANK)

EXHIBIT A-1

CERTAIN CHARACTERISTICS OF THE UNDERLYING MORTGAGE LOANS AND THE RELATED MORTGAGED REAL PROPERTIES

(THIS PAGE INTENTIONALLY LEFT BLANK)

Loan No. / Property No.	Footnotes	Number of Properties	Property Name	Originator	Street Address	Property City	Property State	Zip Code	County	Property Type	Property Subtype	Year Built	Year Renovated	Total Units	Cut-Off Date Balance/Unit
1		1	Echo Ridge	Walker & Dunlop, LLC	8458 Gleason Drive	Knoxville	TN	37919	Knox	Multifamily	Independent Living	1997	N/A	111	152,750
2		1	Greenwood Terrace	Walker & Dunlop, LLC	11150 Greenwood Street	Lenexa	KS	66215	Johnson	Multifamily	Independent Living	2003	N/A	117	152,750
3		1	Alexis Gardens	Walker & Dunlop, LLC	4560 West Alexis Road	Toledo	OH	43623	Lucas	Multifamily	Independent Living	2002	N/A	117	152,750
4		1	Redbud Hills	Walker & Dunlop, LLC	3211 East Moores Pike	Bloomington	IN	47401	Monroe	Multifamily	Independent Living	1998	N/A	114	152,750
5		1	The Jefferson	Walker & Dunlop, LLC	9401 Old Sauk Road	Middleton	WI	53562	Dane	Multifamily	Independent Living	2005	N/A	116	152,750
6		1	The Woods At Holly Tree	Walker & Dunlop, LLC	4610 Holly Tree Road	Wilmington	NC	28409	New Hanover	Multifamily	Independent Living	2001	N/A	117	145,021
7		1	Cedar Ridge	Walker & Dunlop, LLC	2680 South Mebane Street	Burlington	NC	27215	Alamance	Multifamily	Independent Living	2006	N/A	120	145,021
8		1	Indigo Pines	Walker & Dunlop, LLC	110 Gardner Drive	Hilton Head Island	SC	29926	Beaufort	Multifamily	Independent Living	1999	N/A	120	145,021
9		1	Elm Park Estates	Walker & Dunlop, LLC	4230 Elm View Road	Roanoke	VA	24018	Roanoke	Multifamily	Independent Living	1991	N/A	111	145,021
10		1	Pinegate	Walker & Dunlop, LLC	300 Charter Boulevard	Macon	GA	31210	Bibb	Multifamily	Independent Living	2001	N/A	117	145,021
11		1	Kalama Heights	Walker & Dunlop, LLC	101 Kanani Road	Kihei	HI	96753	Maui	Multifamily	Independent Living	2000	N/A	122	137,539
12		1	Quail Run Estates	Walker & Dunlop, LLC	50 Cardinal Drive	Agawam	MA	01001	Hampden	Multifamily	Independent Living	1996	2001	123	137,539
13		1	Andover Place	Walker & Dunlop, LLC	2601 Andover Court	Little Rock	AR	72227	Pulaski	Multifamily	Independent Living	1991	N/A	113	137,539
14		1	Niagara Village	Walker & Dunlop, LLC	2380 Village Common Drive	Erie	PA	16506	Erie	Multifamily	Independent Living	1999	N/A	114	137,539
15		1	Holiday Hills Estates	Walker & Dunlop, LLC	2620 Holiday Lane	Rapid City	SD	57702	Pennington	Multifamily	Independent Living	1999	N/A	114	137,539
16		1	Stone Lodge	Walker & Dunlop, LLC	1460 Northeast 27th Street	Bend	OR	97701	Deschutes	Multifamily	Independent Living	1999	N/A	114	115,980
17		1	Quincy Place	Walker & Dunlop, LLC	7200 East Quincy Avenue	Denver	CO	80237	Denver	Multifamily	Independent Living	1998	N/A	119	115,980
18		1	Aspen View	Walker & Dunlop, LLC	3075 Avenue C	Billings	MT	59102	Yellowstone	Multifamily	Independent Living	1996	N/A	127	115,980
19		1	Parkrose Chateau	Walker & Dunlop, LLC	3141 Northeast 148th Avenue	Portland	OR	97230	Multnomah	Multifamily	Independent Living	1991	N/A	108	115,980
20		1	Montara Meadows	Walker & Dunlop, LLC	3150 East Tropicana Avenue	Las Vegas	NV	89121	Clark	Multifamily	Independent Living	1986	N/A	174	115,980
21		1	Arcadia Place	Walker & Dunlop, LLC	1080 Arcadia Avenue	Vista	CA	92084	San Diego	Multifamily	Independent Living	1989	N/A	116	138,920
22		1	The Springs Of Napa	Walker & Dunlop, LLC	3460 Villa Lane	Napa	CA	94558	Napa	Multifamily	Independent Living	1985	2015	101	138,920
23		1	The Springs Of Escondido	Walker & Dunlop, LLC	1261 East Washington Avenue	Escondido	CA	92027	San Diego	Multifamily	Independent Living	1986	N/A	104	138,920
24		1	The Remington	Walker & Dunlop, LLC	2727 North 11th Avenue	Hanford	CA	93230	Kings	Multifamily	Independent Living	1997	N/A	118	138,920
25		1	University Pines	Walker & Dunlop, LLC	8991 University Parkway	Pensacola	FL	32514	Escambia	Multifamily	Independent Living	1996	N/A	112	171,626
26		1	Marion Woods	Walker & Dunlop, LLC	1661 Southeast 31st Street	Ocala	FL	34471	Marion	Multifamily	Independent Living	2003	N/A	127	171,626
27		1	Augustine Landing	Walker & Dunlop, LLC	10141 Old Saint Augustine Road	Jacksonville	FL	32257	Duval	Multifamily	Independent Living	1999	N/A	111	171,626
28		1	Genesee Gardens	Walker & Dunlop, LLC	4495 Calkins Road	Flint Township	MI	48532	Genesee	Multifamily	Independent Living	2001	N/A	119	133,613

Loan No. / Property No.	Footnotes	Number of Properties	Property Name	Unit of Measure	Occupancy %	Occupancy As of Date	Loan Purpose (Acquisition, Refinance)	Single Purpose Borrowing Entity / Single Asset Borrowing Entity	Crossed Loans(1)	Related Borrower Loans(2)	Payment Date	Late Charge Grace Period	Note Date	First Payment Date	Maturity Date	Original Loan Amount
1		1	Echo Ridge	Units	97.3%	6/30/2016	Acquisition	SPE	Group 1a	Group 1	1	10	8/12/2015	10/1/2015	9/1/2025	20,910,000
2		1	Greenwood Terrace	Units	100.0%	6/30/2016	Acquisition	SPE	Group 1a	Group 1	1	10	8/12/2015	10/1/2015	9/1/2025	19,643,000
3		1	Alexis Gardens	Units	94.9%	6/30/2016	Acquisition	SPE	Group 1a	Group 1	1	10	8/12/2015	10/1/2015	9/1/2025	17,384,000
4		1	Redbud Hills	Units	80.7%	6/30/2016	Acquisition	SPE	Group 1a	Group 1	1	10	8/12/2015	10/1/2015	9/1/2025	16,500,000
5		1	The Jefferson	Units	100.0%	6/30/2016	Acquisition	SPE	Group 1a	Group 1	1	10	8/12/2015	10/1/2015	9/1/2025	13,394,000
6		1	The Woods At Holly Tree	Units	95.7%	6/30/2016	Acquisition	SPE	Group 1b	Group 1	1	15	8/12/2015	10/1/2015	9/1/2025	27,382,000
7		1	Cedar Ridge	Units	98.3%	6/30/2016	Acquisition	SPE	Group 1b	Group 1	1	15	8/12/2015	10/1/2015	9/1/2025	15,637,000
8		1	Indigo Pines	Units	88.3%	6/30/2016	Acquisition	SPE	Group 1b	Group 1	1	10	8/12/2015	10/1/2015	9/1/2025	15,334,000
9		1	Elm Park Estates	Units	98.2%	6/30/2016	Acquisition	SPE	Group 1b	Group 1	1	10	8/12/2015	10/1/2015	9/1/2025	13,582,000
10		1	Pinegate	Units	88.9%	6/30/2016	Acquisition	SPE	Group 1b	Group 1	1	10	8/12/2015	10/1/2015	9/1/2025	12,902,000
11		1	Kalama Heights	Units	86.1%	6/30/2016	Acquisition	SPE	Group 1c	Group 1	1	10	8/12/2015	10/1/2015	9/1/2025	22,896,000
12		1	Quail Run Estates	Units	84.6%	6/30/2016	Acquisition	SPE	Group 1c	Group 1	1	10	8/12/2015	10/1/2015	9/1/2025	18,799,000
13		1	Andover Place	Units	100.0%	6/30/2016	Acquisition	SPE	Group 1c	Group 1	1	10	8/12/2015	10/1/2015	9/1/2025	13,995,000
14		1	Niagara Village	Units	93.0%	6/30/2016	Acquisition	SPE	Group 1c	Group 1	1	10	8/12/2015	10/1/2015	9/1/2025	12,845,000
15		1	Holiday Hills Estates	Units	90.4%	6/30/2016	Acquisition	SPE	Group 1c	Group 1	1	10	8/12/2015	10/1/2015	9/1/2025	12,063,000
16		1	Stone Lodge	Units	89.5%	6/30/2016	Acquisition	SPE	Group 1d	Group 1	1	10	8/12/2015	10/1/2015	9/1/2025	19,675,000
17		1	Quincy Place	Units	96.6%	6/30/2016	Acquisition	SPE	Group 1d	Group 1	1	10	8/12/2015	10/1/2015	9/1/2025	16,435,000
18		1	Aspen View	Units	70.9%	6/30/2016	Acquisition	SPE	Group 1d	Group 1	1	10	8/12/2015	10/1/2015	9/1/2025	14,110,000
19		1	Parkrose Chateau	Units	91.7%	6/30/2016	Acquisition	SPE	Group 1d	Group 1	1	10	8/12/2015	10/1/2015	9/1/2025	12,569,000
20		1	Montara Meadows	Units	98.9%	6/30/2016	Acquisition	SPE	Group 1d	Group 1	1	10	8/12/2015	10/1/2015	9/1/2025	11,670,000
21		1	Arcadia Place	Units	89.7%	6/30/2016	Acquisition	SPE	Group 1e	Group 1	1	10	8/12/2015	10/1/2015	9/1/2025	16,575,000
22		1	The Springs Of Napa	Units	100.0%	6/30/2016	Acquisition	SPE	Group 1e	Group 1	1	10	8/12/2015	10/1/2015	9/1/2025	15,408,000
23		1	The Springs Of Escondido	Units	94.2%	6/30/2016	Acquisition	SPE	Group 1e	Group 1	1	10	8/12/2015	10/1/2015	9/1/2025	15,375,000
24		1	The Remington	Units	88.1%	6/30/2016	Acquisition	SPE	Group 1e	Group 1	1	10	8/12/2015	10/1/2015	9/1/2025	13,628,000
25		1	University Pines	Units	92.0%	6/30/2016	Acquisition	SPE	Group 1f	Group 1	1	10	8/12/2015	10/1/2015	9/1/2025	21,057,000
26		1	Marion Woods	Units	94.5%	6/30/2016	Acquisition	SPE	Group 1f	Group 1	1	10	8/12/2015	10/1/2015	9/1/2025	19,936,000
27		1	Augustine Landing	Units	92.8%	6/30/2016	Acquisition	SPE	Group 1f	Group 1	1	10	8/12/2015	10/1/2015	9/1/2025	19,076,000
28		1	Genesee Gardens	Units	97.5%	6/30/2016	Acquisition	SPE	Group 1g	Group 1	1	10	8/12/2015	10/1/2015	9/1/2025	15,900,000

Loan No. / Property No.	Footnotes	Number of Properties	Property Name	Cut-Off Date Loan Amount	% of Cut-Off Date Pool Balance	Maturity Balance	Gross Interest Rate	Administration Fee Rate(3)	Net Mortgage Interest Rate	Accrual Basis	Loan Amortization Type	Monthly Debt Service Amount (Amortizing)(4)	Amortization Term (Original)	Amortization Term (Remaining)	Loan Term (Original)	Loan Term (Remaining)	IO Period
1		1	Echo Ridge	20,910,000	4.5%	19,055,841	4.2500%	0.1084%	4.1416%	Actual/360	Partial IO	102,864.63	360	360	120	107	60
2		1	Greenwood Terrace	19,643,000	4.2%	17,901,190	4.2500%	0.1084%	4.1416%	Actual/360	Partial IO	96,631.75	360	360	120	107	60
3		1	Alexis Gardens	17,384,000	3.7%	15,842,503	4.2500%	0.1084%	4.1416%	Actual/360	Partial IO	85,518.83	360	360	120	107	60
4		1	Redbud Hills	16,500,000	3.6%	15,036,890	4.2500%	0.1084%	4.1416%	Actual/360	Partial IO	81,170.08	360	360	120	107	60
5		1	The Jefferson	13,394,000	2.9%	12,206,309	4.2500%	0.1084%	4.1416%	Actual/360	Partial IO	65,890.43	360	360	120	107	60
6		1	The Woods At Holly Tree	27,382,000	5.9%	24,953,947	4.2500%	0.1084%	4.1416%	Actual/360	Partial IO	134,702.98	360	360	120	107	60
7		1	Cedar Ridge	15,637,000	3.4%	14,250,415	4.2500%	0.1084%	4.1416%	Actual/360	Partial IO	76,924.64	360	360	120	107	60
8		1	Indigo Pines	15,334,000	3.3%	13,974,283	4.2500%	0.1084%	4.1416%	Actual/360	Partial IO	75,434.06	360	360	120	107	60
9		1	Elm Park Estates	13,582,000	2.9%	12,377,639	4.2500%	0.1084%	4.1416%	Actual/360	Partial IO	66,815.28	360	360	120	107	60
10		1	Pinegate	12,902,000	2.8%	11,757,937	4.2500%	0.1084%	4.1416%	Actual/360	Partial IO	63,470.08	360	360	120	107	60
11		1	Kalama Heights	22,896,000	4.9%	20,865,736	4.2500%	0.1084%	4.1416%	Actual/360	Partial IO	112,634.56	360	360	120	107	60
12		1	Quail Run Estates	18,799,000	4.0%	17,132,030	4.2500%	0.1084%	4.1416%	Actual/360	Partial IO	92,479.78	360	360	120	107	60
13		1	Andover Place	13,995,000	3.0%	12,754,017	4.2500%	0.1084%	4.1416%	Actual/360	Partial IO	68,846.99	360	360	120	107	60
14		1	Niagara Village	12,845,000	2.8%	11,705,991	4.2500%	0.1084%	4.1416%	Actual/360	Partial IO	63,189.68	360	360	120	107	60
15		1	Holiday Hills Estates	12,063,000	2.6%	10,993,334	4.2500%	0.1084%	4.1416%	Actual/360	Partial IO	59,342.71	360	360	120	107	60
16		1	Stone Lodge	19,675,000	4.2%	17,930,352	4.2500%	0.1084%	4.1416%	Actual/360	Partial IO	96,789.17	360	360	120	107	60
17		1	Quincy Place	16,435,000	3.5%	14,977,654	4.2500%	0.1084%	4.1416%	Actual/360	Partial IO	80,850.32	360	360	120	107	60
18		1	Aspen View	14,110,000	3.0%	12,858,819	4.2500%	0.1084%	4.1416%	Actual/360	Partial IO	69,412.72	360	360	120	107	60
19		1	Parkrose Chateau	12,569,000	2.7%	11,454,465	4.2500%	0.1084%	4.1416%	Actual/360	Partial IO	61,831.92	360	360	120	107	60
20		1	Montara Meadows	11,670,000	2.5%	10,635,182	4.2500%	0.1084%	4.1416%	Actual/360	Partial IO	57,409.39	360	360	120	107	60
21		1	Arcadia Place	16,575,000	3.6%	15,105,240	4.2500%	0.1084%	4.1416%	Actual/360	Partial IO	81,539.04	360	360	120	107	60
22		1	The Springs Of Napa	15,408,000	3.3%	14,041,721	4.2500%	0.1084%	4.1416%	Actual/360	Partial IO	75,798.10	360	360	120	107	60
23		1	The Springs Of Escondido	15,375,000	3.3%	14,011,648	4.2500%	0.1084%	4.1416%	Actual/360	Partial IO	75,635.76	360	360	120	107	60
24		1	The Remington	13,628,000	2.9%	12,419,560	4.2500%	0.1084%	4.1416%	Actual/360	Partial IO	67,041.57	360	360	120	107	60
25		1	University Pines	21,057,000	4.5%	19,189,806	4.2500%	0.1084%	4.1416%	Actual/360	Partial IO	103,587.78	360	360	120	107	60
26		1	Marion Woods	19,936,000	4.3%	18,168,209	4.2500%	0.1084%	4.1416%	Actual/360	Partial IO	98,073.14	360	360	120	107	60
27		1	Augustine Landing	19,076,000	4.1%	17,384,468	4.2500%	0.1084%	4.1416%	Actual/360	Partial IO	93,842.45	360	360	120	107	60
28		1	Genesee Gardens	15,900,000	3.4%	14,490,094	4.2500%	0.1084%	4.1416%	Actual/360	Partial IO	78,218.44	360	360	120	107	60

