Presale Report

CSMC 2021-BHAR

Commercial Mortgage Pass-Through Certificates

DBRS Morningstar
November 16, 2021

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Capital Structure

Commercial Mortgage Pass-Through Certificates

Description	Rating Action	Balance ($)	DBRS Morningstar BLTV (%)	DBRS Morningstar Rating	Trend
Class A	New Rating - Provisional	67,117,000	34.7	AAA (sf)	Stable
Class X-CP	New Rating - Provisional	67,117,000	n/a	AAA (sf)	Stable
Class X-NCP	New Rating - Provisional	67,117,000	n/a	AAA (sf)	Stable
Class B	New Rating - Provisional	20,650,000	45.4	AA (low) (sf)	Stable
Class C	New Rating - Provisional	23,818,000	57.7	A (low) (sf)	Stable
Class D	New Rating - Provisional	18,491,000	67.3	BBB (low) (sf)	Stable
Class E	New Rating - Provisional	27,079,000	81.3	BB (low) (sf)	Stable
Class F	New Rating - Provisional	21,425,000	92.3	B (low) (sf)	Stable
Class HRR	New Rating - Provisional	9,420,000	97.2	NR	n/a
Class P	New Rating - Provisional	188,000,000	0.0	NR	n/a
Class ELP	New Rating - Provisional	n/a	n/a	NR	n/a

Notes:
1. The Class X-CP and Class X-NCP Certificates will not have Certificate Balances and will not be entitled to receive distributions of principal. The Notional Amounts of the Class X-CP and the Class X-NCP Certificates will each initially be equal to the Certificate Balance of the Class A Certificates.
2. The initial Certificate Balances of the Class F and Class HRR Certificates are subject to change based on final pricing of all Certificates and the final determination of the Class HRR Certificates that will be retained by the Retaining Third-Party Purchaser in order for the Retaining Sponsor to satisfy its risk retention requirements.
3. The Class P Certificates will not have a Certificate Balance, Pass-Through Rate, rating or Rated Final Distribution Date, and will not be entitled to distributions of interest or principal.
4. The Class ELP Certificates will not have a Certificate Balance, Notional Amount, Pass-Through Rate, rating or Rated Final Distribution Date, and will not be entitled to distributions of interest or principal.
NR = Not Rated.
n/a = Not Applicable.
Estimated Closing Date: November 23, 2021.

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Collateral Spotlight

Source: DBRS Morningstar.

Transaction Summary

Trust Characteristics			
Trust Loan Notional Balance ($)	188,000,000	**No. Properties**	1
Loan Purpose	Refinance	**Property Type**	Full-Service Hotel
Structure	REMIC	**Location(s)**	Bal Harbour, FL
Rated Final Distribution Date	November 2038	**DBRS Morningstar Market Rank**	4
DBRS Morningstar BLTV (%)	97.2	**DBRS Morningstar Cap Rate (%)[3]**	7.75
DBRS Morningstar ELTV (%)	97.2	**DBRS Morningstar Value ($)[3]**	193,422,444
DBRS Morningstar Debt Yield (%)	7.97	**Quality/Volatility Adjustment (%)[3]**	6.00
DBRS Morningstar DSCR (x)[2]	2.55	**Herfindahl Adjustment (%)**	n/a
Appraised LTV (%)[1]	56.8	**Other Adjustments (Y/N)[3]**	Y
Issuer UW DSCR (x)[2]	4.82	**DBRS Morningstar NCF Variance (%)**	-39.12

Notes:
1 Based on the concluded as-is Appraised Value of approximately $331.0 million as determined by CBRE as of October 20, 2021.
2 Based on an assumed Libor rate of 0.0900% and an assumed spread of 2.5877659%.
3 For more information on DBRS Morningstar Metrics and Adjustments, see the DBRS Morningstar LTV Sizing Benchmarks and Adjustments section.

Participants	
Depositor	Credit Suisse Commercial Mortgage Securities Corp.
Mortgage Loan Sponsors	Column Financial, Inc.
Trustee	Wells Fargo Bank, National Association
Master Servicer	Berkadia Commercial Mortgage LLC
Special Servicer	Situs Holdings, LLC
Certificate Administrator	Wells Fargo Bank, National Association
Operating Advisor	Park Bridge Lender Services LLC

DBRS Morningstar Perspective

The CSMC 2021-BHAR transaction is a $188.0 million IO floating-rate mortgage loan with an initial two-year loan term and three successive one-year extension options. The loan is secured by the fee-simple interest in the St. Regis Bal Harbour Resort, a 216-key luxury full-service hotel in Miami Beach, Florida. The 216-keys includes 192 hotel rooms and 24 third-party-owned condominium units that participate in a rental management program. The resort was built in 2011 and is part of a larger mixed-use development, totaling three towers on 21.0 acres. The collateral is located within the Center Tower, which uniquely has all oceanfront rooms. The Center Tower is flanked by the North and South Tower (both noncollateral). The property features four upscale restaurants, multiple swimming pools, approximately 14,000 sf of amenities, and more than 33,000 sf of indoor/outdoor event space.

The sponsor has invested $37.6 million (approximately $174,000 per key) in capital improvements to the resort since 2016. More specifically, the sponsor spent $26.4 million in 2015 alone to expand the north lobby and build out the Atlantikós restaurant and raised deck, while another $1.9 million will be allocated toward property-wide upgrades at loan closing.

The St. Regis Bal Harbour Resort has been a consistent and strong performer in the market and against its competitive set, with a RevPAR penetration rate over 150.0% as of the T-12 period ended August 31, 2021. The onset of the Coronavirus Disease (COVID-19) pandemic in March 2020 had a severe impact on the lodging industry, causing occupancy, ADR, and RevPAR to decline to unprecedented levels domestically and globally. Inevitably, the resort's RevPAR in 2020 dropped 45.9% compared with 2019; however, the decline was less than the nationwide and Miami submarket RevPAR declines of 47.5% and

50.8%, respectively. The resort remained open and operational throughout the pandemic and has demonstrated incredible signs of recovery growth with cash flow for the T-12 period ended August 31, 2021, up 673% from 2020. The property reported RevPAR of $695.32 for the T-12 period ended August 31, 2021, based on occupancy of 66.8% and ADR of $1,040.21. This represents a penetration rate of 127.9%, 117.7%, and 150.5% for occupancy, ADR, and RevPAR, respectively.

DBRS Morningstar elected to stabilize the property's NCF in line with its pre-pandemic performance, which is considerably below its recent performance. It is DBRS Morningstar's view that the high ADR and occupancy experienced over the past year include abnormal travel patterns as a result of the pandemic. Florida quickly became a travel destination during the pandemic because of its more relaxed restrictions and ease of transportation by flight or automobile. International travel restrictions and the general cautiousness of U.S. travelers also pushed higher demand to Florida. As ADR increased to all-time highs, the hotel also benefited from cost-cutting to the rooms expense and undistributed expenses. DBRS Morningstar believes that many of the cost savings could be temporary, however, as luxury travelers will again demand a high level of service. Removing the impacts of the pandemic, DBRS Morningstar believes the property has the ability to capture upscale transient business and an affluent guest base throughout the fully extended loan term. DBRS Morningstar’s concluded NCF and value reflect a stabilized occupancy assumption of 73.0% (which is above the T-12 ended August 31, 2021, occupancy of 66.8% and well above the 2020 level of 35.1%) and an ADR of $840, which is a 10.6% increase over 2019 levels. The resulting RevPAR of $613.20 is 5.0% above 2019 levels. Additionally, the land value of $45.0 million represents only 23.9% of the total loan amount.

Overall, DBRS Morningstar has a favorable outlook on the St. Regis Bal Harbour Resort, considering its location along the Atlantic Ocean that provides an oceanfront view in each guest room and its strong performance during the pandemic against its competitive set.

Strengths

- **Luxury Brand** – Built in 2011, the St. Regis Bal Harbour collateral features 216 total keys including 64 suites composed of 23 one-bedroom suites and 32 multi-bedroom suites, including junior suites and a presidential suite. The resort’s space, amenities, beachfront accommodations, swimming pools, and restaurants are of luxury quality. The property features more than 30,000 sf of indoor/outdoor meeting space. Situated on more than 21.0 acres of beachfront land, each guest room provides guests with private balconies and unobstructed views of the Atlantic Ocean.
- **Strong Performance Post-Pandemic** – The property experienced a strong resurgence of domestic leisure travelers, and property performance hit all-time highs in the early months of 2021. Occupancy exceeded 85.0% from January 2021 through April 2021 and ADR during this time was well above historical levels, in several months exceeding an average ADR of $1,200 per night. The resulting RevPAR was an impressive $1,406 at the peak in March 2021 and the property is consistently a top performer in the competitive set, achieving RevPaAR penetration levels over 170.0% in peak months.
- **Experienced Sponsor and Management Company** – The property benefits from experienced, institutional-quality sponsorship. The Qatar-based sponsor, Al Faisal Holding, was founded in 1964, and the real estate investment company has a current portfolio of 37 properties across the world with five

luxury hotels in the United States, including the subject property. The property is operated and managed by Sheraton (a Marriott owned brand). There are a total of 49 St. Regis hotels comprising nearly 11,000 keys and 17 St. Regis Residences with approximately 1,700 keys. Marriott International manages more than 7,000 hotel properties with a presence in 131 countries.

Concerns

- **Coronavirus-Related Risks** – The ongoing coronavirus pandemic continues to pose challenges and risks to virtually all major commercial real estate property types, creating a substantial element of uncertainty around the recovery of demand in the hospitality sector, even in stronger markets that have historically been highly liquid. Operations at the property were significantly affected by the pandemic, resulting in a 66.5% decline in NCF from 2019 to 2020.
- **Limited Investment in Rooms** – The rooms have not received a major renovation since construction in 2011, and in order for the property to remain competitive in the luxury hotel segment, room upgrades may be necessary within the loan term. As noted upon DBRS Morningstar's site inspection, room soft goods showed considerable wear and property representatives indicated that the rooms were in need of an upgrade. According to the Issuer, there is no brand-mandated PIP for the property and elective renovation work will be done when needed, which will likely include upgrades to carpets, curtains, bedding, and in-suite kitchenettes in the near future. The loan is structured with a $1.9 million reserve at closing for general capex.
- **Low Rooms Expense Ratio may not be sustainable** – As a result of the pandemic and guest preferences, housekeeping services like turn down service and daily cleaning were eliminated or reduced. The sponsor was able to recognize an immediate cost-saving, which is evident in the August 2021 TTM Room Expense ratio of 11.9%, which is well below the 22.4% average from 2017 to 2019. DBRS Morningstar concluded to a rooms expense ratio of 20.5% or $172.20 per occupied room to account for the return of normal housekeeping services, which are also brand mandated and an expectation for guests at a luxury property. The Miami South Beach hospitality industry is also facing an unprecedent labor shortage, which could portend general inflationary pressures on wages and labor costs.
- **Sponsor Cash-Out** – The sponsor is partially using proceeds from the whole loan to repatriate approximately $44.5 million of equity. DBRS Morningstar views cash-out refinancing transactions as less favorable than acquisition financings because sponsors typically have less incentive to support a property through times of economic stress if less of their own cash equity is at risk. Based on the appraiser's as-is valuation of $331.0 million, the sponsor will have approximately $131.0 million of unencumbered market equity remaining in the transaction.
- **Seasonality** – While still present, the market has experienced diminishing seasonality in recent years because of the region's proximity to the large and growing population residing in South Florida, which provides for strong shoulder seasons and a very brief downtime. The Christmas holiday through Memorial Day has historically represented the Miami South Beach lodging market's primary season, when "snow birds" from the northeastern and midwestern U.S. and from Europe travel south to escape the increasingly cold winter season. From Memorial Day through Labor Day, the market experiences a minor shoulder season where performance remains strong, with the bulk of the demand coming from "drive-to" guests throughout Florida as well as some Europeans on summer holiday. During September

and October, resorts tend to target senior travelers and small groups as the market gears up again for the rush of demand during the winter holiday season.