Loan No. / Property No.	Footnotes	Number of Properties	Property Name	Seasoning	Prepayment Provision(5)	Appraisal Valuation Date	Appraised Value	Cut-Off Date LTV	Maturity LTV	UW NCF DSCR	UW NCF DSCR (IO)	UW EGI	UW Expenses	UW NOI	UW NCF	Most Recent Financial End Date
1		1	Echo Ridge	13	YM1%(113) 1%(3) O(4)	4/27/2015	31,100,000	69.6%	63.4%	1.33	1.82	3,366,110	1,704,860	1,661,250	1,623,843	6/30/2016
2		1	Greenwood Terrace	13	YM1%(113) 1%(3) O(4)	4/29/2015	26,200,000	69.6%	63.4%	1.33	1.82	3,364,985	1,789,032	1,575,952	1,525,525	6/30/2016
3		1	Alexis Gardens	13	YM1%(113) 1%(3) O(4)	4/23/2015	26,200,000	69.6%	63.4%	1.33	1.82	3,089,673	1,694,459	1,395,215	1,350,053	6/30/2016
4		1	Redbud Hills	13	YM1%(113) 1%(3) O(4)	4/23/2015	22,000,000	69.6%	63.4%	1.33	1.82	3,072,733	1,685,721	1,387,012	1,351,558	6/30/2016
5		1	The Jefferson	13	YM1%(113) 1%(3) O(4)	4/20/2015	21,300,000	69.6%	63.4%	1.33	1.82	2,847,161	1,774,020	1,073,140	1,040,196	6/30/2016
6		1	The Woods At Holly Tree	13	YM1%(113) 1%(3) O(4)	5/5/2015	42,300,000	64.0%	58.3%	1.32	1.80	3,821,508	1,647,856	2,173,652	2,126,501	6/30/2016
7		1	Cedar Ridge	13	YM1%(113) 1%(3) O(4)	4/27/2015	25,100,000	64.0%	58.3%	1.32	1.80	2,864,976	1,603,927	1,261,049	1,214,369	6/30/2016
8		1	Indigo Pines	13	YM1%(113) 1%(3) O(4)	4/28/2015	23,800,000	64.0%	58.3%	1.32	1.80	3,056,192	1,821,689	1,234,504	1,190,824	6/30/2016
9		1	Elm Park Estates	13	YM1%(113) 1%(3) O(4)	4/27/2015	20,800,000	64.0%	58.3%	1.32	1.80	2,752,108	1,656,055	1,096,053	1,054,761	6/30/2016
10		1	Pinegate	13	YM1%(113) 1%(3) O(4)	4/27/2015	20,700,000	64.0%	58.3%	1.32	1.80	2,620,799	1,570,221	1,050,579	1,002,024	6/30/2016
11		1	Kalama Heights	13	YM1%(113) 1%(3) O(4)	5/1/2015	36,600,000	63.1%	57.5%	1.32	1.80	4,686,644	2,854,178	1,832,466	1,778,137	6/30/2016
12		1	Quail Run Estates	13	YM1%(113) 1%(3) O(4)	4/28/2015	30,600,000	63.1%	57.5%	1.32	1.80	3,567,937	2,063,487	1,504,450	1,459,924	6/30/2016
13		1	Andover Place	13	YM1%(113) 1%(3) O(4)	4/21/2015	19,300,000	63.1%	57.5%	1.32	1.80	2,735,487	1,602,026	1,133,461	1,086,905	6/30/2016
14		1	Niagara Village	13	YM1%(113) 1%(3) O(4)	4/23/2015	21,500,000	63.1%	57.5%	1.32	1.80	2,939,581	1,896,860	1,042,720	997,576	6/30/2016
15		1	Holiday Hills Estates	13	YM1%(113) 1%(3) O(4)	4/27/2015	20,300,000	63.1%	57.5%	1.32	1.80	2,576,353	1,600,543	975,809	936,821	6/30/2016
16		1	Stone Lodge	13	YM1%(113) 1%(3) O(4)	4/27/2015	28,200,000	60.7%	55.3%	1.32	1.80	3,248,264	1,676,981	1,571,283	1,527,963	6/30/2016
17		1	Quincy Place	13	YM1%(113) 1%(3) O(4)	4/21/2015	27,600,000	60.7%	55.3%	1.32	1.80	3,011,534	1,697,059	1,314,475	1,276,395	6/30/2016
18		1	Aspen View	13	YM1%(113) 1%(3) O(4)	4/28/2015	27,800,000	60.7%	55.3%	1.32	1.80	2,903,929	1,763,148	1,140,781	1,095,823	6/30/2016
19		1	Parkrose Chateau	13	YM1%(113) 1%(3) O(4)	4/23/2015	19,600,000	60.7%	55.3%	1.32	1.80	2,705,707	1,687,695	1,018,012	976,108	6/30/2016
20		1	Montara Meadows	13	YM1%(113) 1%(3) O(4)	4/23/2015	21,100,000	60.7%	55.3%	1.32	1.80	3,831,752	2,865,394	966,359	906,329	6/30/2016
21		1	Arcadia Place	13	YM1%(113) 1%(3) O(4)	4/20/2015	22,100,000	71.6%	65.2%	1.33	1.82	3,385,386	2,035,338	1,350,048	1,309,332	6/30/2016
22		1	The Springs Of Napa	13	YM1%(113) 1%(3) O(4)	4/24/2015	21,700,000	71.6%	65.2%	1.33	1.82	3,375,486	2,136,577	1,238,908	1,196,589	6/30/2016
23		1	The Springs Of Escondido	13	YM1%(113) 1%(3) O(4)	4/20/2015	20,500,000	71.6%	65.2%	1.33	1.82	3,128,877	1,867,627	1,261,249	1,208,105	6/30/2016
24		1	The Remington	13	YM1%(113) 1%(3) O(4)	4/21/2015	21,200,000	71.6%	65.2%	1.33	1.82	2,930,042	1,825,291	1,104,751	1,058,377	6/30/2016
25		1	University Pines	13	YM1%(113) 1%(3) O(4)	4/28/2015	30,200,000	70.3%	64.0%	1.32	1.80	3,313,648	1,639,348	1,674,299	1,635,323	6/30/2016
26		1	Marion Woods	13	YM1%(113) 1%(3) O(4)	4/20/2015	27,000,000	70.3%	64.0%	1.32	1.80	3,463,694	1,860,461	1,603,233	1,548,242	6/30/2016
27		1	Augustine Landing	13	YM1%(113) 1%(3) O(4)	4/21/2015	28,400,000	70.3%	64.0%	1.32	1.80	3,181,275	1,662,076	1,519,199	1,481,459	6/30/2016
28		1	Genesee Gardens	13	YM1%(113) 1%(3) O(4)	4/24/2015	21,200,000	75.0%	68.3%	1.32	1.81	3,075,232	1,789,065	1,286,167	1,239,638	6/30/2016

Loan No. / Property No.	Footnotes	Number of Properties	Property Name	Most Recent EGI	Most Recent Expenses	Most Recent NOI	Most Recent NCF	2nd Most Recent Financial End Date	2nd Most Recent EGI	2nd Most Recent Expenses	2nd Most Recent NOI	2nd Most Recent NCF	3rd Most Recent Financial End Date	3rd Most Recent EGI	3rd Most Recent Expenses	3rd Most Recent NOI	3rd Most Recent NCF
1		1	Echo Ridge	3,524,454	1,810,721	1,713,733	1,676,329	12/31/2015	3,361,860	1,723,835	1,638,025	1,600,621	12/31/2014	3,114,978	1,569,639	1,545,339	1,506,489
2		1	Greenwood Terrace	3,424,583	1,912,500	1,512,083	1,461,659	12/31/2015	3,184,960	1,802,897	1,382,063	1,331,639	12/31/2014	3,028,349	1,685,746	1,342,603	1,301,653
3		1	Alexis Gardens	3,436,940	1,822,585	1,614,355	1,569,187	12/31/2015	3,171,741	1,693,921	1,477,820	1,432,652	12/31/2014	3,190,133	1,601,043	1,589,090	1,548,140
4		1	Redbud Hills	2,773,711	1,827,026	946,685	911,225	12/31/2015	2,856,371	1,697,813	1,158,557	1,123,097	12/31/2014	2,898,764	1,595,698	1,303,065	1,262,932
5		1	The Jefferson	3,113,930	1,847,014	1,266,917	1,233,977	12/31/2015	2,911,868	1,764,576	1,147,292	1,114,352	12/31/2014	2,767,024	1,739,122	1,027,902	987,302
6		1	The Woods At Holly Tree	4,080,701	1,788,685	2,292,016	2,244,868	12/31/2015	3,838,341	1,623,877	2,214,464	2,167,316	12/31/2014	4,021,332	1,581,436	2,439,895	2,398,945
7		1	Cedar Ridge	3,033,317	1,686,515	1,346,802	1,300,122	12/31/2015	2,886,411	1,569,917	1,316,493	1,269,813	12/31/2014	2,744,154	1,524,693	1,219,461	1,177,461
8		1	Indigo Pines	3,110,113	1,879,750	1,230,364	1,186,684	12/31/2015	2,982,541	1,780,219	1,202,323	1,158,643	12/31/2014	3,103,498	1,770,631	1,332,868	1,290,868
9		1	Elm Park Estates	2,734,144	1,658,274	1,075,869	1,034,577	12/31/2015	2,706,896	1,574,005	1,132,891	1,091,599	12/31/2014	2,695,430	1,497,396	1,198,035	1,159,185
10		1	Pinegate	2,633,765	1,659,386	974,378	925,826	12/31/2015	2,546,344	1,550,784	995,560	947,008	12/31/2014	2,554,788	1,526,167	1,028,621	987,671
11		1	Kalama Heights	4,743,778	2,980,738	1,763,040	1,708,716	12/31/2015	4,873,541	2,833,965	2,039,576	1,985,252	12/31/2014	4,326,275	2,741,038	1,585,237	1,542,537
12		1	Quail Run Estates	3,189,793	1,979,494	1,210,300	1,165,768	12/31/2015	3,363,064	2,053,689	1,309,375	1,264,843	12/31/2014	3,723,523	1,900,576	1,822,947	1,779,897
13		1	Andover Place	2,874,238	1,756,958	1,117,279	1,077,729	12/31/2015	2,714,031	1,546,513	1,167,517	1,120,957	12/31/2014	2,404,061	1,541,994	862,068	822,518
14		1	Niagara Village	3,080,616	1,915,896	1,164,720	1,124,820	12/31/2015	3,035,741	1,914,339	1,121,403	1,099,236	12/31/2014	3,043,960	1,771,734	1,272,225	1,232,325
15		1	Holiday Hills Estates	2,712,599	1,646,350	1,066,249	1,027,261	12/31/2015	2,551,176	1,622,169	929,007	889,107	12/31/2014	2,766,554	1,523,836	1,242,718	1,202,818
16		1	Stone Lodge	3,117,922	1,722,518	1,395,403	1,352,083	12/31/2015	3,293,760	1,655,152	1,638,608	1,616,441	12/31/2014	3,109,769	1,585,453	1,524,315	1,484,415
17		1	Quincy Place	3,102,511	1,774,910	1,327,601	1,289,525	12/31/2015	2,962,152	1,693,724	1,268,428	1,230,352	12/31/2014	3,035,914	1,602,588	1,433,326	1,391,676
18		1	Aspen View	2,703,047	1,853,810	849,236	804,272	12/31/2015	2,858,743	1,770,251	1,088,492	1,043,528	12/31/2014	3,326,949	1,724,585	1,602,363	1,557,913
19		1	Parkrose Chateau	2,831,450	1,710,396	1,121,054	1,083,254	12/31/2015	2,743,608	1,657,117	1,086,491	1,044,587	12/31/2014	2,527,332	1,556,983	970,349	932,549
20		1	Montara Meadows	4,043,872	3,105,840	938,032	877,996	12/31/2015	3,819,095	2,858,935	960,160	900,124	12/31/2014	3,909,045	2,762,114	1,146,930	1,086,118
21		1	Arcadia Place	3,353,074	2,046,573	1,306,501	1,271,042	12/31/2015	3,255,863	1,836,724	1,419,139	1,378,423	12/31/2014	2,952,872	1,759,981	1,192,891	1,152,291
22		1	The Springs Of Napa	3,620,051	2,186,208	1,433,843	1,391,519	12/31/2015	3,420,080	2,050,792	1,369,288	1,326,964	12/31/2014	3,058,707	1,824,285	1,234,422	1,199,072
23		1	The Springs Of Escondido	2,921,971	1,937,940	984,032	955,584	12/31/2015	3,006,976	1,712,300	1,294,676	1,241,528	12/31/2014	2,702,560	1,629,284	1,073,276	1,036,876
24		1	The Remington	2,954,294	1,875,726	1,078,568	1,032,188	12/31/2015	2,963,285	1,750,517	1,212,768	1,166,388	12/31/2014	2,949,398	1,669,295	1,280,103	1,238,453
25		1	University Pines	3,265,185	1,670,172	1,595,012	1,556,036	12/31/2015	3,318,917	1,615,515	1,703,403	1,664,427	12/31/2014	3,110,900	1,554,664	1,556,236	1,517,036
26		1	Marion Woods	3,879,480	2,008,631	1,870,849	1,826,399	12/31/2015	3,603,017	1,845,215	1,757,803	1,702,807	12/31/2014	3,163,563	1,690,418	1,473,145	1,428,695
27		1	Augustine Landing	3,178,877	1,725,057	1,453,820	1,414,970	12/31/2015	3,105,688	1,643,764	1,461,924	1,424,184	12/31/2014	3,119,571	1,586,746	1,532,826	1,493,976
28		1	Genesee Gardens	3,285,732	1,919,120	1,366,612	1,320,088	12/31/2015	3,171,407	1,842,199	1,329,208	1,306,068	12/31/2014	2,862,286	1,691,350	1,170,935	1,129,285

Loan No. / Property No.	Footnotes	Number of Properties	Property Name	Lien Position	Title Vesting (Fee/Leasehold)	Ground Lease Maturity Date	Cash Management (Description or N/A)	Engineering Escrow/Deferred Maintenance	Tax Escrow (Initial)(6)	Tax Escrow (Monthly)	Insurance Escrow (Initial)(6)	Insurance Escrow (Monthly)	Replacement Reserve (Initial)(6)	Replacement Reserve (Monthly)	Replacement Reserve - Contractual - Cap ($ or N/A)
1		1	Echo Ridge	First Mortgage	Fee Simple	N/A	N/A	N/A	91,248	10,936	9,842	1,276	N/A	3,117	N/A
2		1	Greenwood Terrace	First Mortgage	Fee Simple	N/A	N/A	N/A	59,079	10,554	10,787	800	N/A	4,202	N/A
3		1	Alexis Gardens	First Mortgage	Fee Simple	N/A	N/A	N/A	39,981	11,605	10,367	712	N/A	3,764	N/A
4		1	Redbud Hills	First Mortgage	Fee Simple	N/A	N/A	N/A	N/A	13,804	9,899	1,440	N/A	2,955	N/A
5		1	The Jefferson	First Mortgage	Fee Simple	N/A	N/A	N/A	41,051	14,306	10,525	1,105	N/A	2,745	N/A
6		1	The Woods At Holly Tree	First Mortgage	Fee Simple	N/A	N/A	N/A	89,730	7,029	10,342	1,475	N/A	3,929	N/A
7		1	Cedar Ridge	First Mortgage	Fee Simple	N/A	N/A	N/A	7,254	7,978	10,747	1,555	N/A	3,890	N/A
8		1	Indigo Pines	First Mortgage	Fee Simple	N/A	N/A	N/A	112,430	10,284	10,579	1,508	N/A	3,640	N/A
9		1	Elm Park Estates	First Mortgage	Fee Simple	N/A	N/A	32,556	20,702	3,735	9,879	1,392	N/A	3,441	N/A
10		1	Pinegate	First Mortgage	Fee Simple	N/A	N/A	N/A	168,804	4,262	10,490	1,362	N/A	4,046	N/A
11		1	Kalama Heights	First Mortgage	Fee Simple	N/A	N/A	N/A	16,419	8,090	17,608	2,033	N/A	4,527	N/A
12		1	Quail Run Estates	First Mortgage	Fee Simple	N/A	N/A	N/A	40,882	13,610	10,941	817	N/A	3,711	N/A
13		1	Andover Place	First Mortgage	Fee Simple	N/A	N/A	39,750	N/A	6,812	10,111	1,473	N/A	3,880	N/A
14		1	Niagara Village	First Mortgage	Fee Simple	N/A	N/A	N/A	13,797	20,211	9,758	1,393	N/A	3,762	N/A
15		1	Holiday Hills Estates	First Mortgage	Fee Simple	N/A	N/A	N/A	75,719	4,519	9,902	1,440	N/A	3,249	N/A
16		1	Stone Lodge	First Mortgage	Fee Simple	N/A	N/A	N/A	116,118	9,620	10,081	1,467	N/A	3,610	N/A
17		1	Quincy Place	First Mortgage	Fee Simple	N/A	N/A	N/A	18,722	12,413	9,877	3,186	N/A	3,173	N/A
18		1	Aspen View	First Mortgage	Fee Simple	N/A	N/A	N/A	39,758	5,542	11,039	798	N/A	3,747	N/A
19		1	Parkrose Chateau	First Mortgage	Fee Simple	N/A	N/A	N/A	146,070	12,544	9,289	1,351	N/A	3,492	N/A
20		1	Montara Meadows	First Mortgage	Fee Simple	N/A	N/A	N/A	14,604	7,529	14,287	1,064	N/A	5,003	N/A
21		1	Arcadia Place	First Mortgage	Fee Simple	N/A	N/A	32,925	73,552	7,871	9,618	714	N/A	3,393	N/A
22		1	The Springs Of Napa	First Mortgage	Fee Simple	N/A	N/A	69,000	73,000	18,221	9,123	1,025	N/A	3,527	N/A
23		1	The Springs Of Escondido	First Mortgage	Fee Simple	N/A	N/A	220,400	44,650	3,359	8,596	627	N/A	4,429	N/A
24		1	The Remington	First Mortgage	Fee Simple	N/A	N/A	N/A	74,952	5,824	14,570	427	N/A	3,865	N/A
25		1	University Pines	First Mortgage	Fee Simple	N/A	N/A	50,563	71,237	6,254	9,276	1,349	N/A	3,248	N/A
26		1	Marion Woods	First Mortgage	Fee Simple	N/A	N/A	37,400	140,624	13,887	11,536	1,681	N/A	4,583	N/A
27		1	Augustine Landing	First Mortgage	Fee Simple	N/A	N/A	N/A	118,354	6,511	16,285	882	N/A	3,145	N/A
28		1	Genesee Gardens	First Mortgage	Fee Simple	N/A	N/A	38,773	24,556	25,135	10,395	1,504	N/A	3,877	N/A

Loan No. / Property No.	Footnotes	Number of Properties	Property Name	Environmental Escrow	Other Escrow (Initial)(6)	Other Escrow (Monthly)	Other Escrow Reserve Description(7)	Springing Reserve Type(7)	Springing Reserve Amount	Seismic Insurance if PML >= 20% (Y/N)	Monthly Rent Per Unit	Additional Financing In Place (existing) (Y/N)	Additional Financing Amount (existing)
1		1	Echo Ridge	N/A	N/A	N/A	N/A	N/A	N/A	No	2,946	No	N/A
2		1	Greenwood Terrace	N/A	N/A	Springing	Radon Remediation Reserve	Radon Remediation Reserve	N/A	No	2,782	No	N/A
3		1	Alexis Gardens	N/A	N/A	N/A	N/A	N/A	N/A	No	2,764	No	N/A
4		1	Redbud Hills	N/A	N/A	N/A	N/A	N/A	N/A	No	2,551	No	N/A
5		1	The Jefferson	N/A	N/A	N/A	N/A	N/A	N/A	No	2,509	No	N/A
6		1	The Woods At Holly Tree	N/A	N/A	N/A	N/A	N/A	N/A	No	3,381	No	N/A
7		1	Cedar Ridge	N/A	N/A	N/A	N/A	N/A	N/A	No	2,302	No	N/A
8		1	Indigo Pines	N/A	N/A	N/A	N/A	N/A	N/A	No	2,630	No	N/A
9		1	Elm Park Estates	N/A	N/A	N/A	N/A	N/A	N/A	No	2,302	No	N/A
10		1	Pinegate	N/A	N/A	N/A	N/A	N/A	N/A	No	2,294	No	N/A
11		1	Kalama Heights	N/A	N/A	N/A	N/A	N/A	N/A	No	3,685	No	N/A
12		1	Quail Run Estates	N/A	N/A	N/A	N/A	N/A	N/A	No	2,700	No	N/A
13		1	Andover Place	N/A	N/A	N/A	N/A	N/A	N/A	No	2,313	No	N/A
14		1	Niagara Village	N/A	N/A	N/A	N/A	N/A	N/A	No	2,532	No	N/A
15		1	Holiday Hills Estates	N/A	N/A	N/A	N/A	N/A	N/A	No	2,340	No	N/A
16		1	Stone Lodge	N/A	N/A	N/A	N/A	N/A	N/A	No	2,674	No	N/A
17		1	Quincy Place	N/A	N/A	N/A	N/A	N/A	N/A	No	2,445	No	N/A
18		1	Aspen View	N/A	N/A	Springing	Radon Remediation Reserve	Radon Remediation Reserve	N/A	No	2,461	No	N/A
19		1	Parkrose Chateau	N/A	N/A	Springing	Radon Remediation Reserve	Radon Remediation Reserve	N/A	No	2,391	No	N/A
20		1	Montara Meadows	N/A	N/A	N/A	N/A	N/A	N/A	No	2,125	No	N/A
21		1	Arcadia Place	N/A	N/A	N/A	N/A	N/A	N/A	No	2,675	No	N/A
22		1	The Springs Of Napa	N/A	N/A	N/A	N/A	N/A	N/A	No	3,187	No	N/A
23		1	The Springs Of Escondido	N/A	N/A	N/A	N/A	N/A	N/A	No	2,689	No	N/A
24		1	The Remington	N/A	N/A	N/A	N/A	N/A	N/A	No	2,316	No	N/A
25		1	University Pines	N/A	N/A	N/A	N/A	N/A	N/A	No	2,765	No	N/A
26		1	Marion Woods	N/A	N/A	Springing	Radon Remediation Reserve	Radon Remediation Reserve	N/A	No	2,853	No	N/A
27		1	Augustine Landing	N/A	N/A	N/A	N/A	N/A	N/A	No	2,960	No	N/A
28		1	Genesee Gardens	N/A	N/A	N/A	N/A	N/A	N/A	No	2,468	No	N/A

Loan No. / Property No.	Footnotes	Number of Properties	Property Name	Additional Financing Description (existing)	Future Supplemental Financing (Y/N)	Future Supplemental Financing Description(8)	UW Medicaid Income	UW Medicaid Income as % of EGI	Most Recent Medicaid Income	Most Recent Medicaid Income as % of EGI	Most Recent Medicaid Income End Date
1		1	Echo Ridge	N/A	Yes	(i) Max combined LTV of 70.0% (ii) Min combined DSCR of 1.30x	N/A	N/A	N/A	N/A	N/A
2		1	Greenwood Terrace	N/A	Yes	(i) Max combined LTV of 75.0% (ii) Min combined DSCR of 1.30x	N/A	N/A	N/A	N/A	N/A
3		1	Alexis Gardens	N/A	Yes	(i) Max combined LTV of 70.0% (ii) Min combined DSCR of 1.30x	N/A	N/A	N/A	N/A	N/A
4		1	Redbud Hills	N/A	Yes	(i) Max combined LTV of 75.0% (ii) Min combined DSCR of 1.30x	N/A	N/A	N/A	N/A	N/A
5		1	The Jefferson	N/A	Yes	(i) Max combined LTV of 65.0% (ii) Min combined DSCR of 1.30x	N/A	N/A	N/A	N/A	N/A
6		1	The Woods At Holly Tree	N/A	Yes	(i) Max combined LTV of 65.0% (ii) Min combined DSCR of 1.30x	N/A	N/A	N/A	N/A	N/A
7		1	Cedar Ridge	N/A	Yes	(i) Max combined LTV of 65.0% (ii) Min combined DSCR of 1.30x	N/A	N/A	N/A	N/A	N/A
8		1	Indigo Pines	N/A	Yes	(i) Max combined LTV of 65.0% (ii) Min combined DSCR of 1.30x	N/A	N/A	N/A	N/A	N/A
9		1	Elm Park Estates	N/A	Yes	(i) Max combined LTV of 65.0% (ii) Min combined DSCR of 1.30x	N/A	N/A	N/A	N/A	N/A
10		1	Pinegate	N/A	Yes	(i) Max combined LTV of 65.0% (ii) Min combined DSCR of 1.30x	N/A	N/A	N/A	N/A	N/A
11		1	Kalama Heights	N/A	Yes	(i) Max combined LTV of 65.0% (ii) Min combined DSCR of 1.30x	N/A	N/A	N/A	N/A	N/A
12		1	Quail Run Estates	N/A	Yes	(i) Max combined LTV of 65.0% (ii) Min combined DSCR of 1.30x	N/A	N/A	N/A	N/A	N/A
13		1	Andover Place	N/A	Yes	(i) Max combined LTV of 75.0% (ii) Min combined DSCR of 1.30x	N/A	N/A	N/A	N/A	N/A
14		1	Niagara Village	N/A	Yes	(i) Max combined LTV of 60.0% (ii) Min combined DSCR of 1.30x	N/A	N/A	N/A	N/A	N/A
15		1	Holiday Hills Estates	N/A	Yes	(i) Max combined LTV of 60.0% (ii) Min combined DSCR of 1.30x	N/A	N/A	N/A	N/A	N/A
16		1	Stone Lodge	N/A	Yes	(i) Max combined LTV of 70.0% (ii) Min combined DSCR of 1.30x	N/A	N/A	N/A	N/A	N/A
17		1	Quincy Place	N/A	Yes	(i) Max combined LTV of 60.0% (ii) Min combined DSCR of 1.30x	N/A	N/A	N/A	N/A	N/A
18		1	Aspen View	N/A	Yes	(i) Max combined LTV of 55.0% (ii) Min combined DSCR of 1.30x	N/A	N/A	N/A	N/A	N/A
19		1	Parkrose Chateau	N/A	Yes	(i) Max combined LTV of 65.0% (ii) Min combined DSCR of 1.30x	N/A	N/A	N/A	N/A	N/A
20		1	Montara Meadows	N/A	Yes	(i) Max combined LTV of 55.0% (ii) Min combined DSCR of 1.30x	N/A	N/A	N/A	N/A	N/A
21		1	Arcadia Place	N/A	Yes	(i) Max combined LTV of 75.0% (ii) Min combined DSCR of 1.30x	N/A	N/A	N/A	N/A	N/A
22		1	The Springs Of Napa	N/A	Yes	(i) Max combined LTV of 75.0% (ii) Min combined DSCR of 1.30x	N/A	N/A	N/A	N/A	N/A
23		1	The Springs Of Escondido	N/A	Yes	(i) Max combined LTV of 75.0% (ii) Min combined DSCR of 1.30x	N/A	N/A	N/A	N/A	N/A
24		1	The Remington	N/A	Yes	(i) Max combined LTV of 65.0% (ii) Min combined DSCR of 1.30x	N/A	N/A	N/A	N/A	N/A
25		1	University Pines	N/A	Yes	(i) Max combined LTV of 70.0% (ii) Min combined DSCR of 1.30x	N/A	N/A	N/A	N/A	N/A
26		1	Marion Woods	N/A	Yes	(i) Max combined LTV of 75.0% (ii) Min combined DSCR of 1.30x	N/A	N/A	N/A	N/A	N/A
27		1	Augustine Landing	N/A	Yes	(i) Max combined LTV of 70.0% (ii) Min combined DSCR of 1.30x	N/A	N/A	N/A	N/A	N/A
28		1	Genesee Gardens	N/A	Yes	(i) Max combined LTV of 75.0% (ii) Min combined DSCR of 1.30x	N/A	N/A	N/A	N/A	N/A

Footnotes to Exhibit A-1

(1) Certain groups of underlying mortgage loans (each, a “Crossed Loan Group”) are made up of underlying mortgage loans that are cross-collateralized with each other underlying mortgage loan in such group. The Cut-Off Date Balance/Unit calculation presented is based on the aggregate Cut-Off Date Loan Amount of all the mortgage loans in the respective Crossed Loan Group and the aggregate of the Total Units of all mortgaged properties securing the mortgage loans in the respective Crossed Loan Group.

The Cut-Off Date LTV, Maturity LTV and UW NCF DSCR calculations presented are based on the weighted average by the Cut-Off Date Loan Amount for each respective mortgage loan within its respective Crossed Loan Group.

All of the underlying mortgage loans are cross-defaulted with each other.

(2) The related groups of underlying mortgage loans were made to separate borrowers under common ownership.

For discussion of the risks associated with related borrower loans, see *"Risk Factors - Risks Related to the Underlying Mortgage Loans"* in this Information Circular.

(3) The Administration Fee Rate includes the master servicing fee rate, sub-servicing fee rate, master servicer surveillance fee rate, special servicer surveillance fee rate, trustee fee rate and certificate administrator fee rate applicable to each underlying mortgage loan.

(4) Monthly Debt Service Amount (Amortizing) shown for underlying mortgage loans with partial interest-only periods reflects such amount payable after expiration of the interest-only period.

(5) Prepayment Provision is shown from the respective underlying mortgage loan origination date.

(6) Initial Escrow Balances are as of the related underlying mortgage loan origination date, not as of the Cut-off Date.

(7) With respect to Radon Remediation Reserve (Monthly), springing Radon Remediation Reserve (Monthly) commences upon the related long term radon test concluding radon concentrations greater than 4 pCi/L for 150% repair costs.

(8) With respect to Future Supplemental Financing Description, other than the required maximum combined LTV and minimum combined DSCR, the loan documents also require (i) Freddie Mac approval, (ii) at least 12 months after first mortgage and (iii) certain other conditions of the security instrument or loan agreement, where applicable.

(THIS PAGE INTENTIONALLY LEFT BLANK)

EXHIBIT A-2

CERTAIN MORTGAGE POOL INFORMATION

(THIS PAGE INTENTIONALLY LEFT BLANK)

Freddie Mac MULTIFAMILY

The Underlying Mortgage Loans or Groups of Cross-Collateralized Mortgage Loans

Loan Name	Number of Mortgaged Properties	Property Sub-Type	Location	Cut-off Date Principal Balance	% of Initial Cut-off Date Principal Balance	Underwritten DSCR	Cut-off Date LTV Ratio	Mortgage Rate
Crossed Portfolio I	5	Independent Living	Various	$87,831,000	18.9%	1.33x	69.6%	4.250%
Southeastern Crossed Portfolio	5	Independent Living	Various	84,837,000	18.3	1.32x	64.0%	4.250%
Crossed Portfolio II	5	Independent Living	Various	80,598,000	17.3	1.32x	63.1%	4.250%
Western Crossed Portfolio	5	Independent Living	Various	74,459,000	16.0	1.32x	60.7%	4.250%
California Crossed Portfolio	4	Independent Living	Various, CA	60,986,000	13.1	1.33x	71.6%	4.250%
Florida Crossed Portfolio	3	Independent Living	Various, FL	60,069,000	12.9	1.32x	70.3%	4.250%
Genesee Gardens	1	Independent Living	Flint Township, MI	15,900,000	3.4	1.32x	75.0%	4.250%
Total/Wtd. Average	**28**			**$464,680,000**	**100.0%**	**1.32x**	**66.6%**	**4.250%**

Mortgage Pool Cut-off Date Principal Balances

Range of Cut-off Date Balances	Number of Mortgage Loans	Cut-off Date Principal Balance	% of Initial Cut-off Date Principal Balance	Weighted Average Underwritten DSCR	Weighted Average Cut-off Date LTV Ratio	Weighted Average Mortgage Rate
$11,670,000 - $14,999,999	10	$130,758,000	28.1%	1.32x	64.1%	4.250%
$15,000,000 - $19,999,999	14	241,677,000	52.0	1.32x	67.9%	4.250%
$20,000,000 - $27,382,000	4	92,245,000	19.9	1.32x	66.5%	4.250%
Total/Wtd. Average	**28**	**$464,680,000**	**100.0%**	**1.32x**	**66.6%**	**4.250%**

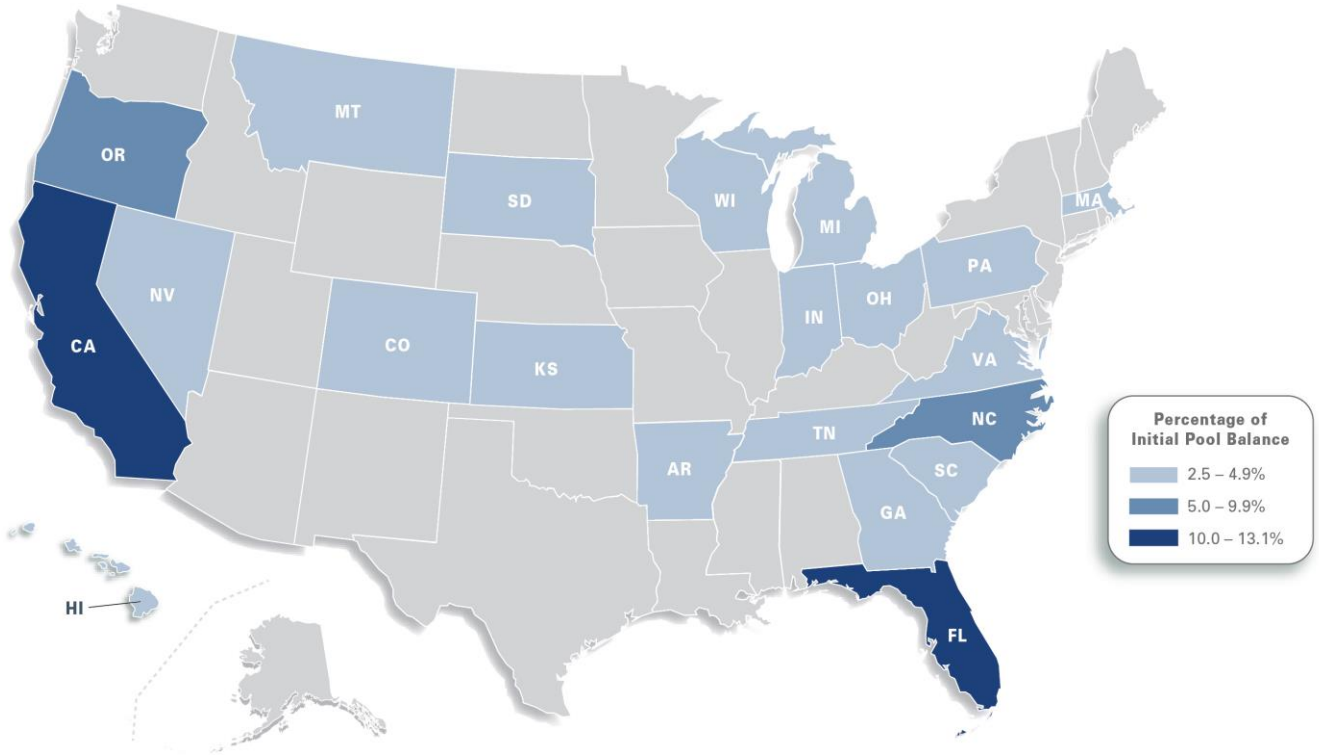
Mortgage Pool Underwritten Debt Service Coverage Ratios

Range of Underwritten DSCRs	Number of Mortgage Loans	Cut-off Date Principal Balance	% of Initial Cut-off Date Principal Balance	Weighted Average Underwritten DSCR	Weighted Average Cut-off Date LTV Ratio	Weighted Average Mortgage Rate
1.32x - 1.33x	28	$464,680,000	100.0%	1.32x	66.6%	4.250%
Total/Wtd. Average	**28**	**$464,680,000**	**100.0%**	**1.32x**	**66.6%**	**4.250%**

Mortgage Pool Geographic Distribution

Property Location	Number of Mortgaged Properties	Cut-off Date Principal Balance	% of Initial Cut-off Date Principal Balance	Weighted Average Underwritten DSCR	Weighted Average Cut-off Date LTV Ratio	Weighted Average Mortgage Rate
California	4	$60,986,000	13.1%	1.33x	71.6%	4.250%
Southern California	*3*	*$45,578,000*	*9.8%*	*1.33x*	*71.6%*	*4.250%*
Northern California	*1*	*$15,408,000*	*3.3%*	*1.33x*	*71.6%*	*4.250%*
Florida	3	60,069,000	12.9	1.32x	70.3%	4.250%
North Carolina	2	43,019,000	9.3	1.32x	64.0%	4.250%
Oregon	2	32,244,000	6.9	1.32x	60.7%	4.250%
Hawaii	1	22,896,000	4.9	1.32x	63.1%	4.250%
Tennessee	1	20,910,000	4.5	1.33x	69.6%	4.250%
Kansas	1	19,643,000	4.2	1.33x	69.6%	4.250%
Massachusetts	1	18,799,000	4.0	1.32x	63.1%	4.250%
Ohio	1	17,384,000	3.7	1.33x	69.6%	4.250%
Indiana	1	16,500,000	3.6	1.33x	69.6%	4.250%
Colorado	1	16,435,000	3.5	1.32x	60.7%	4.250%
Michigan	1	15,900,000	3.4	1.32x	75.0%	4.250%
South Carolina	1	15,334,000	3.3	1.32x	64.0%	4.250%
Montana	1	14,110,000	3.0	1.32x	60.7%	4.250%
Arkansas	1	13,995,000	3.0	1.32x	63.1%	4.250%
Virginia	1	13,582,000	2.9	1.32x	64.0%	4.250%
Wisconsin	1	13,394,000	2.9	1.33x	69.6%	4.250%
Georgia	1	12,902,000	2.8	1.32x	64.0%	4.250%
Pennsylvania	1	12,845,000	2.8	1.32x	63.1%	4.250%
South Dakota	1	12,063,000	2.6	1.32x	63.1%	4.250%
Nevada	1	11,670,000	2.5	1.32x	60.7%	4.250%
Total/Wtd. Average	**28**	**$464,680,000**	**100.0%**	**1.32x**	**66.6%**	**4.250%**

Collateral Locations



Freddie Mac MULTIFAMILY

Mortgage Pool Cut-off Date Loan-to-Value Ratios

Range of Cut-off Date LTV Ratios	Number of Mortgage Loans	Cut-off Date Principal Balance	% of Initial Cut-off Date Principal Balance	Weighted Average Underwritten DSCR	Weighted Average Cut-off Date LTV Ratio	Weighted Average Mortgage Rate
60.7% - 64.9%	15	$239,894,000	51.6%	1.32x	62.7%	4.250%
65.0% - 69.9%	5	87,831,000	18.9	1.33x	69.6%	4.250%
70.0% - 74.9%	7	121,055,000	26.1	1.33x	71.0%	4.250%
75.0%	1	15,900,000	3.4	1.32x	75.0%	4.250%
Total/Wtd. Average	**28**	**$464,680,000**	**100.0%**	**1.32x**	**66.6%**	**4.250%**

Mortgage Pool Maturity Date Loan-to-Value Ratios

Range of Maturity Date LTV Ratios	Number of Mortgage Loans	Cut-off Date Principal Balance	% of Initial Cut-off Date Principal Balance	Weighted Average Underwritten DSCR	Weighted Average Maturity Date LTV Ratio	Weighted Average Mortgage Rate
55.3% - 59.9%	15	$239,894,000	51.6%	1.32x	57.1%	4.250%
60.0% - 64.9%	8	147,900,000	31.8	1.33x	63.6%	4.250%
65.0% - 68.3%	5	76,886,000	16.5	1.33x	65.8%	4.250%
Total/Wtd. Average	**28**	**$464,680,000**	**100.0%**	**1.32x**	**60.6%**	**4.250%**

Mortgage Pool Mortgage Rates

Range of Mortgage Rates	Number of Mortgage Loans	Cut-off Date Principal Balance	% of Initial Cut-off Date Principal Balance	Weighted Average Underwritten DSCR	Weighted Average Cut-off Date LTV Ratio	Weighted Average Mortgage Rate
4.250%	28	$464,680,000	100.0%	1.32x	66.6%	4.250%
Total/Wtd. Average	**28**	**$464,680,000**	**100.0%**	**1.32x**	**66.6%**	**4.250%**

Mortgage Pool Original Term to Maturity

Original Term to Maturity (months)	Number of Mortgage Loans	Cut-off Date Principal Balance	% of Initial Cut-off Date Principal Balance	Weighted Average Underwritten DSCR	Weighted Average Cut-off Date LTV Ratio	Weighted Average Mortgage Rate
120	28	$464,680,000	100.0%	1.32x	66.6%	4.250%
Total/Wtd. Average	**28**	**$464,680,000**	**100.0%**	**1.32x**	**66.6%**	**4.250%**

Mortgage Pool Remaining Term to Maturity

Remaining Term to Maturity (months)	Number of Mortgage Loans	Cut-off Date Principal Balance	% of Initial Cut-off Date Principal Balance	Weighted Average Underwritten DSCR	Weighted Average Cut-off Date LTV Ratio	Weighted Average Mortgage Rate
107	28	$464,680,000	100.0%	1.32x	66.6%	4.250%
Total/Wtd. Average	**28**	**$464,680,000**	**100.0%**	**1.32x**	**66.6%**	**4.250%**

Freddie Mac MULTIFAMILY

Mortgage Pool Original Amortization Term

Original Amortization Term (months)	Number of Mortgage Loans	Cut-off Date Principal Balance	% of Initial Cut-off Date Principal Balance	Weighted Average Underwritten DSCR	Weighted Average Cut-off Date LTV Ratio	Weighted Average Mortgage Rate
360	28	$464,680,000	100.0%	1.32x	66.6%	4.250%
Total/Wtd. Average	**28**	**$464,680,000**	**100.0%**	**1.32x**	**66.6%**	**4.250%**

Mortgage Pool Remaining Amortization Term

Remaining Amortization Term (months)	Number of Mortgage Loans	Cut-off Date Principal Balance	% of Initial Cut-off Date Principal Balance	Weighted Average Underwritten DSCR	Weighted Average Cut-off Date LTV Ratio	Weighted Average Mortgage Rate
360	28	$464,680,000	100.0%	1.32x	66.6%	4.250%
Total/Wtd. Average	**28**	**$464,680,000**	**100.0%**	**1.32x**	**66.6%**	**4.250%**

Mortgage Pool Seasoning

Seasoning (months)	Number of Mortgage Loans	Cut-off Date Principal Balance	% of Initial Cut-off Date Principal Balance	Weighted Average Underwritten DSCR	Weighted Average Cut-off Date LTV Ratio	Weighted Average Mortgage Rate
13	28	$464,680,000	100.0%	1.32x	66.6%	4.250%
Total/Wtd. Average	**28**	**$464,680,000**	**100.0%**	**1.32x**	**66.6%**	**4.250%**

Mortgage Pool Amortization Type

Amortization Type	Number of Mortgage Loans	Cut-off Date Principal Balance	% of Initial Cut-off Date Principal Balance	Weighted Average Underwritten DSCR	Weighted Average Cut-off Date LTV Ratio	Weighted Average Mortgage Rate
Partial IO	28	$464,680,000	100.0%	1.32x	66.6%	4.250%
Total/Wtd. Average	**28**	**$464,680,000**	**100.0%**	**1.32x**	**66.6%**	**4.250%**