- **Leverage Profile** – The DBRS Morningstar LTV is high at 97.2% based on the $188.0 million in total mortgage debt. In order to account for the high leverage, DBRS Morningstar programmatically reduced its LTV benchmark targets for the transaction by 1.50% across the capital structure.
- **Hotel Rental Program** – The DBRS Morningstar NCF's includes income from 24 units that participate in the St. Regis's rental program. As part of the program, the loan sponsor rents, manages and controls the 24 units according to rental agreement. Unit owners have the ability to opt into a one, or two-year initial term and split net proceeds 50/50, after deducting a 12% service fee and FF&E deposit. The number of participating units has been between 24 and 26 units since 2017. Given that the rental income is dependent on nonowned assets and the variable nature of the number of units that participate in the program, DBRS Morningstar incorporated a downward value adjustment.

Legal and Structural Considerations

- **No Warm Body** – The nonrecourse carveout guarantor for the loan is Seldar Cayman Finance LTD., a Cayman limited company, which is required to maintain a minimum net worth of $100.0 million and has no liquidity requirement. “Bad boy” guarantees and consequent access to the guarantor help mitigate the risk and increased loss severity of bankruptcy, additional encumbrances, unapproved transfers, fraud, misappropriation of rents, physical waste, and other potential bad acts of the sponsor.
- **Extension Options** – There are no performance triggers, financial covenants, or fees required for the borrower to exercise the three one-year extension options. The options are exercisable by the borrower subject only to compliance with the following conditions: (1) at least 30 days prior written notice to lender, (2) no EOD existing as of the commencement of the applicable extension term, and (3) borrower’s purchase of a cap agreement for each extension term providing for a cap on Libor.
- **Libor Elimination and Benchmark Transition** – The underlying mortgage loan for the transaction will pay a floating rate, which presents potential benchmark transition risk as the deadline approaches for the elimination of Libor. The transaction documents provide for the transition to an alternative benchmark rate, which is primarily contemplated to be either Term Secured Overnight Financing Rate (SOFR) plus the Benchmark Replacement Adjustment, or Compounded SOFR plus the applicable Benchmark Replacement Adjustment.
- **Condominium Structure** – The borrower is a member of three condominium associations (Center, North/South and Master Association). The borrower holds a 79% voting interest under the Center Condominium Declaration (hotel building) and a 27% voting interest under the North South Condominium Declaration (two condominium buildings that are not part of the collateral). The borrower is required to pay monthly condo assessments associated for each of the three associations. The assessments are incorporated in the DBRS NCF's as undistributed expenses. DBRS Morningstar requested a break-out of the condo assessments, however, the issuer indicated that the manager allocates the condo assessments across the undistributed expenses and a break-out was unavailable.
- **Trustee, Certificate Administrator and Custodian Transfer** - Wells Fargo Bank, the Certificate Administrator, Trustee and custodian, has entered into an agreement on November 1, 2021 to transfer its duties, obligations and rights as trustee, certificate administrator and custodian to Computershare Ltd.. In connection with the sale, Wells Fargo Bank intends for the transferee to satisfy the eligibility and

consent requirements applicable to a successor trustee and certificate administrator under the TSA, provided that the terms of the TSA will state such appointment of Computershare Trust Company, N.A. or another Computershare-affiliated entity as its agent will not relieve Wells Fargo Bank of responsibility for its duties or obligations under the TSA. Lastly, since Computershare Trust Company is not a deposit-taking institution, that any accounts that the Certificate Administrator is required to maintain pursuant to the TSA will be established and maintained in a manner satisfying the requirements of the TSA, including any applicable eligibility criteria.

Mortgage Loan and Debt Capital Structure

Mortgage Loan Summary			
Mortgage Loan Balance	188,000,000	**Cash Management**	Springing
Amortization	Interest-Only	**Lockbox**	Hard
Interest Rate	L + 2.58777%	**Interest Accrual**	ACT/360
Fixed/Floating Rate	Floating	**Assumable**	Yes
Interest Rate Cap, Strike Rate	3.0000%	**Prepayable**	Yes
Initial Loan Term	24	**Extension Terms**	3 1-yr options

Debt Structure

Tier	Debt Amount ($)	Interest Rate (%)	Payment Terms	DBRS Morningstar DSCR (x)	DBRS Morningstar LTV (%)
Mortgage Loan	188,000,000	Libor + 2.5877659%	Interest-Only	2.42	99.4
Total/WA	188,000,000			2.42	99.4

Risk Retention

Applicable	Type	Interest	Risk Retention Holders
Yes	Horizontal	H-RR	Franklin HRR CMBS Holdings, LLC

Sources and Uses

Loan proceeds are being used to repay existing debt, repatriate cash equity to the borrower, and pay closing costs.

Source	Amount ($)	% of Total	Uses	Amount ($)	% of Total
Mortgage Loan	188,000,000	100.0	Debt Repayment	133,124,250	70.8
			Equity Repatriation	44,470,823	23.7
			Upfront Reserves	5,348,929	2.8
			Origination Costs	5,055,998	2.7
Totals	**188,000,000**	**100.0**		**188,000,000**	**100.0**

Note: The Upfront Reserves represents approximately $1.9 million of capital expenditures, $2.7 million real estate tax escrow, and $746,000 insurance escrow.