Mortgage Pool Prepayment Protection

Prepayment Protection	Number of Mortgage Loans	Cut-off Date Principal Balance	% of Initial Cut-off Date Principal Balance	Weighted Average Underwritten DSCR	Weighted Average Cut-off Date LTV Ratio	Weighted Average Mortgage Rate
Greater of YM or 1%, then 1% Penalty	28	$464,680,000	100.0%	1.32x	66.6%	4.250%
Total/Wtd. Average	**28**	**$464,680,000**	**100.0%**	**1.32x**	**66.6%**	**4.250%**

Mortgage Pool Loan Purpose

Loan Purpose	Number of Mortgage Loans	Cut-off Date Principal Balance	% of Initial Cut-off Date Principal Balance	Weighted Average Underwritten DSCR	Weighted Average Cut-off Date LTV Ratio	Weighted Average Mortgage Rate
Acquisition	28	$464,680,000	100.0%	1.32x	66.6%	4.250%
Total/Wtd. Average	**28**	**$464,680,000**	**100.0%**	**1.32x**	**66.6%**	**4.250%**

Freddie Mac MULTIFAMILY

Mortgage Pool Property Sub-Type

Property Sub-Type	Number of Mortgaged Properties	Cut-off Date Principal Balance	% of Initial Cut-off Date Principal Balance	Weighted Average Underwritten DSCR	Weighted Average Cut-off Date LTV Ratio	Weighted Average Mortgage Rate
Independent Living	28	$464,680,000	100.0%	1.32x	66.6%	4.250%
Total/Wtd. Average	**28**	**$464,680,000**	**100.0%**	**1.32x**	**66.6%**	**4.250%**

Mortgage Pool Year Built / Renovated

Most Recent Year Built / Renovated	Number of Mortgaged Properties	Cut-off Date Principal Balance	% of Initial Cut-off Date Principal Balance	Weighted Average Underwritten DSCR	Weighted Average Cut-off Date LTV Ratio	Weighted Average Mortgage Rate
1986 - 1989	3	$43,620,000	9.4%	1.33x	68.7%	4.250%
1990 - 1999	14	221,779,000	47.7	1.32x	65.5%	4.250%
2000 - 2009	10	183,873,000	39.6	1.32x	67.0%	4.250%
2010 - 2015	1	15,408,000	3.3	1.33x	71.6%	4.250%
Total/Wtd. Average	**28**	**$464,680,000**	**100.0%**	**1.32x**	**66.6%**	**4.250%**

Mortgage Pool Current Occupancy

Range of Current Occupancy	Number of Mortgaged Properties	Cut-off Date Principal Balance	% of Initial Cut-off Date Principal Balance	Weighted Average Underwritten DSCR	Weighted Average Cut-off Date LTV Ratio	Weighted Average Mortgage Rate
70.9% - 74.9%	1	$14,110,000	3.0%	1.32x	60.7%	4.250%
75.0% - 84.9%	2	35,299,000	7.6	1.32x	66.1%	4.250%
85.0% - 89.9%	6	101,010,000	21.7	1.32x	65.4%	4.250%
90.0% - 94.9%	8	130,305,000	28.0	1.32x	68.1%	4.250%
95.0% - 99.9%	7	121,516,000	26.2	1.32x	65.6%	4.250%
100.0%	4	62,440,000	13.4	1.33x	68.6%	4.250%
Total/Wtd. Average	**28**	**$464,680,000**	**100.0%**	**1.32x**	**66.6%**	**4.250%**

(THIS PAGE INTENTIONALLY LEFT BLANK)

EXHIBIT A-3

DESCRIPTION OF THE UNDERLYING MORTGAGE LOANS OR GROUPS OF CROSS-COLLATERALIZED MORTGAGE LOANS

(THIS PAGE INTENTIONALLY LEFT BLANK)

Description of the Underlying Mortgage Loans or Groups of Cross-Collateralized Mortgage Loans

1. Crossed Portfolio I[(1)]

Original Principal Balance:	$87,831,000
Cut-off Date Principal Balance:	$87,831,000
Maturity Date Principal Balance:	$80,042,733
% of Initial Mortgage Pool Balance:	18.9%
Loan Purpose:	Acquisition
Interest Rate:	4.250%
First Payment Date:	October 1, 2015
Maturity Date:	September 1, 2025
Amortization:	IO (60), then amortizing 30-year schedule
Call Protection:	YM1%(113) 1%(3) O(4)
Cash Management:	N/A
Cut-off Date Principal Balance/Unit:	$152,750
Maturity Date Principal Balance/Unit:	$139,205
Cut-off Date LTV:	69.6%
Maturity Date LTV:	63.4%
Underwritten DSCR:	1.33x
# of Units:	575
Collateral:	Fee Simple
Location:	Various
Property Sub-type:	Independent Living
Year Built / Renovated:	1997 - 2005 / N/A
Occupancy[(2)]:	94.6% (6/30/2016)
Underwritten / Most Recent NCF:	$6,891,176 / $6,852,377
Avg. Effective Ann. Rent / Unit[(3)]:	$32,506

**The property photo on this page shows the mortgaged property identified on Exhibit A-1 of the Information Circular as Echo Ridge.*

(1) Consists of 5 underlying mortgage loans that are cross-collateralized with each other and cross-defaulted with each underlying mortgage loan in the mortgage pool.
(2) Calculated using a unit count weighted average of occupancy rates reported on 6/30/2016.
(3) Calculated using a unit count weighted average of annualized monthly rent per unit reported on 6/30/2016.

Generally. The underlying mortgage loans (the "Crossed Portfolio I") are each secured by one mortgaged real property operated as an independent living facility that offers various common area and unit amenities.

Property Management. The mortgaged real properties securing the Crossed Portfolio I are managed by various third-party management LLCs. The mortgaged real properties are further managed by Holiday AL Management Sub LLC.

Competitive Conditions. The mortgaged real properties are located in five different cities across five geographically diversified states. With respect to Echo Ridge, the mortgaged real property is one of four comparable facilities serving its respective sub-market. With respect to Greenwood Terrace, the mortgaged real property is one of eleven comparable facilities serving its respective sub-market. With respect to Alexis Gardens, the mortgaged real property is one of four comparable facilities serving its respective submarket. With respect to Redbud Hills, the mortgaged real property is one of four comparable facilities serving its respective sub-market. With respect to The Jefferson, the mortgaged real property is one of six comparable facilities serving its respective sub-market.

Tenant Concentration. At the time of underwriting, the weighted average tenant concentration was 100.0% independent living.

2. Southeastern Crossed Portfolio[1]

Original Principal Balance:	$84,837,000
Cut-off Date Principal Balance:	$84,837,000
Maturity Date Principal Balance:	$77,314,221
% of Initial Mortgage Pool Balance:	18.3%
Loan Purpose:	Acquisition
Interest Rate:	4.250%
First Payment Date:	October 1, 2015
Maturity Date:	September 1, 2025
Amortization:	IO (60), then amortizing 30-year schedule
Call Protection:	YM1%(113) 1%(3) O(4)
Cash Management:	N/A
Cut-off Date Principal Balance/Unit:	$145,021
Maturity Date Principal Balance/Unit:	$132,161
Cut-off Date LTV:	64.0%
Maturity Date LTV:	58.3%
Underwritten DSCR:	1.32x
# of Units:	585
Collateral:	Fee Simple
Location:	Various
Property Sub-type:	Independent Living
Year Built / Renovated:	1991 - 2006 / N/A
Occupancy[2]:	93.8% (6/30/2016)
Underwritten / Most Recent NCF:	$6,588,478 / $6,692,077
Avg. Effective Ann. Rent / Unit[3]:	$31,005

**The property photo on this page shows the mortgaged property identified on Exhibit A-1 of the Information Circular as The Woods At Holly Tree.*

(1) Consists of 5 underlying mortgage loans that are cross-collateralized with each other and cross-defaulted with each underlying mortgage loan in the mortgage pool.
(2) Calculated using a unit count weighted average of occupancy rates reported on 6/30/16.
(3) Calculated using a unit count weighted average of annualized monthly rent per unit reported on 6/30/16.

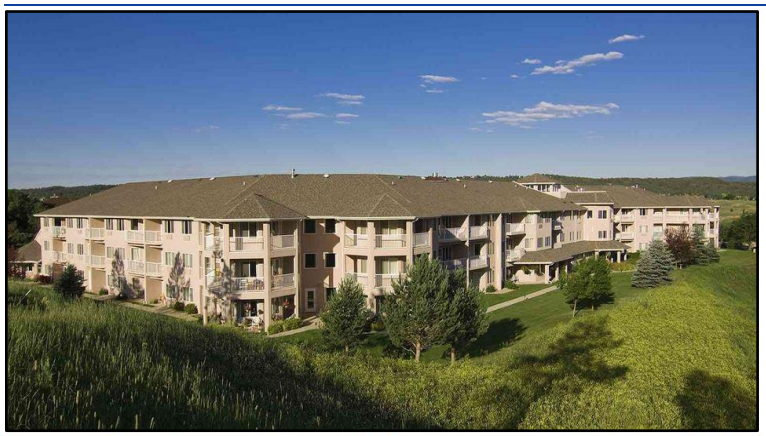
Generally. The underlying mortgage loans (the "Southeastern Crossed Portfolio") are each secured by one mortgaged real property operated as an independent living or facility that offers various common area and unit amenities to residents.

Property Management. The mortgaged real properties securing the Southeastern Crossed Portfolio are managed by various third-party management LLCs. The mortgaged real properties are further managed by Holiday AL Management Sub LLC.

Competitive Conditions. The mortgaged real properties are located in five different cities across four states within the Southeastern region of the United States. The only state to include more than one underlying property is North Carolina. With respect to The Woods At Holly Tree, the mortgaged real property is one of five comparable facilities serving its respective sub-market. With respect to Cedar Ridge, the mortgaged real property is the only facility serving its respective sub-market. With respect to Indigo Pines, the mortgaged real property is one of seven comparable facilities serving its respective submarket. With respect to Elm Park Estates, the mortgaged real property is one of seven comparable facilities serving its respective sub-market. With respect to Pinegate, the mortgaged real property is one of eight comparable facilities serving its respective sub-market.

Tenant Concentration. At the time of underwriting, the weighted average tenant concentration was 100.0% independent living.

3. Crossed Portfolio II[1]



Original Principal Balance:	$80,598,000
Cut-off Date Principal Balance:	$80,598,000
Maturity Date Principal Balance:	$73,451,107
% of Initial Mortgage Pool Balance:	17.3%
Loan Purpose:	Acquisition
Interest Rate:	4.250%
First Payment Date:	October 1, 2015
Maturity Date:	September 1, 2025
Amortization:	IO (60), then amortizing 30-year schedule
Call Protection:	YM1%(113) 1%(3) O(4)
Cash Management:	N/A
Cut-off Date Principal Balance/Unit:	$137,539
Maturity Date Principal Balance/Unit:	$125,343
Cut-off Date LTV:	63.1%
Maturity Date LTV:	57.5%
Underwritten DSCR:	1.32x
# of Units:	586
Collateral:	Fee Simple
Location:	Various
Property Sub-type:	Independent Living
Year Built / Renovated:	1991 - 2000 / Various
Occupancy[2]:	90.6% (6/30/2016)
Underwritten / Most Recent NCF:	$6,259,363 / $6,104,294
Avg. Effective Ann. Rent / Unit[3]:	$32,734

**The property photo on this page shows the mortgaged property identified on Exhibit A-1 of the Information Circular as Holiday Hills Estates.*

(1) Consists of 5 underlying mortgage loans that are cross-collateralized with each other and cross-defaulted with each underlying mortgage loan in the mortgage pool.
(2) Calculated using a unit count weighted average of occupancy rates reported on 6/30/2016.
(3) Calculated using a unit count weighted average of annualized monthly rent per unit reported on 6/30/2016.

Generally. The underlying mortgage loans (the "Crossed Portfolio II") are each secured by one mortgaged real property operated as an independent living or facility that offers various common area and unit amenities to residents.

Property Management. The mortgaged real properties securing the Crossed Portfolio II are managed by various third-party management LLCs. The mortgaged real properties are further managed by Holiday AL Management Sub LLC.

Competitive Conditions. The mortgaged real properties are located in five different cities across five geographically diversified states. With respect to Kamala Heights, the mortgaged real property is the only facilities serving its respective sub-market. With respect to Quail Run Estates, the mortgaged real property is the one of three comparable facilities serving its respective sub-market. With respect to Andover Place, the mortgaged real property is one of nine comparable facilities serving its respective submarket. With respect to Niagara Village, the mortgaged real property is one of eight comparable facilities serving its respective sub-market. With respect to Holiday Hills Estates, the mortgaged real property is one of seven comparable facilities serving its respective sub-market.

Tenant Concentration. At the time of underwriting, the weighted average tenant concentration was 100.0% independent living.

4. Western Crossed Portfolio[1]

Original Principal Balance:	$74,459,000
Cut-off Date Principal Balance:	$74,459,000
Maturity Date Principal Balance:	$67,856,473
% of Initial Mortgage Pool Balance:	16.0%
Loan Purpose:	Acquisition
Interest Rate:	4.250%
First Payment Date:	October 1, 2015
Maturity Date:	September 1, 2025
Amortization:	IO (60), then amortizing 30-year schedule
Call Protection:	YM1%(113) 1%(3) O(4)
Cash Management:	N/A
Cut-off Date Principal Balance/Unit:	$115,980
Maturity Date Principal Balance/Unit:	$105,695
Cut-off Date LTV:	60.7%
Maturity Date LTV:	55.3%
Underwritten DSCR:	1.32x
# of Units:	642
Collateral:	Fee Simple
Location:	Various
Property Sub-type:	Independent Living
Year Built / Renovated:	1986 - 1999 / N/A
Occupancy[2]:	90.1% (6/30/2016)
Underwritten / Most Recent NCF:	$5,782,617 / $5,407,131
Avg. Effective Ann. Rent / Unit[3]	$28,714

**The property photo on this page shows the mortgaged property identified on Exhibit A-1 of the Information Circular as Stone Lodge.*

(1) Consists of 5 underlying mortgage loans that are cross-collateralized with each other and cross-defaulted with each underlying mortgage loan in the mortgage pool.
(2) Calculated using a unit count weighted average of occupancy rates reported on 6/30/2016.
(3) Calculated using a unit count weighted average of annualized monthly rent per unit reported on 6/30/2016.

Generally. The underlying mortgage loans (the "Western Crossed Portfolio") are each secured by one mortgaged real property operated as an independent living facility.

Property Management. The mortgaged real properties securing the Western Crossed Portfolio are managed by various third-party management LLCs. The mortgaged real properties are further managed by Holiday AL Management Sub LLC.

Competitive Conditions. The mortgaged real properties are located in five different cities across four states within the Western region of the United States. The only state to include more than one underlying property is Oregon. With respect to Stone Lodge, the mortgaged real property is the one of six facilities serving its respective sub-market. With respect to Quincy Place, the mortgaged real property is the one of sixteen comparable facilities serving its respective sub-market. With respect to Aspen View, the mortgaged real property is one of eight comparable facilities serving its respective submarket. With respect to Parkrose Chateau, the mortgaged real property is one of nine comparable facilities serving its respective sub-market. With respect to Montara Meadows, the mortgaged real property is one of ten comparable facilities serving its respective sub-market.

Tenant Concentration. At the time of underwriting, the weighted average tenant concentration was 100.0% independent living.

5. California Crossed Portfolio[1]

Original Principal Balance:	$60,986,000
Cut-off Date Principal Balance:	$60,986,000
Maturity Date Principal Balance:	$55,578,169
% of Initial Mortgage Pool Balance:	13.1%
Loan Purpose:	Acquisition
Interest Rate:	4.250%
First Payment Date:	October 1, 2015
Maturity Date:	September 1, 2025
Amortization:	IO (60), then amortizing 30-year schedule
Call Protection:	YM1%(113) 1%(3) O(4)
Cash Management:	N/A
Cut-off Date Principal Balance/Unit:	$138,920
Maturity Date Principal Balance/Unit:	$126,602
Cut-off Date LTV:	71.6%
Maturity Date LTV:	65.2%
Underwritten DSCR:	1.33x
# of Units:	439
Collateral:	Fee Simple
Location:	Various, CA
Property Sub-type:	Independent Living
Year Built / Renovated:	1985 - 1997 / Various
Occupancy[2]:	92.7% (6/30/2016)
Underwritten / Most Recent NCF:	$4,772,404 / $4,650,333
Avg. Effective Ann. Rent / Unit[3]	$32,395

**The property photo on this page shows the mortgaged property identified on Exhibit A-1 of the Information Circular as The Springs Of Napa.*

(1) Consists of 4 underlying mortgage loans that are cross-collateralized with each other and cross-defaulted with each underlying mortgage loan in the mortgage pool.
(2) Calculated using a unit count weighted average of occupancy rates reported on 6/30/2016.
(3) Calculated using a unit count weighted average of annualized monthly rent per unit reported on 6/30/2016.

Generally. The underlying mortgage loans (the "California Crossed Portfolio") are each secured by one mortgaged real property operated as an independent living facility.

Property Management. The mortgaged real properties securing the California Crossed Portfolio are managed by various third-party management LLCs. The mortgaged real properties are further managed by Holiday AL Management Sub LLC.

Competitive Conditions. The mortgaged real properties are located in four different cities throughout California. With respect to Arcadia Place, the mortgaged real property is the one of seven facilities serving its respective sub-market. With respect to The Springs Of Napa, the mortgaged real property is the one of six comparable facilities serving its respective sub-market. With respect to The Springs Of Escondido, the mortgaged real property is one of three comparable facilities serving its respective submarket. With respect to The Remington, the mortgaged real property is the only facility serving its respective sub-market.

Tenant Concentration. At the time of underwriting, the weighted average tenant concentration was 100.0% independent living.

6. Florida Crossed Portfolio[1]

Original Principal Balance:	$60,069,000
Cut-off Date Principal Balance:	$60,069,000
Maturity Date Principal Balance:	$54,742,482
% of Initial Mortgage Pool Balance:	12.9%
Loan Purpose:	Acquisition
Interest Rate:	4.250%
First Payment Date:	October 1, 2015
Maturity Date:	September 1, 2025
Amortization:	IO (60), then amortizing 30-year schedule
Call Protection:	YM1%(113) 1%(3) O(4)
Cash Management:	N/A
Cut-off Date Principal Balance/Unit:	$171,626
Maturity Date Principal Balance/Unit:	$156,407
Cut-off Date LTV:	70.3%
Maturity Date LTV:	64.0%
Underwritten DSCR:	1.32x
# of Units:	350
Collateral:	Fee Simple
Location:	Various, FL
Property Sub-type:	Independent Living
Year Built / Renovated:	1996 - 2003 / N/A
Occupancy[2]:	93.2% (6/30/2016)
Underwritten / Most Recent NCF:	$4,665,024 / $4,797,406
Avg. Effective Ann. Rent / Unit[3]	$34,302

**The property photo on this page shows the mortgaged property identified on Exhibit A-1 of the Information Circular as Marion Woods.*

(1) Consists of 3 underlying mortgage loans that are cross-collateralized with each other and cross-defaulted with each underlying mortgage loan in the mortgage pool.
(2) Calculated using a unit count weighted average of occupancy rates reported on 6/30/2016.
(3) Calculated using a unit count weighted average of annualized monthly rent per unit reported on 6/30/2016.

Generally. The underlying mortgage loans (the "Florida Crossed Portfolio") are each secured by one mortgaged real property operated as an independent living facility.

Property Management. The mortgaged real properties securing the Florida Crossed Portfolio are managed by various third-party management LLCs. The mortgaged real properties are further managed by Holiday AL Management Sub LLC.

Competitive Conditions. The mortgaged real properties are located in three different cities throughout Florida. With respect to University Pines, the mortgaged real property is the one of six facilities serving its respective sub-market. With respect to Marion Woods, the mortgaged real property is the one of three comparable facilities serving its respective sub-market. With respect to Augustine Landing, the mortgaged real property is one of eleven comparable facilities serving its respective submarket.

Tenant Concentration. At the time of underwriting, the weighted average tenant concentration was 100.0% independent living.

7. Genesee Gardens

Original Principal Balance:	$15,900,000
Cut-off Date Principal Balance:	$15,900,000
Maturity Date Principal Balance:	$14,490,094
% of Initial Mortgage Pool Balance:	3.4%
Loan Purpose:	Acquisition
Interest Rate:	4.250%
First Payment Date:	October 1, 2015
Maturity Date:	September 1, 2025
Amortization:	IO (60), then amortizing 30-year schedule
Call Protection:	YM1%(113) 1%(3) O(4)
Cash Management:	N/A
Cut-off Date Principal Balance/Unit:	$133,613
Maturity Date Principal Balance/Unit:	$121,765
Cut-off Date LTV:	75.0%
Maturity Date LTV:	68.3%
Underwritten DSCR:	1.32x
# of Units:	119
Collateral:	Fee Simple
Location:	Flint Township, MI
Property Sub-type:	Independent Living
Year Built / Renovated:	2001 / N/A
Occupancy:	97.5% (6/30/2016)
Underwritten / Most Recent NCF:	$1,239,638 / $1,320,088

(THIS PAGE INTENTIONALLY LEFT BLANK)

EXHIBIT B

FORM OF CERTIFICATE ADMINISTRATOR'S STATEMENT TO CERTIFICATEHOLDERS

(THIS PAGE INTENTIONALLY LEFT BLANK)

Wells Fargo Bank, N.A.
Corporate Trust Services
8480 Stagecoach Circle
Frederick, MD 21701-4747

FREMF 2016-KS07 Mortgage Trust

Multifamily Mortgage Pass-Through Certificates
Series 2016-KS07

For Additional Information please contact
CTSLink Customer Service
1-866-846-4526
Reports Available on the World Wide Web
www.ctslink.com

Payment Date: 11/25/16
Record Date: 10/31/16

DISTRIBUTION DATE STATEMENT
Table of Contents

Depositor

Wells Fargo Commercial Mortgage Securities, Inc.
375 Park Avenue
2nd Floor
New York, NY 10152

Contact: Anthony.Sfarra@wellsfargo.com
Phone Number: (212) 214-5613

Master Servicer

Wells Fargo Bank, National Association
550 S. Tryon Street, 14th Floor
Charlotte, NC 28202

Contact: REAM_InvestorRelations@wellsfargo.com
Phone Number: (866) 898-1615

Special Servicer

Wells Fargo Bank, National Association
550 S. Tryon Street, 14th Floor
Charlotte, NC 28202

Contact: REAM_InvestorRelations@wellsfargo.com
Phone Number: (866) 898-1615

Wells Fargo Bank, N.A.
Corporate Trust Services
8480 Stagecoach Circle
Frederick, MD 21701-4747

FREMF 2016-KS07 Mortgage Trust

Multifamily Mortgage Pass-Through Certificates
Series 2016-KS07

For Additional Information please contact
CTSLink Customer Service
1-866-846-4526
Reports Available on the World Wide Web
www.ctslink.com

Payment Date: 11/25/16
Record Date: 10/31/16

Certificate Distribution Detail

Class	CUSIP	Pass-Through Rate	Original Balance	Beginning Balance	Principal Distribution	Interest Distribution	Prepayment Premium	Realized Loss/ Additional Trust Fund Expenses	Total Distribution	Ending Balance	Current Subordination Level (1)
A-1		0.000000%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
A-2		0.000000%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B		0.000000%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
R		0.000000%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Totals			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Class	CUSIP	Pass-Through Rate	Original Notional Amount	Beginning Notional Amount	Interest Distribution	Prepayment Premium	Total Distribution	Ending Notional Amount
X		0.000000%	0.00	0.00	0.00	0.00	0.00	0.00

(1) Calculated by taking (A) the sum of the ending certificate balance of all classes less (B) the sum of (i) the ending balance of the designated class and (ii) the ending certificate balance of all classes which are not subordinate to the designated class and dividing the result by (A).

Wells Fargo Bank, N.A.
Corporate Trust Services
8480 Stagecoach Circle
Frederick, MD 21701-4747

FREMF 2016-KS07 Mortgage Trust

Multifamily Mortgage Pass-Through Certificates
Series 2016-KS07

For Additional Information please contact
CTSLink Customer Service
1-866-846-4526
Reports Available on the World Wide Web
www.ctslink.com

Payment Date: 11/25/16
Record Date: 10/31/16

Certificate Factor Detail

Class	CUSIP	Beginning Balance	Principal Distribution	Interest Distribution	Prepayment Premium	Realized Loss/ Additional Trust Fund Expenses	Ending Balance
A-1		0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000
A-2		0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000
B		0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000
R		0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000

Class	CUSIP	Beginning Notional Amount	Interest Distribution	Prepayment Premium	Ending Notional Amount
X		0.00000000	0.00000000	0.00000000	0.00000000

Wells Fargo Bank, N.A.
Corporate Trust Services
8480 Stagecoach Circle
Frederick, MD 21701-4747

FREMF 2016-KS07 Mortgage Trust

Multifamily Mortgage Pass-Through Certificates
Series 2016-KS07

For Additional Information please contact
CTSLink Customer Service
1-866-846-4526
Reports Available on the World Wide Web
www.ctslink.com

Payment Date: 11/25/16
Record Date: 10/31/16

Reconciliation Detail

Advance Summary

P & I Advances Outstanding	0.00
Servicing Advances Outstanding	0.00
Reimbursements for Interest on P&I Advances paid from general collections	0.00
Reimbursements for Interest on Servicing Advances paid from general collections	0.00

Master Servicing Fee Summary

Current Period Accrued Master Servicing Fees	0.00
Less Master Servicing Fees on Delinquent Payments	0.00
Less Reductions to Master Servicing Fees	0.00
Plus Master Servicing Fees on Delinquent Payments Received	0.00
Plus Adjustments for Prior Master Servicing Calculation	0.00
Total Master Servicing Fees Collected	0.00

Certificate Interest Reconciliation

Class	Accrued Certificate Interest	Net Aggregate Prepayment Interest Shortfall	Distributable Certificate Interest	Distributable Certificate Interest Adjustment	Additional Trust Fund Expenses	Interest Distribution	Remaining Unpaid Distributable Certificate Interest
A-1	0.00	0.00	0.00	0.00	0.00	0.00	0.00
A-2	0.00	0.00	0.00	0.00	0.00	0.00	0.00
X	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Totals	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Deficiency Amount

Class	Assumed Final Distribution Date	Prior Cumulative Total	Accrued Certificate Interest Exceeds Interest Paid	Assumed Additional Principal Distribution Amount	Realized Loss and Additional Trust Fund Expense	Assumed Final Distribution Date Class Principal Balance prior to Guarantor Payment	Cumulative Total
A-1	mm/dd/yyyy	0.00	0.00	0.00	0.00	0.00	0.00
A-2	mm/dd/yyyy	0.00	0.00	0.00	0.00	0.00	0.00
X	mm/dd/yyyy	0.00	0.00	0.00	0.00	0.00	0.00
Total		0.00	0.00	0.00	0.00	0.00	0.00

Wells Fargo Bank, N.A.
Corporate Trust Services
8480 Stagecoach Circle
Frederick, MD 21701-4747

FREMF 2016-KS07 Mortgage Trust

Multifamily Mortgage Pass-Through Certificates
Series 2016-KS07

For Additional Information please contact
CTSLink Customer Service
1-866-846-4526
Reports Available on the World Wide Web
www.ctslink.com

Payment Date: 11/25/16
Record Date: 10/31/16

Other Required Information

Available Distribution Amount (1)		0.00
Principal Distribution Amount		0.00
(a) Principal portion of Monthly Payments and any Assumed Monthly Payments	0.00	
(b) Principal Prepayments	0.00	
(c) Collection of Principal on a Balloon Loan after its stated Maturity Date	0.00	
(d) Liquidation Proceeds and Insurance Proceeds received on a Mortgage Loan	0.00	
(e) Liquidation Proceeds, Insurance Proceeds, or REO Revenues received on an REO	0.00	
Plus the excess of the prior Principal Distribution Amount over the principal paid to the Sequential Pay Certificates	0.00	
Aggregate Number of Outstanding Loans		0.00
Aggregate Stated Principal Balance of the Mortgage Pool before distribution		0.00
Aggregate Stated Principal Balance of the Mortgage Pool after distribution		0.00

Additional Trust Fund Expenses		0.00
(i) Fees paid to Special Servicer	0.00	
(ii) Interest on Advances	0.00	
(iii) Other Expenses of the Trust	0.00	

Appraisal Reduction Amount

Loan Number	Appraisal Reduction Effected	Cumulative ASER Amount	Most Recent App. Red. Date
Total			

(1) The Available Distribution Amount includes any Prepayment Premiums.

Wells Fargo Bank, N.A.
Corporate Trust Services
8480 Stagecoach Circle
Frederick, MD 21701-4747

FREMF 2016-KS07 Mortgage Trust

Multifamily Mortgage Pass-Through Certificates
Series 2016-KS07

For Additional Information please contact
CTSLink Customer Service
1-866-846-4526
Reports Available on the World Wide Web
www.ctslink.com

Payment Date: 11/25/16
Record Date: 10/31/16

Cash Reconciliation Detail

Total Funds Collected		
Interest:		
Interest paid or advanced	0.00	
Interest reductions due to Non-Recoverability Determinations	0.00	
Interest Adjustments	0.00	
Deferred Interest	0.00	
Net Prepayment Interest Shortfall	0.00	
Net Prepayment Interest Excess	0.00	
Extension Interest	0.00	
Interest Reserve Withdrawal	0.00	
Total Interest Collected		0.00
Principal:		
Scheduled Principal	0.00	
Unscheduled Principal	0.00	
Principal Prepayments	0.00	
Collection of Principal after Maturity Date	0.00	
Recoveries from Liquidation and Insurance Proceeds	0.00	
Excess of Prior Principal Amounts paid	0.00	
Curtailments	0.00	
Negative Amortization	0.00	
Principal Adjustments	0.00	
Total Principal Collected		0.00
Other:		
Prepayment Penalties/Yield Maintenance	0.00	
Repayment Fees	0.00	
Borrower Option Extension Fees	0.00	
Excess Liquidation Proceeds	0.00	
Total Other Collected		0.00
Total Funds Collected		0.00

Total Funds Distributed		
Fees:		
Master Servicing Fee - Wells Fargo Bank, N.A.	0.00	
Trustee Fee - Wilmington Trust, N.A.	0.00	
Certificate Administrator Fee - Wells Fargo Bank, N.A.	0.00	
Guarantee Fee - Federal Home Loan Mortgage Corp.	0.00	
CREFC® Intellectual Property Royalty License Fee	0.00	
Master Servicer Surveillance Fee - Wells Fargo Bank, N.A.	0.00	
Special Servicer Surveillance Fee - Wells Fargo Bank, N.A.	0.00	
Total Fees		0.00
Additional Trust Fund Expenses:		
Reimbursement for Interest on Advances	0.00	
ASER Amount	0.00	
Special Servicing Fee	0.00	
Rating Agency Expenses	0.00	
Attorney Fees & Expenses	0.00	
Bankruptcy Expenses	0.00	
Taxes Imposed on Trust Fund	0.00	
Non-Recoverable Advances	0.00	
Workout Delayed Reimbursement Amounts	0.00	
Indemnification Expenses	0.00	
Other Expenses	0.00	
Total Additional Trust Fund Expenses		0.00
Interest Reserve Deposit		0.00
Payments to Certificateholders & Others:		
Interest Distribution	0.00	
Principal Distribution	0.00	
Prepayment Penalties/Yield Maintenance	0.00	
Borrower Option Extension Fees	0.00	
Total Payments to Certificateholders & Others		0.00
Total Funds Distributed		0.00

Wells Fargo Bank, N.A.
Corporate Trust Services
8480 Stagecoach Circle
Frederick, MD 21701-4747

FREMF 2016-KS07 Mortgage Trust

Multifamily Mortgage Pass-Through Certificates
Series 2016-KS07

For Additional Information please contact
CTSLink Customer Service
1-866-846-4526
Reports Available on the World Wide Web
www.ctslink.com

Payment Date: 11/25/16
Record Date: 10/31/16

Current Mortgage Loan and Property Stratification Tables

Scheduled Balance

Scheduled Balance	# of loans	Scheduled Balance	% of Agg. Bal.	WAM (2)	WAC	Weighted Avg DSCR (1)
Totals						

State (3)

State	# of Props.	Scheduled Balance	% of Agg. Bal.	WAM (2)	WAC	Weighted Avg DSCR (1)
Totals						

See footnotes on last page of this section.

Wells Fargo Bank, N.A.
Corporate Trust Services
8480 Stagecoach Circle
Frederick, MD 21701-4747

FREMF 2016-KS07 Mortgage Trust

Multifamily Mortgage Pass-Through Certificates
Series 2016-KS07

For Additional Information please contact
CTSLink Customer Service
1-866-846-4526
Reports Available on the World Wide Web
www.ctslink.com

Payment Date: 11/25/16
Record Date: 10/31/16

Current Mortgage Loan and Property Stratification Tables

Debt Service Coverage Ratio

Debt Service Coverage Ratio	# of loans	Scheduled Balance	% of Agg. Bal.	WAM (2)	WAC	Weighted Avg DSCR (1)
Totals						

Property Type (3)

Property Type	# of Props.	Scheduled Balance	% of Agg. Bal.	WAM (2)	WAC	Weighted Avg DSCR (1)
Totals						

Note Rate

Note Rate	# of loans	Scheduled Balance	% of Agg. Bal.	WAM (2)	WAC	Weighted Avg DSCR (1)
Totals						

Seasoning

Seasoning	# of loans	Scheduled Balance	% of Agg. Bal.	WAM (2)	WAC	Weighted Avg DSCR (1)
Totals						

See footnotes on last page of this section.

Wells Fargo Bank, N.A.
Corporate Trust Services
8480 Stagecoach Circle
Frederick, MD 21701-4747

FREMF 2016-KS07 Mortgage Trust

Multifamily Mortgage Pass-Through Certificates
Series 2016-KS07

For Additional Information please contact
CTSLink Customer Service
1-866-846-4526
Reports Available on the World Wide Web
www.ctslink.com

Payment Date: 11/25/16
Record Date: 10/31/16

Current Mortgage Loan and Property Stratification Tables

Anticipated Remaining Term (ARD and Balloon Loans)

Anticipated Remaining Term (2)	# of loans	Scheduled Balance	% of Agg. Bal.	WAM (2)	WAC	Weighted Avg DSCR (1)
Totals						

Remaining Stated Term (Fully Amortizing Loans)

Remaining Stated Term	# of loans	Scheduled Balance	% of Agg. Bal.	WAM (2)	WAC	Weighted Avg DSCR (1)
Totals						

Remaining Amortization Term (ARD and Balloon Loans)

Remaining Amortization Term	# of loans	Scheduled Balance	% of Agg. Bal.	WAM (2)	WAC	Weighted Avg DSCR (1)
Totals						

Age of Most Recent Financial Information

Age of Most Recent Financial Information	# of loans	Scheduled Balance	% of Agg. Bal.	WAM (2)	WAC	Weighted Avg DSCR (1)
Totals						

(1) Debt Service Coverage Ratios are updated periodically as new financial information becomes available from borrowers on an asset level. In all cases the most recent DSCR provided by the Master Servicer is used. To the extent that no DSCR is provided by the Master Servicer, information from the offering document is used. The debt service coverage ratio information was provided to the Certificate Administrator by the Master Servicer and the Certificate Administrator has not independently confirmed the accuracy of such information.

(2) Anticipated Remaining Term and WAM are each calculated based upon the term from the current month to the earlier of the Anticipated Repayment Date, if applicable, and the maturity date.

(3) The Scheduled Balance Totals reflect the aggregate balances of all pooled loans as reported in the CREFC® Loan Periodic Update File. To the extent that the Scheduled Balance Total figure for the "State" and "Property" stratification tables is not equal to the sum of the scheduled balance figures for each state or property, the difference is explained by loans that have been modified into a split-loan structure. The "State" and "Property" stratification tables do not include the balance of the subordinate note (sometimes called the B-piece or a "hope note") of a loan that has been modified into a split-loan structure. Rather, the scheduled balance for each state or property only reflects the balance of the senior note (sometimes called the A-piece) of a loan that has been modified into a split-loan structure.

Wells Fargo Bank, N.A.
Corporate Trust Services
8480 Stagecoach Circle
Frederick, MD 21701-4747

FREMF 2016-KS07 Mortgage Trust

Multifamily Mortgage Pass-Through Certificates
Series 2016-KS07

For Additional Information please contact
CTSLink Customer Service
1-866-846-4526
Reports Available on the World Wide Web
www.ctslink.com

Payment Date: 11/25/16
Record Date: 10/31/16

Mortgage Loan Detail

Loan Number	ODCR	Property Type (1)	City	State	Interest Payment	Principal Payment	Gross Coupon	Anticipated Repayment Date	Maturity Date	Neg. Amort (Y/N)	Beginning Scheduled Balance	Ending Scheduled Balance	Paid Thru Date	Appraisal Reduction Date	Appraisal Reduction Amount	Res. Strat. (2)	Mod. Code (3)
Totals																	

(1) Property Type Code

MF - Multi-Family
RT - Retail
HC - Health Care
IN - Industrial
WH - Warehouse
MH - Mobile Home Park
OF - Office
MU - Mixed Use
LO - Lodging
SS - Self Storage
OT - Other
IW - Industrial/Warehouse

(2) Resolution Strategy Code

1 - Modification
2 - Foreclosure
3 - Bankruptcy
4 - Extension
5 - Note Sale
6 - DPO
7 - REO
8 - Resolved
9 - Pending Return to Master Servicer
10 - Deed in Lieu Of Foreclosure
11 - Full Payoff
12 - Reps and Warranties
13 - Other or TBD

(3) Modification Code

1 - Maturity Date Extension
2 - Amortization Change
3 - Principal Write-Off
4 - Combination
5 - Temporary Rate Reduction
6 - Capitalization of Interest
7 - Capitalization of Taxes
8 - Other
9 - Combination

Wells Fargo Bank, N.A.
Corporate Trust Services
8480 Stagecoach Circle
Frederick, MD 21701-4747

FREMF 2016-KS07 Mortgage Trust

Multifamily Mortgage Pass-Through Certificates
Series 2016-KS07

For Additional Information please contact
CTSLink Customer Service
1-866-846-4526
Reports Available on the World Wide Web
www.ctslink.com

Payment Date: 11/25/16
Record Date: 10/31/16

NOI Detail

Loan Number	ODCR	Property Type	City	State	Ending Scheduled Balance	Most Recent Fiscal NOI	Most Recent NOI	Most Recent NOI Start Date	Most Recent NOI End Date	Occupancy %	Occupancy as of Date
Total											

Wells Fargo Bank, N.A.
Corporate Trust Services
8480 Stagecoach Circle
Frederick, MD 21701-4747

FREMF 2016-KS07 Mortgage Trust

Multifamily Mortgage Pass-Through Certificates
Series 2016-KS07

For Additional Information please contact
CTSLink Customer Service
1-866-846-4526
Reports Available on the World Wide Web
www.ctslink.com

Payment Date: 11/25/16
Record Date: 10/31/16

Principal Prepayment Detail

Loan Number	Offering Document Cross-Reference	Principal Prepayment Amount		Prepayment Penalties	
		Payoff Amount	Curtailment Amount	Prepayment Premium	Yield Maintenance Charge
Totals					

Wells Fargo Bank, N.A.
Corporate Trust Services
8480 Stagecoach Circle
Frederick, MD 21701-4747

FREMF 2016-KS07 Mortgage Trust

Multifamily Mortgage Pass-Through Certificates
Series 2016-KS07

For Additional Information please contact
CTSLink Customer Service
1-866-846-4526
Reports Available on the World Wide Web
www.ctslink.com

Payment Date: 11/25/16
Record Date: 10/31/16

Historical Detail

	Delinquencies												Prepayments		Rate and Maturities	
Distribution Date	30-59 Days		60-89 Days		90 Days or More		Foreclosure		REO		Modifications		Curtailments		Next Weighted Avg.	WAM
	#	Balance	#	Balance	#	Balance	#	Balance	#	Balance	#	Balance	#	Balance	Coupon Remit	

Note: Foreclosure and REO Totals are excluded from the delinquencies aging categories.