Note Structure

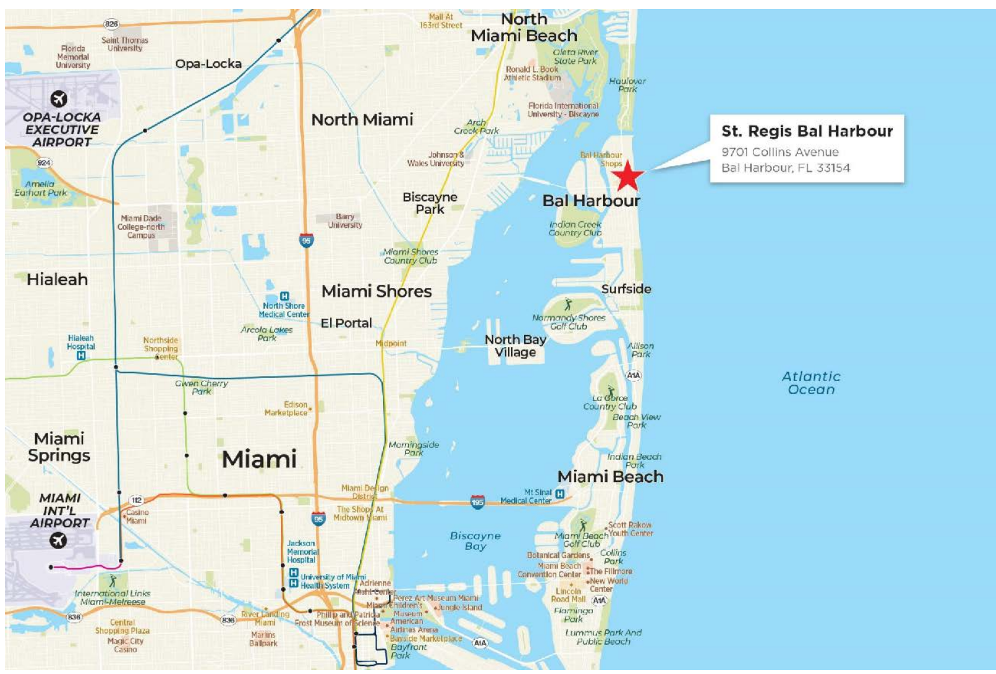
The trust collateral is originated by Column Financial, Inc. and consists of a mortgage loan in the amount of $188.0 million. The mortgage loan is expected to be evidenced by one componentized promissory note with an original principal balance of $188.0 million and contributed to the trust and support payments on the rated certificates.

Collateral Summary

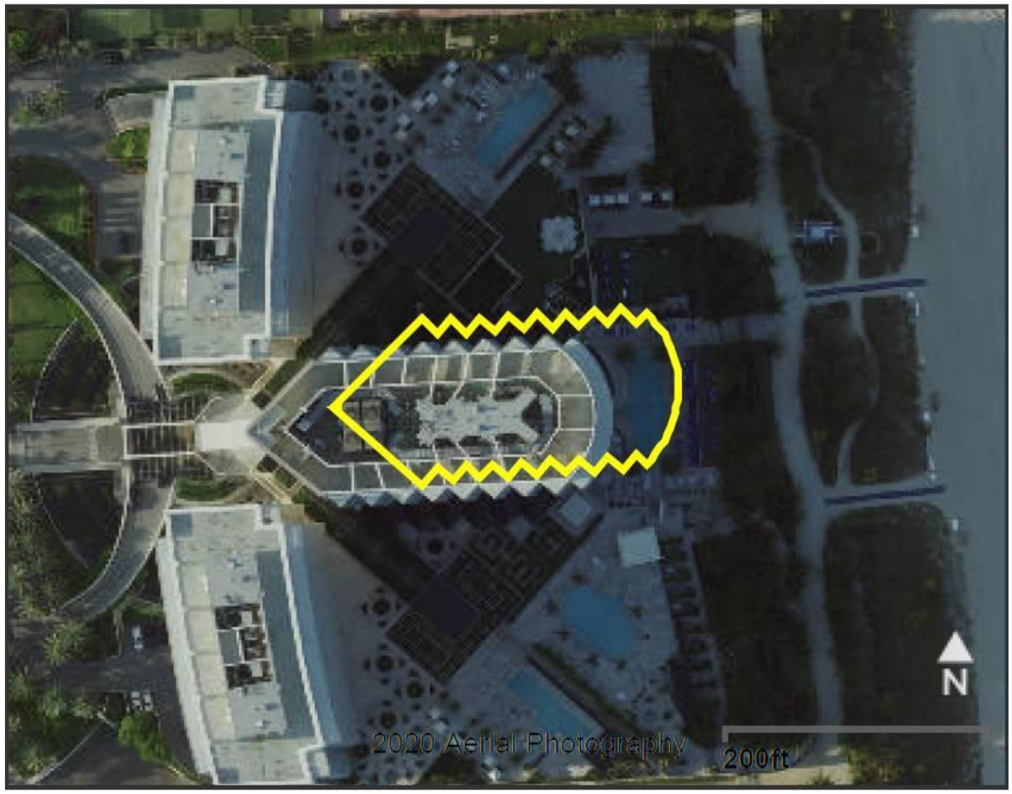
The St. Regis Bal Harbour Resort features 216 total keys with 64 suites composed of 23 one-bedroom units and 32 two-bedroom or larger units. Situated on 21 acres of prime real estate and spanning more than a mile of pristine oceanfront, each guest room provides guests with private balconies and unobstructed views of the Atlantic Ocean. With rooms ranging in size from 650 sf to up to 2,950 sf, the various room configurations can accommodate larger-than-average party sizes, appealing to a wide variety of clientele. The hotel’s design gives many opportunities for privacy, with no more than 15 keys per floor and select units having private elevator access. Standard guest room amenities include large five-fixture bathrooms, kitchenettes, at least one private balcony with direct ocean views, and signature butler service.

The property features four dining options managed by the hotel, including Atlantikós, La Gourmandise, The St. Regis Bar & Wine Vault, and BH Burger Bar. Guests can also enjoy poolside service as well as in-room dining options. The property offers more than 33,000 sf of flexible indoor and outdoor meeting space including an oceanfront wedding ceremony venue. Other amenities include two swimming pools and a 14,000-sf spa area. Additionally, the property's unique location offers the opportunity for local activities such as kayaking, paddleboarding, deep sea fishing, golf, and art deco tours.