Wells Fargo Bank, N.A.
Corporate Trust Services
8480 Stagecoach Circle
Frederick, MD 21701-4747

FREMF 2016-KS07 Mortgage Trust

Multifamily Mortgage Pass-Through Certificates
Series 2016-KS07

For Additional Information please contact
CTSLink Customer Service
1-866-846-4526
Reports Available on the World Wide Web
www.ctslink.com

Payment Date: 11/25/16
Record Date: 10/31/16

Delinquency Loan Detail

Loan Number	Offering Document Cross-Reference	# of Months Delinq.	Paid Through Date	Current P & I Advances	Outstanding P & I Advances **	Status of Mortgage Loan (1)	Resolution Strategy Code (2)	Servicing Transfer Date	Foreclosure Date	Actual Principal Balance	Outstanding Servicing Advances	Bankruptcy Date	REO Date
Totals													

(1) Status of Mortgage Loan

A - Payments Not Received But Still in Grace Period
B - Late Payment But Less Than 1 Month Delinquent
0 - Current
1 - One Month Delinquent
2 - Two Months Delinquent
3 - Three or More Months Delinquent
4 - Assumed Scheduled Payment (Performing Matured Loan)
5 - Foreclosure
6 - REO

(2) Resolution Strategy Code

1 - Modification
2 - Foreclosure
3 - Bankruptcy
4 - Extension
5 - Note Sale
6 - DPO
7 - REO
8 - Resolved
9 - Pending Return to Master Servicer
10 - Deed In Lieu Of Master Servicer
11 - Full Payoff
12 - Reps and Warranties
13 - Other or TBD

** Outstanding P & I Advances include the current period advance.

Wells Fargo Bank, N.A.
Corporate Trust Services
8480 Stagecoach Circle
Frederick, MD 21701-4747

FREMF 2016-KS07 Mortgage Trust

Multifamily Mortgage Pass-Through Certificates
Series 2016-KS07

For Additional Information please contact
CTSLink Customer Service
1-866-846-4526
Reports Available on the World Wide Web
www.ctslink.com

Payment Date: 11/25/16
Record Date: 10/31/16

Specially Serviced Loan Detail - Part 1

Distribution Date	Loan Number	Offering Document Cross-Reference	Servicing Transfer Date	Resolution Strategy Code (1)	Scheduled Balance	Property Type (2)	State	Interest Rate	Actual Balance	Net Operating Income	NOI Date	DSCR	Note Date	Maturity Date	Remaining Amortization Term

(1) Resolution Strategy Code

1 - Modification
2 - Foreclosure
3 - Bankruptcy
4 - Extension
5 - Note Sale
6 - DPO
7 - REO
8 - Resolved
9 - Pending Return to Master Servicer
10 - Deed In Lieu Of Foreclosure
11 - Full Payoff
12 - Reps and Warranties
13 - Other or TBD

(2) Property Type Code

MF - Multi-Family
RT - Retail
HC - Health Care
IN - Industrial
WH - Warehouse
MH - Mobile Home Park
OF - Office
MU - Mixed use
LO - Lodging
SS - Self Storage
OT - Other

Wells Fargo Bank, N.A.
Corporate Trust Services
8480 Stagecoach Circle
Frederick, MD 21701-4747

FREMF 2016-KS07 Mortgage Trust

Multifamily Mortgage Pass-Through Certificates
Series 2016-KS07

For Additional Information please contact
CTSLink Customer Service
1-866-846-4526
Reports Available on the World Wide Web
www.ctslink.com

Payment Date: 11/25/16
Record Date: 10/31/16

Specially Serviced Loan Detail - Part 2

Distribution Date	Loan Number	Offering Document Cross-Reference	Resolution Strategy Code (1)	Site Inspection Date	Phase 1 Date	Appraisal Date	Appraisal Value	Other REO Property Revenue	Comment

(1) Resolution Strategy Code

1 - Modification
2 - Foreclosure
3 - Bankruptcy
4 - Extension
5 - Note Sale
6 - DPO
7 - REO
8 - Resolved
9 - Pending Return to Master Servicer
10 - Deed In Lieu Of Foreclosure
11 - Full Payoff
12 - Reps and Warranties
13 - Other or TBD

Wells Fargo Bank, N.A.
Corporate Trust Services
8480 Stagecoach Circle
Frederick, MD 21701-4747

FREMF 2016-KS07 Mortgage Trust

Multifamily Mortgage Pass-Through Certificates
Series 2016-KS07

For Additional Information please contact
CTSLink Customer Service
1-866-846-4526
Reports Available on the World Wide Web
www.ctslink.com

Payment Date: 11/25/16
Record Date: 10/31/16

Advance Summary

	Current P&I Advances	Outstanding P&I Advances	Outstanding Servicing Advances	Current Period Interest on P&I and Servicing Advances Paid
	0.00	0.00	0.00	0.00
Totals	0.00	0.00	0.00	0.00

Unreimbursed Indemnification Expenses

Party	Accrued Current Period Indemnification Expenses	Paid Current Period Indemnification Expenses	Outstanding Unreimbursed Indemnification Expenses
Master Servicer	0.00	0.00	0.00
Special Servicer	0.00	0.00	0.00
Trustee	0.00	0.00	0.00
Cert Admin / Custodian	0.00	0.00	0.00
Depositor	0.00	0.00	0.00
Totals	0.00	0.00	0.00

Wells Fargo Bank, N.A.
Corporate Trust Services
8480 Stagecoach Circle
Frederick, MD 21701-4747

FREMF 2016-KS07 Mortgage Trust

Multifamily Mortgage Pass-Through Certificates
Series 2016-KS07

For Additional Information please contact
CTSLink Customer Service
1-866-846-4526
Reports Available on the World Wide Web
www.ctslink.com

Payment Date: 11/25/16
Record Date: 10/31/16

Modified Loan Detail

Loan Number	Offering Document Cross-Reference	Pre-Modification Balance	Post-Modification Balance	Pre-Modification Interest Rate	Post-Modification Interest Rate	Modification Date	Modification Description
Totals							

No Modified Loans

Wells Fargo Bank, N.A.
Corporate Trust Services
8480 Stagecoach Circle
Frederick, MD 21701-4747

FREMF 2016-KS07 Mortgage Trust

Multifamily Mortgage Pass-Through Certificates
Series 2016-KS07

For Additional Information please contact
CTSLink Customer Service
1-866-846-4526
Reports Available on the World Wide Web
www.ctslink.com

Payment Date: 11/25/16
Record Date: 10/31/16

Historical Liquidated Loan Detail

Distribution Date	ODCR	Beginning Scheduled Balance	Fees, Advances, and Expenses *	Most Recent Appraised Value or BPO	Gross Sales Proceeds or Other Proceeds	Net Proceeds Received on Liquidation	Net Proceeds Available for Distribution	Realized Loss to Trust	Date of Current Period Adj. to Trust	Current Period Adjustment to Trust	Cumulative Adjustment to Trust	Loss to Loan with Cum Adj. to Trust
No Liquidated Loans this Period												
Current Total												
Cumulative Total												

* Fees, Advances and Expenses also include outstanding P & I advances and unpaid fees (servicing, trustee, etc.).

Wells Fargo Bank, N.A.
Corporate Trust Services
8480 Stagecoach Circle
Frederick, MD 21701-4747

FREMF 2016-KS07 Mortgage Trust

Multifamily Mortgage Pass-Through Certificates
Series 2016-KS07

For Additional Information please contact
CTSLink Customer Service
1-866-846-4526
Reports Available on the World Wide Web
www.ctslink.com

Payment Date: 11/25/16
Record Date: 10/31/16

Historical Bond/Collateral Loss Reconciliation Detail

Distribution Date	Offering Document Cross-Reference	Beginning Balance at Liquidation	Aggregate Realized Loss on Loans	Prior Realized Loss Applied to Certificates	Amts Covered by Credit Support/ Deal Structure	Interest (Shortages)/ Excesses	Modification /Appraisal Reduction Adj.	Additional (Recoveries) /Expenses	Realized Loss Applied to Certificates to Date	Recoveries of Realized Losses Paid as Cash	(Recoveries)/ Losses Applied to Certificate Interest
No Realized Losses this Period											
Totals											

Wells Fargo Bank, N.A.
Corporate Trust Services
8480 Stagecoach Circle
Frederick, MD 21701-4747

FREMF 2016-KS07 Mortgage Trust

Multifamily Mortgage Pass-Through Certificates
Series 2016-KS07

For Additional Information please contact
CTSLink Customer Service
1-866-846-4526
Reports Available on the World Wide Web
www.ctslink.com

Payment Date: 11/25/16
Record Date: 10/31/16

Interest Shortfall Reconciliation Detail - Part 1

Offering Document Cross-Reference	Stated Principal Balance at Contribution	Current Ending Scheduled Balance	Special Servicing Fees			ASER	(PPIS) Excess	Non-Recoverable (Scheduled Interest)	Interest on Advances	Modified Interest Rate (Reduction) /Excess
			Monthly	Liquidation	Work Out					
Totals										

Wells Fargo Bank, N.A.
Corporate Trust Services
8480 Stagecoach Circle
Frederick, MD 21701-4747

FREMF 2016-KS07 Mortgage Trust

Multifamily Mortgage Pass-Through Certificates
Series 2016-KS07

For Additional Information please contact
CTSLink Customer Service
1-866-846-4526
Reports Available on the World Wide Web
www.ctslink.com

Payment Date: 11/25/16
Record Date: 10/31/16

Interest Shortfall Reconciliation Detail - Part 2

Offering Document Cross-Reference	Stated Principal Balance at Contribution	Current Ending Scheduled Balance	Reimb of Advances to the Servicer		Other (Shortfalls)/ Refunds	Comments
			Current Month	Left to Reimburse Master Servicer		
Totals						

Interest Shortfall Reconciliation Detail Part 2 Total	0.00	
Interest Shortfall Reconciliation Detail Part 1 Total	0.00	
Total Interest Shortfall Allocated to Trust	0.00	

EXHIBIT C-1

MORTGAGE LOAN SELLER'S REPRESENTATIONS AND WARRANTIES

As of the Closing Date, the mortgage loan seller will make, with respect to each underlying mortgage loan sold by it that we include in the issuing entity, representations and warranties that are expected to be generally in the form set forth below. The exceptions to those representations and warranties are expected to be generally in the form set forth on Exhibit C-2. Capitalized terms used but not otherwise defined in this Exhibit C-1 will have the meanings set forth in this information circular or, if not defined in this information circular, in the mortgage loan purchase agreement.

The mortgage loan purchase agreement, together with the representations and warranties, serves to contractually allocate risk between the mortgage loan seller, on the one hand, and the issuing entity, on the other. We present the representations and warranties set forth below for the sole purpose of describing some of the expected terms and conditions of that risk allocation. The presentation of representations and warranties below is not intended as statements regarding the actual characteristics of the underlying mortgage loans, the mortgaged real properties or other matters. We cannot assure you that the underlying mortgage loans actually conform to the statements made in the representations and warranties that we present below.

For purposes of these representations and warranties, the phrase "to the knowledge of the mortgage loan seller" or "to the mortgage loan seller's knowledge" will mean, except where otherwise expressly set forth below, the actual state of knowledge of the mortgage loan seller or any servicer acting on its behalf regarding the matters referred to, (a) after the mortgage loan seller's having conducted such inquiry and due diligence into such matters as would be customarily required by the mortgage loan seller's underwriting standards represented in the Multifamily Seller/Servicer Guide (the "Guide") and the mortgage loan seller's credit policies and procedures, at the time of the mortgage loan seller's acquisition of the particular underlying mortgage loan; and (b) subsequent to such acquisition, utilizing the monitoring practices customarily utilized by the mortgage loan seller and its servicer pursuant to the Guide. All information contained in documents which are part of or required to be part of a mortgage file will be deemed to be within the knowledge of the mortgage loan seller. Wherever there is a reference to receipt by, or possession of, the mortgage loan seller of any information or documents, or to any action taken by the mortgage loan seller or not taken by the mortgage loan seller, such reference will include the receipt or possession of such information or documents by, or the taking of such action or the not taking of such action by, either the mortgage loan seller or any servicer acting on its behalf.

The mortgage loan seller represents and warrants, subject to the exceptions set forth on Exhibit C-2, with respect to each underlying mortgage loan, that as of the date specified below or, if no date is specified, as of the Closing Date, the following representations and warranties are true and correct in all material respects:

(1) Fixed Rate.

Each underlying mortgage loan bears interest at a fixed rate.

(2) Cross-Collateralized and/or Cross-Defaulted Loans.

Except with respect to any subordinate mortgage identified in paragraph 3, no underlying mortgage loan is cross-collateralized or cross-defaulted with any other mortgage loan not being transferred to the depositor.

(3) Subordinate Loans.

Except as set forth in the loan documents regarding future permitted subordinate debt, there are no subordinate mortgages encumbering the related mortgaged real property and mortgage loan seller has no knowledge of any mezzanine debt related to such mortgaged real property.

(4) Single Purpose Entity.

(a) The loan documents executed in connection with each underlying mortgage loan with an original principal balance of $5,000,000 or more require the borrower to be a Single Purpose Entity (defined below) for at least as long as the underlying mortgage loan is outstanding, except in cases where the related mortgaged real property is a residential cooperative property.

(b) To the mortgage loan seller's knowledge, each such borrower is a Single Purpose Entity.

For this purpose, a "Single Purpose Entity" will mean an entity (not an individual) which meets all of the following requirements:

(i) An entity whose organizational documents provide and which entity represented in the related loan documents, substantially to the effect that each of the following is true with respect to each borrower:

(A) it was formed or organized solely for the purpose of owning and operating one or more of the mortgaged real properties securing the underlying mortgage loans, and

(B) it is prohibited from engaging in any business unrelated to such mortgaged real property or properties.

(ii) An entity whose organizational documents provide or which entity represented in the related loan documents, substantially to the effect that all the following are true with respect to each borrower:

(A) it does not have any assets other than those related to its interest in and operation of such mortgaged real property or properties,

(B) it does not have any indebtedness other than as permitted by the related mortgage(s) or the other related loan documents,

(C) it has its own books and records and accounts separate and apart from any other person (other than a borrower for an underlying mortgage loan that is cross-collateralized and cross-defaulted with the related underlying mortgage loan), and

(D) it holds itself out as a legal entity, separate and apart from any other person.

(c) Each underlying mortgage loan with an original principal balance of $25,000,000 or more has a counsel's opinion regarding non-consolidation of the borrower in any insolvency proceeding involving any other party.

(d) To the mortgage loan seller's actual knowledge, each borrower has fully complied with the requirements of the related loan documents and the borrower's organizational documents regarding Single Purpose Entity status.

(e) The loan documents executed in connection with each underlying mortgage loan with an original principal balance of less than $5,000,000 prohibit the related borrower from doing either of the following:

(i) having any assets other than those related to its interest in the related mortgaged real property or its financing, or

(ii) engaging in any business unrelated to such property and the related underlying mortgage loan.

(5) Licenses, Permits and Authorization.

(a) As of the origination date, to mortgage loan seller's knowledge, based on the related borrower's representations and warranties in the related loan documents, the borrower, commercial lessee and/or operator of the mortgaged real property was in possession of all material licenses, permits, and authorizations required for use of the related mortgaged real property as it was then operated.

(b) Each borrower covenants in the related loan documents that it will remain in material compliance with all material licenses, permits and other legal requirements necessary and required to conduct its business.

(6) Condition of Mortgaged Real Property.

To the mortgage loan seller's knowledge, based solely upon due diligence customarily performed in connection with the origination of comparable loans, one of the following is applicable:

(a) each related mortgaged real property is free of any material damage that would materially and adversely affect the use or value of such mortgaged real property as security for the underlying mortgage loan (other than normal wear and tear), or

(b) to the extent a prudent lender would so require, the mortgage loan seller has required a reserve, letter of credit, guaranty, insurance coverage or other mitigant with respect to the condition of the mortgaged real property.

(7) Access, Public Utilities and Separate Tax Parcels.

All of the following are true and correct with regard to each mortgaged real property:

(a) each mortgaged real property is located on or adjacent to a dedicated road, or has access to an irrevocable easement permitting ingress and egress,

(b) each mortgaged real property is served by public utilities and services generally available in the surrounding community or otherwise appropriate for the use in which the mortgaged real property is currently being utilized, and

(c) each mortgaged real property constitutes one or more separate tax parcels. In certain cases, if such mortgaged real property is not currently one tax parcel, an application has been made to the applicable governing authority for creation of separate tax parcels, in which case the loan documents require the borrower to escrow an amount sufficient to pay taxes for the existing tax parcel of which the mortgaged real property is a part until the separate tax parcels are created.

(d) Any requirement described in clauses (a), (b) or (c) will be satisfied if such matter is covered by an endorsement or affirmative insurance under the related Title Policy (defined in paragraph 11).

(8) Taxes and Assessments.

One of the following is applicable:

(a) there are no delinquent or unpaid taxes, assessments (including assessments payable in future installments) or other outstanding governmental charges affecting any mortgaged real property that are or may become a lien of priority equal to or higher than the lien of the related mortgage, or

(b) an escrow of funds has been established in an amount (including all ongoing escrow payments to be made prior to the date on which taxes and assessments become delinquent) sufficient to cover the payment of such unpaid taxes and assessments.

For purposes of this representation and warranty, real property taxes and assessments will not be considered unpaid until the date on which interest or penalties would be first payable.

(9) Ground Leases.

No underlying mortgage loan is secured in whole or in part by the related borrower's interest as lessee under a ground lease of the related mortgaged real property without also being secured by the related fee interest in such mortgaged real property.

(10) Valid First Lien.

(a) Each related mortgage creates a valid and enforceable first priority lien on the related mortgaged real property, subject to Permitted Encumbrances (defined below) and except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting the enforcement of creditors' rights or by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(b) If the related underlying mortgage loan is cross-collateralized with any other underlying mortgage loan(s), the related mortgage encumbering the related mortgaged real property also secures such other underlying mortgage loan(s).

(c) The related mortgaged real property is free and clear of any mechanics' and materialmen's liens which are prior to or equal with the lien of the related mortgage, except those which are bonded over, escrowed for or insured against by a Title Policy.

(d) A UCC financing statement has been filed and/or recorded (or sent for filing or recording) (or, in the case of fixtures, the mortgage constitutes a fixture filing) in all places (if any) necessary at the time of origination of the underlying mortgage loan to perfect a valid security interest in the personal property owned by borrower and reasonably necessary to operate the related mortgaged real property in its current use other than for any of the following:

(i) non-material personal property,

(ii) personal property subject to purchase money security interests, and

(iii) personal property that is leased equipment, to the extent a security interest may be created by filing or recording.

Notwithstanding the foregoing, no representation is made as to the perfection of any security interest in rents or other personal property to the extent that possession or control of such items or actions other than the filing of UCC financing statements are required in order to effect such perfection.

(e) Any security agreement or equivalent document related to and delivered in connection with the underlying mortgage loan establishes and creates a valid and enforceable lien on the property described therein (other than on healthcare licenses or on payments to be made under Medicare, Medicaid or similar federal, state or local third party payor programs that are not assignable without governmental approval), subject to Permitted Encumbrances and except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting the enforcement of creditors' rights or by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(11) Title Insurance.

(a) Each mortgaged real property is covered by an ALTA lender's title insurance policy (or its equivalent as set forth in the applicable jurisdiction), a pro forma policy or a marked-up title insurance commitment (on which the required premium has been paid) that evidences such title insurance policy (collectively, a "Title Policy"), in the original principal amount of the related underlying mortgage loan (or the allocated loan amount of the portions of the mortgaged real property that are covered by such Title Policy).

(b) Each Title Policy insures that the related mortgage is a valid first priority lien on the related mortgaged real property, subject only to Permitted Encumbrances.

(c) Each Title Policy (or, if it has yet to be issued, the coverage to be provided by such Title Policy) is in full force and effect and all premiums have been paid.

(d) Each Title Policy contains no exclusion for or affirmatively insures (except for any mortgaged real property located in a jurisdiction where such affirmative insurance is not available) each of the following:

(i) there is access to a public road,

(ii) the area shown on the survey is the same as the property legally described in the mortgage,

(iii) the lien of the mortgage is superior to a lien created by any applicable statute relating to environmental remediation, and

(iv) to the extent that the mortgaged real property consists of two or more adjoining parcels, such parcels are contiguous.

(e) No material claims have been made or paid under the Title Policy.

(f) The mortgage loan seller has not done, by act or omission, anything that would materially impair or diminish the coverage under the Title Policy, and has no knowledge of any such action or omission.

(g) Immediately following the transfer and assignment of the related underlying mortgage loan to the trustee, the Title Policy (or, if it has yet to be issued, the coverage to be provided by such Title Policy) will inure to the benefit of the trustee without the consent of or notice to the insurer of the Title Policy.

(h) The applicable mortgage loan originator, the mortgage loan seller and its successors and assigns are the sole named insureds under the Title Policy.

(i) To the mortgage loan seller's knowledge, the insurer of the Title Policy is qualified to do business in the jurisdiction in which the related mortgaged real property is located.

"Permitted Encumbrances" will mean:

(i) the lien of current real property taxes, ground rents, water charges, sewer rents and assessments not yet delinquent,

(ii) covenants, conditions and restrictions, rights of way, easements and other matters of public record specifically identified in the Title Policy, none of which, individually or in the aggregate, materially interferes with any of the following:

(A) the current use of the mortgaged real property,

(B) the security in the collateral intended to be provided by the lien of such mortgage,

(C) the related borrower's ability to pay its obligations when they become due, or

(D) the value of the mortgaged real property,

(iii) exceptions (general and specific) and exclusions set forth in such Title Policy, none of which, individually or in the aggregate, materially interferes with any of the following:

(A) the current use of the mortgaged real property,

(B) the security in the collateral intended to be provided by the lien of such mortgage,

(C) the related borrower's ability to pay its obligations when they become due, or

(D) the value of the mortgaged real property,

(iv) the rights of tenants, as tenants only, under leases, including subleases, pertaining to the related mortgaged real property,

(v) other matters to which similar properties are commonly subject, none of which, individually or in the aggregate, materially interferes with any of the following:

(A) the current use of the mortgaged real property,

(B) the security in the collateral intended to be provided by the lien of such mortgage,

(C) the related borrower's ability to pay its obligations when they become due, or

(D) the value of the mortgaged real property, and

(vi) if the related underlying mortgage loan is cross-collateralized with any other underlying mortgage loan(s), the lien of any such cross-collateralized underlying mortgage loan(s).

(12) Encroachments.

(a) To the mortgage loan seller's knowledge (based upon surveys and/or the Title Policy obtained in connection with the origination of the underlying mortgage loans), as of the related origination date of each underlying mortgage loan, all of the material improvements on the related mortgaged real property that were considered in determining the appraised value of the mortgaged real property lay wholly within the boundaries and building restriction lines of such property and there are no encroachments of any part of any building over any easement, except for one or more of the following:

(i) encroachments onto adjoining parcels that are insured against by the related Title Policy,

(ii) encroachments that do not materially and adversely affect the operation, use or value of such mortgaged real property or the security intended to be provided by the mortgage,

(iii) violations of the building restriction lines that are covered by ordinance and law coverage in amounts customarily required by prudent multifamily mortgage lenders for similar properties,

(iv) violations of the building restriction lines that are insured against by the related Title Policy, or

(v) violations of the building restriction lines that do not materially and adversely affect the operation, use or value of such mortgaged real property or the security intended to be provided by the mortgage.

(b) To the mortgage loan seller's knowledge (based on surveys and/or the Title Policy obtained in connection with the origination of the underlying mortgage loans), as of the related origination date of each underlying mortgage loan, no improvements on adjoining properties materially encroached upon such mortgaged real property so as to materially and adversely affect the operation, use or value of such mortgaged real property or the security intended to be provided by the mortgage, except those encroachments that are insured against by the related Title Policy.

(13) Zoning.

Based upon the "Zoning Due Diligence" (defined below) one of the following is applicable to each mortgaged real property:

(a) the improvements located on or forming part of each mortgaged real property materially comply with applicable zoning laws and ordinances, or

(b) the improvements located on or forming part of each mortgaged real property constitute a legal non-conforming use or structure and one of the following is true:

(i) the non-compliance does not materially and adversely affect the value of the related mortgaged real property, or

(ii) ordinance and law coverage was provided in amounts customarily required by prudent multifamily mortgage lenders for similar properties.

The foregoing may be based upon one or more of the following ("Zoning Due Diligence"):

(A) a statement of full restoration by a zoning authority,

(B) copies of legislation or variance permitting full restoration of the mortgaged real property,

(C) a damage restoration statement along with an evaluation of the mortgaged real property,

(D) a zoning report prepared by a company acceptable to the mortgage loan seller,

(E) an opinion of counsel, and/or

(F) other due diligence considered reasonable by prudent multifamily mortgage lenders in the lending area where the subject mortgaged real property is located (such reasonable due diligence includes, but is not limited to, ordinance and law coverage as specified in clause (b)(ii) above).

(14) Environmental Conditions.

(a) As of the origination date, each borrower represented and warranted in all material respects that to its knowledge, such borrower has not used, caused or permitted to exist (and will not use, cause or permit to exist) on the related mortgaged real property any Hazardous Materials in any manner which violates federal, state or local laws, ordinances, regulations, orders, directives or policies governing the use, storage, treatment, transportation, manufacture, refinement, handling, production or disposal of Hazardous Materials or other environmental laws, subject to each of the following:

(i) exceptions set forth in certain Phase I or Phase II environmental reports,

(ii) Hazardous Materials that are commonly used in the operation and maintenance of properties of similar kind and nature to the mortgaged real property,

(iii) Hazardous Materials that are commonly used in accordance with prudent management practices and applicable law, and

(iv) Hazardous Materials that are commonly used in a manner that does not result in any contamination of the mortgaged real property that is not permitted by law).

(b) Each mortgage requires the related borrower to comply, and to cause the related mortgaged real property to be in compliance, with all Hazardous Materials Laws applicable to the mortgaged real property.

(c) Each borrower (or an affiliate thereof) has agreed to indemnify, defend and hold the lender and its successors and assigns harmless from and against losses, liabilities, damages, injuries, penalties, fines, expenses, and claims of any kind whatsoever (including attorneys' fees and costs) paid, incurred or suffered by, or asserted against, any such party resulting from a breach of the foregoing representations or warranties given by the borrower in connection with such underlying mortgage loan.

(d) A Phase I environmental report and, in the case of certain underlying mortgage loans, a Phase II environmental report (in either case meeting ASTM International standards), was conducted by a reputable environmental consulting firm with respect to the related mortgaged real property within 12 months of the Closing Date.

(e) If any material non-compliance or material existence of Hazardous Materials was indicated in any Phase I environmental report or Phase II environmental report, then at least one of the following statements is true:

(i) funds reasonably estimated to be sufficient to cover the cost to cure any material non-compliance with applicable environmental laws or material existence of Hazardous Materials have been escrowed, or a letter of credit in such amount has been provided, by the related borrower and held by the mortgage loan seller or its servicer,

(ii) if the Phase I or Phase II environmental report, as applicable, recommended an operations and maintenance plan, but not any material expenditure of funds, the related borrower has been required to maintain an operations and maintenance plan,

(iii) the environmental condition identified in the related Phase I or Phase II environmental report, as applicable, was remediated or abated in all material respects,

(iv) a no further action or closure letter was obtained from the applicable governmental regulatory authority (or the environmental issue affecting the related mortgaged real property was otherwise listed by such governmental authority as "closed"),

(v) such conditions or circumstances identified in the Phase I environmental report were investigated further and, based upon such additional investigation, an environmental consultant recommended no further investigation or remediation,

(vi) a party with financial resources reasonably estimated to be adequate to cure the condition or circumstance provided a guaranty or indemnity to the related borrower or lender to cover the costs of any required investigation, testing, monitoring or remediation, or

(vii) the reasonably estimated costs of such remediation do not exceed 2% of the outstanding principal balance of the related underlying mortgage loan.

(f) To the best of the mortgage loan seller's knowledge, in reliance on such Phase I or Phase II environmental reports, as applicable, and except as set forth in such Phase I or Phase II environmental reports, as applicable, each mortgaged real property is in material compliance with all Hazardous Materials Laws, and to the best of the mortgage loan seller's knowledge, no notice of violation of such laws has been issued by any governmental agency or authority, except, in all cases, as indicated in such Phase I or Phase II environmental reports, as applicable, or other documents previously provided to the depositor.

(g) The mortgage loan seller has not taken any action which would cause the mortgaged real property not to be in compliance with all Hazardous Materials Laws.

(h) All such environmental reports or any other environmental assessments of which the mortgage loan seller has possession have been disclosed to the depositor.

(i) With respect to the mortgaged real properties securing the underlying mortgage loans that were not the subject of an environmental site assessment within 12 months prior to the Cut-off Date:

(i) no Hazardous Material is present on such mortgaged real property such that (A) the value of such mortgaged real property is materially and adversely affected or (B) under applicable federal, state or local law,

(1) such Hazardous Material could be required to be eliminated at a cost materially and adversely affecting the value of the mortgaged real property before such mortgaged real property could be altered, renovated, demolished or transferred, or

(2) the presence of such Hazardous Material could (upon action by the appropriate governmental authorities) subject the owner of such mortgaged real property, or the holders of a security interest therein, to liability for the cost of eliminating such Hazardous Material or the hazard created thereby at a cost materially and adversely affecting the value of the mortgaged real property, and

(ii) such mortgaged real property is in material compliance with all applicable federal, state and local laws pertaining to Hazardous Materials or environmental hazards, any noncompliance with such laws does not have a material adverse effect on the value of such mortgaged real property, and neither mortgage loan seller nor, to mortgage loan seller's knowledge, the related borrower or any current tenant thereon, has received any notice of violation or potential violation of any such law.

"Hazardous Materials" means

(i) petroleum and petroleum products and compounds containing them, including gasoline, diesel fuel and oil; explosives; flammable materials; radioactive materials; polychlorinated biphenyls ("PCBs") and compounds containing them,

(ii) lead and lead-based paint,

(iii) asbestos or asbestos-containing materials in any form that is or could become friable,

(iv) underground or above-ground storage tanks that are not subject to a "no further action" letter from the regulatory authority in the related property jurisdiction, whether empty or containing any substance,

(v) any substance the presence of which on the mortgaged real property is prohibited by any federal, state or local authority,

(vi) any substance that requires special handling and any other "hazardous material," "hazardous waste," "toxic substance," "toxic pollutant," "contaminant," or "pollutant" by or within the meaning of any Hazardous Materials Law, or

(vii) any substance that is regulated in any way by or within the meaning of any Hazardous Materials Law.

"Hazardous Materials Law" means

(i) any federal, state, and local law, ordinance and regulation and standard, rule, policy and other governmental requirement, administrative ruling and court judgment and decree in effect now or in the future and including all amendments, that relate to Hazardous Materials or the protection of human health or the environment and apply to the borrower or to the mortgaged real property, and

(ii) Hazardous Materials Laws include, but are not limited to, the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. Section 9601, et seq., the Resource Conservation and Recovery Act of 1976, 42 U.S.C. Section 6901, et seq., the Toxic Substance Control Act,

15 U.S.C. Section 2601, et seq., the Clean Water Act, 33 U.S.C. Section 1251, et seq., and the Hazardous Materials Transportation Act, 49 U.S.C. Section 5101, et. seq., and their state analogs.

(15) Insurance.

(a) Each related mortgaged real property is insured by each of the following:

(i) a property damage insurance policy, issued by an insurer meeting the requirements of the loan documents and the Guide, in an amount not less than

(A) the lesser of (1) the outstanding principal amount of the related underlying mortgage loan and (2) the replacement cost (with no deduction for physical depreciation) of the mortgaged real property, and

(B) the amount necessary to avoid the operation of any co-insurance provisions with respect to the related mortgaged real property,

(ii) business income or rental value insurance covering no less than the effective gross income, as determined by the mortgage loan seller, attributable to the mortgaged real property for 12 months,

(iii) comprehensive general liability insurance in amounts generally required by prudent multifamily mortgage lenders for similar properties, and

(iv) if windstorm and related perils and/or "Named Storm" is excluded from the property damage insurance policy, the mortgaged real property is insured by a separate windstorm insurance policy or endorsement covering damage from windstorm and related perils and/or "Named Storm" in an amount not less than:

(A) the lesser of (1) the outstanding principal amount of the related underlying mortgage loan and (2) the replacement cost (with no deduction for physical depreciation) of the mortgaged real property, and

(B) the amount necessary to avoid the operation of any co-insurance provisions with respect to the related mortgaged real property.

(b) All mortgaged real properties with borrower-owned structures located in (i) seismic zones 3 or 4 or (ii) a geographic location with a horizontal Peak Ground Acceleration (PGA) equal to or greater than 0.15g have had a seismic assessment done for the sole purpose of assessing (A) a scenario expected loss ("SEL") or (B) a probable maximum loss ("PML") for the mortgaged real property in the event of an earthquake. In such instance, the SEL/PML was based upon a 475-year lookback with a 10% probability of exceedance in a 50-year period. If a seismic assessment concluded that the SEL/PML on a mortgaged real property would exceed 20% of the amount of the replacement costs of the improvements, earthquake insurance was required in an amount not less than 150% of an amount equal to the difference between the projected loss for the mortgaged real property using the actual SEL/PML and the projected loss for the mortgaged real property using a 20% SEL/PML.

(c) Each insurance policy requires at least ten days prior notice to the lender of termination or cancellation by the insurer arising because of non-payment of a premium and at least 30 days prior notice to the lender of termination or cancellation by the insurer arising for any reason other than non-payment of a premium, and no such notice has been received by the mortgage loan seller.

(d) All premiums on such insurance policies required to be paid have been paid.

(e) Each insurance policy contains a standard mortgagee clause and loss payee clause in favor of lender and names the mortgagee as an additional insured in the case of liability insurance policies (other than with respect to professional liability policies).

(f) Based solely on a flood zone determination, if any material portion of the improvements on the mortgaged real property, exclusive of any parking lots, is located in an area identified by the Federal Emergency Management Agency as a special flood hazard area, then the borrower is required to maintain flood insurance for such portion of the improvements located in a special flood hazard area in an amount equal to the maximum amount available under the National Flood Insurance Program, plus such additional excess flood coverage in an amount generally required by prudent multifamily mortgage lenders for similar properties.

(g) The related loan documents for each underlying mortgage loan obligate the related borrower to maintain all such insurance and, if the borrower fails to do so, authorize the lender to maintain such insurance at the borrower's cost and expense and to seek reimbursement for such insurance from the borrower.

(h) None of the loan documents contains any provision that expressly excuses the related borrower from obtaining and maintaining insurance coverage for acts of terrorism.

(i) The related loan documents for each underlying mortgage loan contain customary provisions consistent with the practices of prudent multifamily mortgage lenders for similar properties requiring the related borrower to obtain such other insurance as the lender may require from time-to-time.

(16) Grace Periods.

For any underlying mortgage loan that provides for a grace period with respect to delinquent monthly payments, such grace period is no longer than ten days from the applicable payment date.

(17) Due-on-Encumbrance.

Each underlying mortgage loan prohibits the related borrower from doing either of the following:

(a) from mortgaging or otherwise encumbering the mortgaged real property without the prior written consent of the lender or the satisfaction of debt service coverage and other criteria specified in the related loan documents, and

(b) from carrying any additional indebtedness, except as set forth in the loan documents or in connection with trade debt and equipment financings incurred in the ordinary course of borrower's business.

(18) Carveouts to Non-Recourse.

(a) The loan documents for each underlying mortgage loan provide that:

(i) the related borrower will be liable to the lender for any losses incurred by the lender due to any of the following:

(A) the misapplication or misappropriation of rents (after a demand is made after an event of default), insurance proceeds or condemnation awards,

(B) any breach of the environmental covenants contained in the related loan documents,

(C) fraud by such borrower in connection with the application for or creation of the underlying mortgage loan or in connection with any request for any action or consent by the lender, and

(ii) the underlying mortgage loan will become full recourse in the event of a voluntary bankruptcy filing by the borrower.

(b) A natural person is jointly and severally liable with the borrower with respect to (a)(i) and (a)(ii).

(19) Financial Statements.

Each underlying mortgage loan requires the borrower to provide the owner or holder of the mortgage with quarterly and annual operating statements, rent rolls and related information and annual financial statements.

(20) Due-on-Sale.

(a) Each underlying mortgage loan contains provisions for the acceleration of the payment of the unpaid principal balance of such underlying mortgage loan if, without the consent of the holder of the mortgage and/or if not in compliance with the requirements of the related loan documents, the related mortgaged real property or a controlling interest in the related borrower is directly or indirectly transferred or sold, except with respect to any of the following transfers:

(i) transfers of certain interests in the related borrower to persons or entities already holding direct or indirect interests in such borrower, their family members, affiliated companies and other estate planning related transfers that satisfy certain criteria specified in the related loan documents (which criteria are consistent with the practices of prudent multifamily mortgage lenders),

(ii) transfers of less than a controlling interest in a borrower,

(iii) transfers of common stock in publicly traded companies, or

(iv) if the related mortgaged real property is a residential cooperative property, transfers of stock of the related borrower in connection with the assignment of a proprietary lease for a unit in the related mortgaged real property by a tenant-shareholder of the related borrower to other persons or entities who by virtue of such transfers become tenant-shareholders in the related borrower.

(b) The mortgage requires the borrower to pay all fees and expenses associated with securing the consent or approval of the holder of the mortgage for all actions requiring such consent or approval under the mortgage including the cost of counsel opinions relating to REMIC or other securitization and tax issues.

(21) Assignment of Leases.

(a) Each mortgage file contains an assignment of leases that is part of the related mortgage.

(b) Each such assignment of leases creates a valid present assignment of, or a valid first priority lien or security interest in, certain rights under the related lease or leases, subject only to a license granted to the related borrower to exercise certain rights and to perform certain obligations of the lessor under such lease or leases, including the right to operate the related leased property, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting the enforcement of creditors' rights or by general principles of equity (regardless of whether enforceability is considered in a proceeding in equity or at law).

(c) No person or entity other than the related borrower owns any interest in any payments due under the related lease or leases that is superior to or of equal priority with the lender's interest.

(d) The related mortgage provides for the appointment of a receiver for rents or allows the holder thereof to enter into possession to collect rents or provides for rents to be paid directly to the mortgagee in the event of a default under the underlying mortgage loan or mortgage.

(22) Insurance Proceeds and Condemnation Awards.

(a) Each underlying mortgage loan provides that insurance proceeds and condemnation awards will be applied to one of the following:

(i) restoration or repair of the related mortgaged real property,

(ii) restoration or repair of the related mortgaged real property, with any excess insurance proceeds or condemnation awards after restoration or repair being paid to the borrower, or

(iii) reduction of the principal amount of the underlying mortgage loan.

(b) In the case of all casualty losses or condemnations resulting in proceeds or awards in excess of a specified dollar amount or percentage of the underlying mortgage loan amount that a prudent multifamily lender would deem satisfactory and acceptable, the lender or a trustee appointed by it (if the lender does not exercise its right to apply the insurance proceeds or condemnation awards (including proceeds from settlement of condemnation actions) to the principal balance of the related underlying mortgage loan in accordance with the loan documents) has the right to hold and disburse such proceeds or awards as the repairs or restoration progresses.

(c) To the mortgage loan seller's knowledge, there is no proceeding pending for the total or partial condemnation of such mortgaged real property that would have a material adverse effect on the use or value of the mortgaged real property.

(23) Customary Provisions.

(a) The note or mortgage for each underlying mortgage loan, together with applicable state law, contains customary and enforceable provisions so as to render the rights and remedies of the holder of such note or mortgage adequate for the practical realization against the related mortgaged real property of the principal benefits of the security in the collateral intended to be provided by such note or the lien of such mortgage, including realization by judicial or if applicable, non-judicial foreclosure, except as the enforcement of the mortgage may be limited by bankruptcy, insolvency, reorganization, moratorium, redemption or other laws affecting the enforcement of creditors' rights or by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(b) No borrower is a debtor in, and no mortgaged real property is the subject of, any state or federal bankruptcy or insolvency proceeding, and, as of the origination date, no guarantor was a debtor in any state or federal bankruptcy or insolvency proceeding.