The collateral is on Collins Avenue, just north of 96th Street, which connects the subject to inland Florida. Adjacent to the subject property is the renowned Bal Harbour Shops, which includes designer boutiques such as Neiman Marcus, Chanel, Tiffany & Co., Versace, Gucci, Saks Fifth Avenue, and many more. Prior to the coronavirus pandemic, the high-end mall had sales over $3,500 psf and complementary to the luxury guests staying at the subject property.



Source: Term Sheet.



Source: Appraisal.

Room Type	Total Keys	% of Total	Size (sf)
1 King Deluxe	24	11.1	650
2 Queens Deluxe	8	3.7	650
1 King Grand Deluxe	94	43.5	650
2 Queen Grand Delux	26	12.0	650
1 King Oceanfront Junior Suite	7	3.2	675
1 King - 1 Bedroom Suite	9	4.2	1,250
1 King + Queen Sofa Bed - 1 Bedroom Suite	23	10.6	1,475
2 Kings Royal Oceanfront Suite - Multi-bedroom Suite	21	9.7	2,000
2 Kings Royal Presidential Suite - Multi-bedroom Suite	1	0.5	2,800
2 Kings Royal Palace Suite - Multi-bedroom Suite	3	1.4	2,950
Total	**216**	**100.0**	**937**

Market Overview

Miami

Market Demand: Demand in the Miami Beach area is dominated by transient leisure travelers. With increasing population growth in southern Florida over the last 30+ years, the Miami area has witnessed a steady increase in demand from transient travelers seeking a family beach vacation or a romantic weekend getaway. The appraiser estimates that leisure demand will grow by 10.0% in 2022 and 2023. By year-end 2021, the Miami hotel market is forecast to see a 49.3% increase in RevPAR, which is significantly higher than the projected national increase of 26.4%. This high growth factor is due largely in part to the luxury segment of Miami hospitality. Following the coronavirus pandemic, the appraiser anticipates that it will take approximately three years for occupancy levels to fully recover, one year to two years for ADR levels to recover, and approximately one year to three years for RevPAR to fully recover at upper-priced hotels.

Coronavirus Impact: In March 2020, the coronavirus pandemic began to affect the local market, similar to the rest of the nation, resulting in decreased business activity inclusive of the hospitality and tourism industries. The state of Florida had less coronavirus-related restrictions throughout the pandemic, which resulted in an increase in visitors within driving distance of the subject. Year-end 2020 data showed a modest decline in occupancy and an increase in ADR. Year-to-date 2021 performance shows a significant improvement given the Miami market's desirability and popularity among leisure travelers, location as a resort destination market with warm weather year-round, and increased demand from high-end domestic tourists seeking an alternative to international travel. While the pandemic will continue to affect business to some degree in the near term, the overall outlook is optimistic given the dynamics of the market, the successful rollout of vaccines, the removal of coronavirus-related restrictions, and the recent increase in travel.

Competitive Set Overview

Competitive Set Overview

Property Name	Year Opened	Keys	Meeting Space
The Breakers	1925	540	60,000
Four Seasons Palm Beach	1989	210	22,000
Eau Palm Beach Resort & Spa	1991	310	24,066
The Ritz Carlton South Beach	1953	375	20,000
The Setai	2005	135	20,000
Resort Acqualina	2006	97	16,883
Ritz Carlton Bal Harbor Resort and Spa	2008	93	10,000
St. Regis Bal Harbour	**2012**	**216**	**30,770**
Totals/WA	**1965**	**1,760**	**32,527**

Competitive Set Market Mix

Property Name	Corporate (%)	Group (%)	Leisure (%)
The Breakers	10	10	50
Four Seasons Palm Beach	10	10	80
Eau Palm Beach Resort & Spa	5	10	85
The Ritz Carlton South Beach	10	20	70
The Setai	5	10	85
Resort Acqualina	5	10	85
Ritz Carlton Bal Harbor Resort and Spa	5	10	85
St. Regis Bal Harbour	**5**	**10**	**85**
Totals/WA	**8**	**12**	**70**

Ratings Rationale

DBRS Morningstar's ratings on CSMC 2021-BHAR reflect its analysis of the sustainable cash flow and value for the property securing the loan held by the trust; the presence of loan structural features, such as lack of amortization and partial pro rata pay structure (if applicable); and qualitative factors, such as DBRS Morningstar's opinion of the quality of the underlying collateral property, the current and expected performance of the real estate market in which the property is located, and the current and future state of the macroeconomic environment and its potential impact on the performance of commercial properties.

Analytical Metrics

The table below presents DBRS Morningstar's key NCF and valuation metrics compared with the Issuer/arranger's assumptions:

NCF Analysis			
	Issuer NCF	DBRS Morningstar NCF	NCF Variance (%)
Occupancy (%)	75.6	73.0	-3.4
ADR ($)	995	840	-15.5
RevPAR ($)	752	613	-18.4
Total Departmental Revenue ($)	78,273,581	63,863,665	-18.4
Total Departmental Expense ($)	23,477,044	21,859,051	-6.9
Total Departmental Profit ($)	**54,796,537**	**42,004,614**	**-23.3**
Total Undistributed Expense & Management Fee ($)	18,327,784	16,503,236	-10.0
Total Fixed Expense ($)	7,930,986	7,317,955	-7.7
NOI ($)	**28,537,767**	**18,183,423**	**-36.3**
FF&E ($)	3,913,679	3,193,183	-18.4
NCF ($)	**24,624,088**	**14,990,239**	**-39.1**

Site Inspections

DBRS Morningstar toured the property on Monday, October 25, 2021, at 11:30 a.m. Based on the site inspection, DBRS Morningstar found the property quality to be Average +.

The collateral is a 27-story full-service hotel north of Miami's popular South Beach. Built in 2011, the collateral consists of 192 hotel keys and revenue generated by 24 third-party owned condominium units that participate in a condo hotel rental program. Two additional residential towers are located on the site; however, they are not included in the collateral. Located 15.7 miles northeast of downtown Miami and 21.3 miles south of Fort Lauderdale, Florida, the property is easily accessible by NE 123rd Street, NE 79th Street, and I-195 via Collins Avenue. The property is near the area's strong drivers of lodging demand and a plethora of tourist attractions along the northern tip of Miami Beach, such as the luxury Bal Harbour Shops and the Museum of Contemporary Art.

Upon entering the subject property off Collins Avenue, guests can elect to continue straight to enter a lower-level valet and dropoff area or continue to the right or left to enter the north or south residential towers. There are several well-maintained pedestrian walkway areas that connect the lower-level space to the primary hotel lobby entrance. The main entryway features a red carpet and outdoor seating for guests waiting for valet service. After entering through the main doorway, high ceilings and floor-to-ceiling mirrors line the hallways leading to the reception desk. Surrounding the check-in area are several small seating areas for guests and visitors to enjoy the coffee and pastry shop near the eastern edge of the lobby. DBRS Morningstar noted that while the fixtures and furniture pieces were modern in design, there were several signs of deferred maintenance with large stains on the carpet, worn chairs, and tables with chipped paint. The eastern side of the lobby has floor-to-ceiling windows, and one corner windowpane was observed to be cracked.

DBRS Morningstar toured most amenity spaces including the aforementioned primary F&B options, the main ballroom, one of the swimming pools, and the outdoor event space. All amenity spaces were in average condition with minor signs of deferred maintenance. The hotel offers a wide range of F&B outlets featuring four options: Atlantikós, La Gourmandise, The St. Regis Bar & Wine Vault, and BH Burger Bar. At the time of DBRS Morningstar's inspection, only Atlantikós was open for service, with a few guests dining. The other three restaurants had limited hours because of limited staffing availability. Management noted that many restaurants had cut back on their hours of operation as a result of the pandemic; however, management anticipates that these hours will be expanded in the near future. The full-service hotel did cut back on its employee headcount for nonunion contracted departments such as butler service, administration, and spa. While there were cost savings as a result of this change, management expects the number of employees to return to pre-pandemic levels because guests expect a luxury experience, especially at a premium price. Because of ongoing health concerns, turndown service was put on hold at the beginning of the pandemic and had not been resumed at the time of the inspection. Additionally, the pandemic has caused a significant number of supply chain bottlenecks; St. Regis-branded items such as shampoo, conditioner, body wash, and water bottles have had delays in shipping and delivery times, and as a result the hotel has had to provide standard items from local stores. Management emphasized the high importance of resuming the turndown service and receiving these brand-specific items as soon as possible for guests to enjoy. On-site management believes the implementation of these brand-specific and luxury services will prove beneficial for the full-service hotel's continued strong performance.

DBRS Morningstar toured two suites and one standard king room. The suites were well maintained with high ceilings and spectacular ocean views on the private balconies. Guest room amenities featured kitchenettes of various sizes, large dining areas, and private bedrooms with ensuite bathrooms. Standard guest rooms showed more visible signs of deferred maintenance and regular wear and tear, such as stained carpeting and worn couches. Suites showed better signs of general upkeep because they are occupied less frequently. The property has not received a brand-mandated PIP since construction in 2011, and while management has invested $37.6 million in capital improvements, they did not include property-wide upgrades to each guest room. Management noted that consistent guest room improvements are needed and are a top item on its wish list over the next few years.

Where on-site property visits support the ratings process, DBRS Morningstar may rely on a review of other sources to assess a property's physical attributes and position in its respective market, such as the appraisal, PCR, or other third-party leasing sources; rely on average qualitative adjustments made for past comparable real estate assets; and/or make conservative property quality adjustments in absence of other information.

Third-Party Reports

As part of its analysis, DBRS Morningstar reviewed the appraisal report, PCR, and environmental site assessment (ESA) prepared in connection with the subject transaction.

Appraisal

DBRS Morningstar reviewed the appraisal report prepared by CBRE for the property. The as-is appraised value as of October 20, 2021, was concluded at $331.0 million, or $1.5 million per key. The appraiser also concluded to a prospective value upon stabilization of $366.0 million or $1.7 million per key as of August 16, 2023. The appraiser used a terminal capitalization rate of 6.75% in its direct capitalization analysis.

Property Condition Report

The PCR provided by EBI Consulting dated August 30, 2021, identified $15,000 in immediate repairs and $2.5 million in replacement reserves. The report concluded replacement reserves for the property at $0.55 psf per year on an inflated basis.

Environmental Risk Assessment

The ESA provided by EBI Consulting dated August 30, 2021, did not identify any environmental concerns.

DBRS Morningstar NCF Analysis

DBRS Morningstar determined its concluded sustainable NCF of the underlying property by applying the *DBRS Morningstar North American Commercial Real Estate Property Analysis Criteria*. DBRS Morningstar analyzes the properties' historical cash flow, occupancy levels, operating expenses, fixed expenses, and capital costs. To estimate the property's normalized revenue stream, DBRS Morningstar analysis includes a review of historical financial statements (as available), third-party market reports, appraisal data, PCRs, environmental assessments, seismic (as applicable), and relevant market data, which may include research reports produced by third-party information companies.

DBRS Morningstar's revenue and expenses estimates, as well as its analytical approach, are discussed below.

Total Revenue – DBRS Morningstar's total and all income line items were set to the August 2021 reforecast percentage of departmental revenue based on a concluded ADR of $840 and a concluded occupancy of 73.0%.

DBRS Morningstar concluded its sustainable occupancy and ADR based on a review of the property's pre-and post-pandemic performance relative to its competitive set. DBRS Morningstar took into account that, per the appraisal, hotel rates in Miami's South Beach are driven largely by (1) size of guest rooms and (2) ocean views. Additionally, all of the property's rooms are larger than 600 sf and all offer ocean views.