(24) Litigation.

To the knowledge of the mortgage loan seller, there are no actions, suits or proceedings before any court, administrative agency or arbitrator concerning any underlying mortgage loan, borrower or related mortgaged real property, an adverse outcome of which would reasonably be expected to materially and adversely affect any of the following:

(a) title to the mortgaged real property or the validity or enforceability of the related mortgage,

(b) the value of the mortgaged real property as security for the underlying mortgage loan,

(c) the use for which the mortgaged real property was intended, or

(d) the borrower's ability to perform under the related underlying mortgage loan.

(25) Escrow Deposits.

(a) Except as previously disbursed pursuant to the loan documents, all escrow deposits and payments relating to each underlying mortgage loan that are required to be deposited or paid, have been deposited or paid.

(b) All escrow deposits and payments required pursuant to each underlying mortgage loan are in the possession, or under the control, of the mortgage loan seller or its servicer.

(c) All such escrow deposits that have not been disbursed pursuant to the loan documents are being conveyed by the mortgage loan seller to the depositor and identified with appropriate detail.

(26) Valid Assignment.

(a) Each related assignment of mortgage and related assignment of assignment of leases, if any, from the mortgage loan seller to the depositor is in recordable form and constitutes the legal, valid and binding

assignment from the mortgage loan seller to the depositor, except as enforcement may be limited by bankruptcy, insolvency, reorganization, liquidation, receivership, moratorium or other laws relating to or affecting the enforcement of creditors' rights or by general principles of equity (regardless of whether enforceability is considered in a proceeding in equity or at law).

(b) Each related mortgage and assignment of leases, if any, is freely assignable without the consent of the related borrower.

(27) Appraisals.

Each servicing file contains an appraisal for the related mortgaged real property that is dated within 12 months of the Closing Date and that satisfies the guidelines set forth in Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989.

(28) Inspection of Mortgaged Real Property.

The mortgage loan seller (or if the mortgage loan seller is not the mortgage loan originator, the mortgage loan originator) inspected or caused to be inspected each mortgaged real property in connection with the origination of the related underlying mortgage loan and within 12 months of the Closing Date.

(29) Qualification To Do Business.

To the extent required under applicable law, as of the Cut-off Date or as of the date that such entity held the note, each holder of the note was authorized to transact and do business in the jurisdiction in which the related mortgaged real property is located, or the failure to be so authorized did not materially and adversely affect the enforceability of such underlying mortgage loan.

(30) Ownership.

(a) Immediately prior to the transfer to the depositor of the underlying mortgage loans, the mortgage loan seller had good title to, and was the sole owner of, each underlying mortgage loan.

(b) The mortgage loan seller has full right, power and authority to transfer and assign each of the underlying mortgage loans to the depositor and has validly and effectively conveyed (or caused to be conveyed) to the depositor or its designee all of the mortgage loan seller's legal and beneficial interest in and to the underlying mortgage loans free and clear of any and all liens, pledges, charges, security interests and/or other encumbrances of any kind.

(31) Deed of Trust.

If the mortgage is a deed of trust, each of the following is true:

(a) a trustee, duly qualified under applicable law to serve as trustee, currently serves as trustee and is named in the deed of trust (or has been or may be substituted in accordance with applicable law by the related lender), and

(b) such deed of trust does not provide for the payment of fees or expenses to such trustee by the mortgage loan seller, the depositor or any transferee of the mortgage loan seller or the depositor.

(32) Validity of Loan Documents.

(a) Each note, mortgage or other agreement that evidences or secures the related underlying mortgage loan and was executed by or for the benefit of the related borrower or any guarantor is the legal, valid and binding obligation of the signatory, enforceable in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting the enforcement of creditors' rights or by general principles of equity (regardless of whether enforceability is considered in a proceeding in equity or at law).

(b) There is no valid offset, defense, counterclaim, or right of rescission, abatement or diminution available to the related borrower or any guarantor with respect to such note, mortgage or other agreement, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting the enforcement of creditors' rights or by general principles of equity (regardless of whether enforceability is considered in a proceeding in equity or at law).

(c) To mortgage loan seller's knowledge, no offset, defense, counterclaim or right of rescission, abatement or diminution has been asserted by borrower or any guarantor.

(33) Compliance with Usury Laws.

As of the origination date, the mortgage rate (exclusive of any default interest, late charges, yield maintenance charge, or prepayment premiums) of each underlying mortgage loan was in compliance with, or was exempt from, applicable state or federal laws, regulations and other requirements pertaining to usury.

(34) No Shared Appreciation.

No underlying mortgage loan has shared appreciation rights with respect to such underlying mortgage loan (it being understood that equity holdings, including without limitation, preferred equity holdings, will not be considered shared appreciation rights with respect to an underlying mortgage loan) any other contingent interest feature or a negative amortization feature.

(35) Whole Loan.

Each underlying mortgage loan is a whole loan and is not a participation interest in such underlying mortgage loan.

(36) Loan Information.

The information set forth in the mortgage loan schedule attached to the mortgage loan purchase agreement is true, complete and accurate in all material respects.

(37) Full Disbursement.

The proceeds of the underlying mortgage loan have been fully disbursed and there is no requirement for future advances.

(38) No Advances.

No advance of funds has been made by the mortgage loan seller to the related borrower (other than mezzanine debt and the acquisition of preferred equity interests by the preferred equity interest holder, as disclosed in the mortgage loan schedule attached to the mortgage loan purchase agreement), and no advance of funds have, to the mortgage loan seller's knowledge, been received (directly or indirectly) from any person or entity other than the related borrower for or on account of payments due on the underlying mortgage loan.

(39) All Collateral Transferred.

All collateral that secures the underlying mortgage loans is being transferred to the depositor as part of the underlying mortgage loans (other than healthcare licenses, Medicare, Medicaid or similar federal, state or local third party payor programs, including housing assistance payments contracts, that are not transferable without governmental approval).

(40) Loan Status; Waivers and Modifications.

Since the origination date and except pursuant to written instruments set forth in the related mortgage file or as described in the Pooling and Servicing Agreement as a Freddie Mac pre-approved servicing request, all of the following are true and correct:

(a) the material terms of such mortgage, note and related loan documents have not been waived, impaired, modified, altered, satisfied, canceled, subordinated or rescinded in any respect,

(b) no related mortgaged real property or any portion thereof has been released from the lien of the related mortgage in any manner which materially interferes with the security intended to be provided by such mortgage or the use, value or operation of such mortgaged real property, and

(c) neither borrower nor guarantor has been released from its obligations under the underlying mortgage loan.

(41) Defaults.

(a) There exists no monetary default (other than payments due but not yet more than 30 days past due) or, to mortgage loan seller's knowledge, material non-monetary default, breach, violation or event of acceleration under the related underlying mortgage loan.

(b) To mortgage loan seller's knowledge, there exists no event that, with the passage of time or with notice and the expiration of any grace or cure period, would constitute a material default, breach, violation or event of acceleration under such underlying mortgage loan; provided, however, that the representations and warranties set forth in this paragraph 41 do not address or otherwise cover any default, breach, violation or event of acceleration that specifically pertains to any matter otherwise covered by any other representation or warranty made by the mortgage loan seller in this Exhibit C-1; and, provided, further, that a breach by the borrower of any representation or warranty contained in any loan document (each, a "Borrower Representation") will not constitute a material non-monetary default, breach, violation or event of acceleration for purposes of this paragraph 41 if the subject matter of such Borrower Representation is covered by any exception to any representation or warranty made by the mortgage loan seller in this Exhibit C-1.

(c) Since the origination date, except as set forth in the related mortgage file, neither the mortgage loan seller nor any servicer of the underlying mortgage loan has waived any material default, breach, violation or event of acceleration under any of the loan documents.

(d) Pursuant to the terms of the loan documents, no person or party other than the holder of the note and mortgage may declare an event of default or accelerate the related indebtedness under such loan documents.

(42) Payments Current.

No scheduled payment of principal and interest under any underlying mortgage loan was more than 30 days past due as of the Cut-off Date, and no underlying mortgage loan was more than 30 days delinquent in the 12-month period immediately preceding the Cut-off Date.

(43) Qualified Loan.

Each underlying mortgage loan constitutes a "qualified mortgage" within the meaning of Code Section 860G(a)(3) (but without regard to the rule in Treasury Regulation Section 1.860G-2(f)(2) that treats a defective obligation as a "qualified mortgage" or any substantially similar successor provision). Any prepayment premiums and yield maintenance charges payable upon a voluntary prepayment under the terms of such underlying mortgage loan constitute "customary prepayment penalties" within the meaning of Treasury Regulation Section 1.860G-1(b)(2).

(44) Prepayment Upon Condemnation.

For all underlying mortgage loans originated after December 6, 2010, in the event of a taking of any portion of a mortgaged real property by a State or any political subdivision or authority thereof, whether by legal proceeding or by agreement, if the fair market value of the real property constituting the remaining mortgaged real property immediately after the release of such portion of the mortgaged real property from the lien of the related mortgage (but taking into account any planned restoration and reduced by (a) the outstanding principal balance of all senior indebtedness secured by the mortgaged real property and (b) a proportionate amount of all indebtedness secured by the mortgaged real property that is at the same level of priority as the underlying mortgage loan, as applicable), is not equal to at least 80% of the remaining principal amount of the underlying mortgage loan, the related borrower can be required to apply the award with respect to such taking to prepay the underlying mortgage loan or to prepay the underlying mortgage loan in the amount required by the REMIC Provisions and such amount may not, to such extent, be used to restore the related mortgaged real property or be released to the related borrower.

(45) Defeasance.

Only with respect to the underlying mortgage loans for which the related loan documents permit defeasance:

(a) no underlying mortgage loan provides that it can be defeased prior to the date that is two years following the Closing Date,

(b) no underlying mortgage loan provides that it can be defeased with any property other than government securities (as defined in Section 2(a)(16) of the Investment Company Act of 1940, as amended),

(c) the related loan documents provide that the related borrower is responsible for the payment of all reasonable costs and expenses of the lender, including any rating agency fees, incurred in connection with (i) the defeasance of such underlying mortgage loan and the release of the related mortgaged real property and (ii) the approval of an assumption of such underlying mortgage loan, and

(d) the related loan documents require delivery of all of the following:

(i) an opinion to the effect that the lender has a valid and perfected lien and security interest of first priority in the defeasance collateral,

(ii) an accountant's certificate as to the adequacy of the defeasance collateral to make all scheduled payments, and

(iii) an opinion to the effect that the defeasance complies with applicable REMIC Provisions.

(46) Releases of Mortgaged Real Property.

(a) No underlying mortgage loan requires the lender to release all or any portion of the related mortgaged real property from the lien of the related mortgage, except as in compliance with the REMIC Provisions and one of the following:

(i) upon payment in full of all amounts due under the related underlying mortgage loan,

(ii) in connection with a full or partial defeasance pursuant to provisions in the related loan documents,

(iii) unless such portion of the mortgaged real property was not considered material for purposes of underwriting the underlying mortgage loan, was not included in the appraisal for such mortgaged real property or does not generate income,

(iv) upon the payment of a release price at least equal to the allocated loan amount or, if none, the appraised value of the released parcel and any related prepayment, or

(v) with respect to any underlying mortgage loan that is cross-collateralized with any other underlying mortgage loan(s), or any underlying mortgage loan that is secured by multiple mortgaged real properties, in connection with the release of any cross-collateralization pursuant to provisions in the related loan documents.

(b) With respect to clauses (iii), (iv) and (v) above, for all underlying mortgage loans originated after December 6, 2010, if the fair market value of the real property constituting the remaining mortgaged real property (reduced by (a) the outstanding principal balance of all senior indebtedness secured by the mortgaged real property and (b) a proportionate amount of all indebtedness secured by the mortgaged real property that is at the same level of priority as the related underlying mortgage loan) immediately after the release of such portion of the mortgaged real property from the lien of the related mortgage is not equal to at least 80% of the remaining principal amount of the underlying mortgage loan, the related borrower is required to prepay the underlying mortgage loan in an amount equal to or greater than the amount required by the REMIC Provisions.

(47) Origination and Servicing.

The origination, servicing and collection practices used by the mortgage loan seller or, to the mortgage loan seller's knowledge, any prior holder or servicer of each underlying mortgage loan have been in compliance with all applicable laws and regulations, and substantially in accordance with the practices of prudent multifamily mortgage lenders with respect to similar mortgage loans and in compliance with the Guide in all material respects.

EXHIBIT C-2

EXCEPTIONS TO MORTGAGE LOAN SELLER'S REPRESENTATIONS AND WARRANTIES

Representation and Warranty	Loan Number*	Mortgaged Real Property Name	Issue
4 (Single Purpose Entity)	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28	Echo Ridge Greenwood Terrace Alexis Gardens Redbud Hills The Jefferson The Woods At Holly Tree Cedar Ridge Indigo Pines Elm Park Estates Pinegate Kalama Heights Quail Run Estates Andover Place Niagara Village Holiday Hills Estates Stone Lodge Quincy Place Aspen View Parkrose Chateau Montara Meadows Arcadia Place The Springs Of Napa The Springs Of Escondido The Remington University Pines Marion Woods Augustine Landing Genesee Gardens	The loan documents permitted certain funds of the borrower to be held in a common account for a set period of time following origination, which common account also held funds of the borrower's affiliates. The loan documents required that the common account be maintained in a manner such that the funds of the borrower were separately identifiable. The period of time during which the borrower was permitted to utilize the common account has expired.
11 (Title Insurance)	3 5 12 13 14 18 28	Alexis Gardens The Jefferson Quail Run Estates Andover Place Niagara Village Aspen View Genesee Gardens	With respect to each mortgaged real property located in Alaska, Arizona, Arkansas, Connecticut, District of Columbia, Illinois, Louisiana, Maine, Massachusetts, Michigan, Minnesota, Missouri, Montana, New Hampshire, New Jersey, New Mexico, New York, North Dakota, Ohio, Oklahoma, Pennsylvania, Texas, Washington or Wisconsin, each state has a lien statute relating to environmental remediation that could potentially impose a lien superior to the lien of the related mortgage.
11 (Title Insurance)	3	Alexis Gardens	The mortgaged real property is located in Ohio, which has a statute that establishes priority in foreclosure for oil and gas leases, pipeline agreements and other instruments related to the production or sale of natural gas, including such leases, agreements and instruments that arise subsequent to the date of the title policy.

Representation and Warranty	Loan Number*	Mortgaged Real Property Name	Issue
14 (Environmental Conditions)	19	Parkrose Chateau	Radon testing is underway at the mortgaged real property, or radon testing has been completed and remediation is required. Pursuant to the loan documents, if the mortgage loan seller has determined that the radon testing indicates further remediation is necessary, the borrower is required (i) to provide the mortgage loan seller with a signed, binding fixed price radon remediation contract with a qualified service provider, (ii) to complete such remediation work within a specified time frame, and (iii) to enter into an operations and maintenance agreement with respect thereto.
18 (Carveouts to Non-Recourse)	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28	Echo Ridge Greenwood Terrace Alexis Gardens Redbud Hills The Jefferson The Woods At Holly Tree Cedar Ridge Indigo Pines Elm Park Estates Pinegate Kalama Heights Quail Run Estates Andover Place Niagara Village Holiday Hills Estates Stone Lodge Quincy Place Aspen View Parkrose Chateau Montara Meadows Arcadia Place The Springs Of Napa The Springs Of Escondido The Remington University Pines Marion Woods Augustine Landing Genesee Gardens	The guarantor is not a natural person.
28 (Inspection of Mortgaged Real Property)	1 3 5 7 8 9 10 11 14 19 20 21	Echo Ridge Alexis Gardens The Jefferson Cedar Ridge Indigo Pines Elm Park Estates Pinegate Kalama Heights Niagara Village Parkrose Chateau Montara Meadows Arcadia Place	The mortgaged real property was inspected more than 12 months prior to the Closing Date.

Representation and Warranty	Loan Number*	Mortgaged Real Property Name	Issue
	22	The Springs Of Napa	
	23	The Springs Of Escondido	
	26	Marion Woods	
	27	Augustine Landing	
	28	Genesee Gardens	

*As specified on Exhibit A-1.

(THIS PAGE INTENTIONALLY LEFT BLANK)

EXHIBIT D

DECREMENT TABLES FOR THE OFFERED PRINCIPAL BALANCE CERTIFICATES

Percentage of Initial Principal Balance Outstanding For:

Class A-1 Certificates

0% CPR During Lockout, Yield Maintenance and Prepayment Penalty Periods
— Otherwise at Indicated CPR

Prepayments

Following the Distribution Date in—	0% CPR	25% CPR	50% CPR	75% CPR	100% CPR
Closing Date	100%	100%	100%	100%	100%
October 2017	100%	100%	100%	100%	100%
October 2018	100%	100%	100%	100%	100%
October 2019	100%	100%	100%	100%	100%
October 2020	98%	98%	98%	98%	98%
October 2021	80%	80%	80%	80%	80%
October 2022	60%	60%	60%	60%	60%
October 2023	40%	40%	40%	40%	40%
October 2024	18%	18%	18%	18%	18%
October 2025 and thereafter	0%	0%	0%	0%	0%
Weighted average life (in years)	**6.49**	**6.49**	**6.49**	**6.49**	**6.49**

Class A-2 Certificates

0% CPR During Lockout, Yield Maintenance and Prepayment Penalty Periods
— Otherwise at Indicated CPR

Prepayments

Following the Distribution Date in—	0% CPR	25% CPR	50% CPR	75% CPR	100% CPR
Closing Date	100%	100%	100%	100%	100%
October 2017	100%	100%	100%	100%	100%
October 2018	100%	100%	100%	100%	100%
October 2019	100%	100%	100%	100%	100%
October 2020	100%	100%	100%	100%	100%
October 2021	100%	100%	100%	100%	100%
October 2022	100%	100%	100%	100%	100%
October 2023	100%	100%	100%	100%	100%
October 2024	100%	100%	100%	100%	100%
October 2025 and thereafter	0%	0%	0%	0%	0%
Weighted average life (in years)	**8.91**	**8.90**	**8.88**	**8.85**	**8.66**

(THIS PAGE INTENTIONALLY LEFT BLANK)

EXHIBIT E

PRICE/YIELD TABLE FOR THE CLASS X CERTIFICATES

Corporate Bond Equivalent (CBE) Yield of the Class X Certificates at Various CPRs*
0.7776% *Per Annum* Initial Pass-Through Rate**
$464,680,000 Initial Notional Amount

0% CPR During Lockout, Yield Maintenance and Prepayment Penalty Periods
— Otherwise at Indicated CPR

Price (%)***	0% CPR CBE Yield (%)	25% CPR CBE Yield (%)	50% CPR CBE Yield (%)	75% CPR CBE Yield (%)	100% CPR CBE Yield (%)
4.0000	9.94	9.91	9.88	9.83	9.48
4.2500	8.29	8.27	8.23	8.18	7.81
4.5000	6.79	6.76	6.72	6.67	6.28
4.7500	5.40	5.37	5.34	5.28	4.88
5.0000	4.12	4.09	4.06	4.00	3.58
5.2500	2.93	2.90	2.87	2.81	2.38
5.5000	1.83	1.80	1.76	1.70	1.25
Weighted Average Life (in years)	8.70	8.69	8.67	8.65	8.47

* Assumes the exercise of the right to purchase the underlying mortgage loans in the event the total Stated Principal Balance of the mortgage pool is less than 1.0% of the initial mortgage pool balance, as described under "The Pooling and Servicing Agreement—Termination" in this information circular.
** Approximate.
*** Exclusive of accrued interest.

If you intend to purchase SPCs, you should rely only on the information in this Supplement, the Offering Circular and the Information Circular, including the information in the Incorporated Documents. We have not authorized anyone to provide you with different information.

This Supplement, the Offering Circular, the Information Circular and the Incorporated Documents may not be correct after their dates.

We are not offering the SPCs in any jurisdiction that prohibits their offer.

TABLE OF CONTENTS

$418,212,000
(Approximate)

Freddie Mac

Structured Pass-Through Certificates (SPCs)
Series K-S07

Freddie Mac MULTIFAMILY

Lead Manager and Sole Bookrunner

Wells Fargo Securities

Co-Managers

Citigroup
Drexel Hamilton
J.P. Morgan
PNC Capital Markets LLC

October 19, 2016