Additionally, there are 24 third-party owned condominium units that are included in the collateral. These condominium units have the ability to be added to the total hotel inventory and to be reserved in a similar manner on any given night.

Departmental Expenses – DBRS Morningstar assumed most expense line items based on the August 2021 reforecast percentage of departmental expense against the DBRS Morningstar concluded departmental revenue line items enumerated above. DBRS Morningstar estimated its rooms expense assumption at 20.5% of room revenue, which achieves a total room expense per occupied room of $172.20, sitting directly in line with historical performance.

Undistributed Expenses – DBRS Morningstar concluded undistributed expenses to the historical average of 2017, 2018, and 2019 percentage of total revenue for each line item. The only exception to this was the sales and marketing line item, which was concluded to the August 2021 reforecast figure. Sales and marketing is heavily tied to banquet revenue, which is expected to decline according to the sponsor's projections. The HOA assessments are allocated by the sponsor and manager across the undistributed expenses. The issuer has provided historical HOA assessments to be $1,321,558, $1,346,978, $1,433,229, $1,486,324, and $1,000,456 for the 2017, 2018, 2019, 2020, and T-12 ending August 2021 periods, respectively. These historical figures have shown gradual increases year over year ranging from 1.9% to 6.4%. The only exception to this smaller increase is from 2020 to T-12 ending August 2021 figure which demonstrated a 32.7% decline. To reflect a more normalized HOA assessment, DBRS Morningstar added the difference between 2020 and T-12 ending August 2021 to their undistributed expenses total amount.

Management Fee and Fixed Expenses – DBRS Morningstar assumed a base management fee of 3% of total revenue and an incentive management fee of 1.8% of total revenue. The incentive management fee is based on the hotel operating agreement, which is divided into two tiers: (1) 20.0% of NOI above $10.0 million beginning in Year 8 and (2) 10.0% of increase over the adjusted NOI threshold. Based on these assumptions, DBRS Morningstar achieved a total marketing, management, and franchise fee ratio of 11.7% of revenue.

DBRS Morningstar concluded to real estate taxes based on the August 2021 reforecasted figure, which is only 0.8% above the Issuer's projection.

DBRS Morningstar set the insurance premium to the actual figure.

Replacement Reserves – DBRS Morningstar concluded an aggregate FF&E reserve figure of 5.0% of total revenue.

NCF Analysis	2017	2018	2019	2020	T-12 ending August 2021	Issuer NCF	DBRS Morningstar NCF	NCF Variance (%)
Occupancy (%)	70.3%	73.1%	76.8%	35.1%	66.8%	75.6%	73.0%	-3.4
ADR ($)	739	808	760	900	1,040	995	840	-15.5
RevPAR ($)	519	591	584	316	695	752	613	-18.4
Total Departmental Revenue ($)	66,269,149	72,588,450	71,648,333	35,061,941	68,970,344	78,273,581	63,863,665	-18.4
Total Departmental Expense ($)	31,181,310	31,872,938	31,395,413	13,099,862	17,056,615	23,477,044	21,859,051	-6.9
Total Departmental Profit ($)	**35,087,840**	**40,715,512**	**40,252,920**	**21,962,080**	**51,913,729**	**54,796,537**	**42,004,614**	**-23.3**
Total Undistributed Expense and Management Fee ($)	16,224,685	17,871,316	17,726,985	10,679,835	16,222,742	18,327,784	16,503,236	-10.0
Total Fixed Expense ($)	5,871,132	5,838,877	6,617,475	4,737,438	7,015,079	7,930,986	7,317,955	-7.7
NOI ($)	**12,992,023**	**17,005,319**	**15,908,460**	**6,544,807**	**28,675,908**	**28,537,767**	**18,183,423**	**-36.3**
FF&E ($)	1,988,074	2,903,538	2,865,933	1,753,097	3,448,517	3,913,679	3,193,183	-18.4
NCF ($)	**11,003,948**	**14,101,781**	**13,042,527**	**4,791,709**	**25,227,391**	**24,624,088**	**14,990,239**	**-39.1**

DBRS Morningstar Valuation

DBRS Morningstar's concluded fee-simple capitalization rate for the portfolio was 7.75%, which resulted in a value of approximately $193.4 million, or $895,474 per key.

DBRS Morningstar LTV Sizing Benchmarks & Adjustments

DBRS Morningstar's maximum LTV thresholds at each rating category were based on the loan and transaction factors relevant to the analysis as described herein. Based on the transaction's collateral composition, DBRS Morningstar elected to use its Commercial LTV Sizing Benchmarks as the starting point for the direct sizing analysis. DBRS Morningstar adjusted its maximum LTV thresholds (the Quality/Volatility Adjustment) to account for the following factors:

Cash Flow Volatility: Although the property has been open throughout the entire pandemic, its performance did suffer during 2020. While occupancy declined significantly to 35.1% in 2020 from 76.8% in 2019, ADR saw a more impactful pickup to $900.03 from $759.70, respectively. As of the T-12 period ended August 31, 2021, occupancy had recovered to 66.8% while ADR had continued to rise to an astounding $1,040.21, generating a $695.32 RevPAR.

As a result of these factors, DBRS Morningstar elected to increase its LTV thresholds by 1.5% to account for limited cash flow volatility.

Property Quality: As part of the prestigious St. Regis brand, the full-service hotel features larger-than-average rooms and an extensive amenity package. The property features more than 33,000 sf of indoor/outdoor meeting space, a 10,000-sf sun deck, a 14,000-sf spa area, butler service, and ocean views from every guest room. Built in 2011, the property is the newest resort in the competitive set as identified by the appraiser. However, the subject property has not undergone any major upgrades since construction. While $37.6 million has been spent toward capital improvements since 2015, DBRS Morningstar noted several signs of deferred maintenance and outdated features during the site inspection. The property was upscale and modern overall; however, DBRS Morningstar believes that the collateral would greatly benefit from a property-wide improvement plan that is consistent with the St. Regis brand.

As a result of these factors, DBRS Morningstar elected to increase its LTV thresholds by 2.5% to account for property quality.

Market/Location: The collateral is on the northern tip of Miami Beach along the Atlantic Ocean. More specifically, the property is directly across the street from the Bal Harbour Shops, an upscale shopping experience with sales above $3,500 psf prior to the pandemic. The Miami Beach area allows for year-long demand drivers and has proven resilient throughout the pandemic, with ADR increasing 11.6% over the submarket's 10-year average.

As a result of these factors, DBRS Morningstar elected to increase its LTV thresholds by 2.0% to account for the favorable market/location.

Interest-Only Certificates

DBRS Morningstar determined its rating on the IO certificates based on the lowest rating of the applicable reference obligation, which DBRS Morningstar may or may not elect to notch up one rating category, as per its approach to rating IO certificates. Please refer to the DBRS Morningstar methodology Rating North American CMBS Interest-Only Certificates on the DBRS Morningstar website, www.dbrsmorningstar.com.

Loan-Level Legal and Structural Features

Security: The loan is secured by (i) a first priority mortgage, assignment of leases and rents, and security agreement on the Borrower's fee simple interest in hotel and resort located in Bal Harbour, Miami Beach, Florida, including the borrower's fee-simple interest in the 192 room hotel property, including all fixtures, equipment, and personal property used in the operation of the property and owned by the borrower and (ii) a collateral assignment of borrower's contract rights in 24 nonowned condominium suites pursuant to a condo rental agreement (Rental Program) and including certain rights of the borrower under the rental program documents two condominium declarations and a master association declaration (project documents) and relating to a management agreement, cash management agreement, environmental indemnity agreement, and all other documents delivered in connection with the loan. The mortgage lien is subject to permitted encumbrances including the Project Documents as further described in the loan documents.

Borrower, Sponsor, and Guarantor(s): The mortgage borrower is Seldar Miami Holding LLC, a Delaware limited liability company that is an SPE. The borrower is indirectly owned and controlled by Al Rayyan Tourism Investment Company WLL, a Qatar private limited company, and serves as the sponsor. The guarantor is Seldar Cayman Finance LTD., a Cayman exempted company. The guarantor is required to maintain a net worth of at least $100 million (excluding its interest in the property), and there is no liquidity minimum during the term of the loan.

General Loan Terms: The trust collateral is composed of a mortgage loan in the amount of $188 million and is evidenced by seven components, A, B, C, D, E, F, and HRR. All seven mortgage loan components will be deposited into the trust and support payments on the certificates. The mortgage loan is for a term of two years with three extension options, and is interest only (actual/360 accrual).

Interest Rate: Each Loan Component will accrue interest at a variable rate per annum equal to the sum of (i) the Benchmark (as defined), plus (ii) the applicable component spread. The initial Benchmark is One-month LIBOR. The initial per annum weighted average spread is 2.5877659%. The loan documents contain provisions to address the transition from LIBOR to an alternate reference rate (Benchmark) generally consistent with Alternative Reference Rate Committee (ARRC) recommendations following the occurrence of benchmark replacement events (including as related to a Benchmark Transition Event, an Early Opt-in Election or a Term SOFR Transition Event, as applicable,) as determined by the servicer, as lender under the loan documents and subject to conditions set forth in the loan documents.

Interest Protection Agreement: At the origination of the mortgage loan, Borrower purchased and pledged to the Lender an interest rate cap agreement with SMBC Capital Markets, Inc. (as counterparty) in the notional amount equal to the loan amount with an initial LIBOR strike rate equal to 3.00%. As a condition to each extension term, Borrower is required to purchase and pledge to the Lender an interest rate cap agreement with an acceptable counterparty and a notional amount equal to the then-outstanding principal Loan Amount and which provides for a strike rate equal to such amount that would result in a debt service coverage ratio of at least 1.15x for the remainder of the term of the mortgage loan.

Cash Management Sweep Trigger Period: Trigger period means any period that commences at any time when debt yield falls below 7.15% on any date of determination for the calendar quarter immediately preceding the date of such determination, based upon the T-12 period immediately preceding such date of determination. The trigger period can be cured when (a) no mortgage loan EOD is continuing and (b) a debt yield is achieved that is 7.15% for the two consecutive calendar quarters immediately preceding the date of determination, based upon the T-12 period immediately preceding such date of determination.

Reserves: As part of the mortgage loan, the borrower deposited $1.9 million in upfront reserves for capex repairs.

Upfront Reserve Account Deposits	Amount ($)
Capex	1,900,000

Additionally, the loan agreement stipulates required deposits for ongoing reserves into specified accounts including for FFE Reserve for replacements, FF&E, PIP and repairs (but expressly excluding the origination date capital expenditures, into which the Borrower is required to deposit monthly the greater of (i) 3% of gross income from operations during the prior calendar month and (ii) the amount of the deposit, if any, then required by the Property Manager on account of FF&E under the Management Agreement and ii) condominium assessment reserve for reserving the monthly condo assessment (as determined in accordance with the project document) provided that the Lender will waive the requirement to escrow for the payment of the monthly condo assessment if certain conditions are met and the Property is managed by Sheraton Operating Corporation (as the Marriott Manager) pursuant to a Management Agreement which requires the Marriott Manager to reserve for assessments.]

Recourse Carveouts: Recourse on the loan is generally limited to the property and other assets that have been pledged as collateral for the loan. Nonrecourse carveout liabilities for fraud, willful misconduct, or intentional misrepresentation in connection with the loan, wrongful removal or destruction, certain physical waste, misappropriation, conversion of certain funds, and certain transfers or encumbrances are all included in the carveout guaranty under the loan documents, along with other carveout liabilities for customary bad boy events identified in the loan documents including losses resulting from termination or material modification of the management agreement, rental program documents (other than out of borrowers control and not as a result of insufficient cash flow) in violation of the loan documents..

Prepayment Provisions: The Borrower may prepay the mortgage loan in whole, but not in part, provided that if such prepayment is made on or prior to the payment date in January 9, 2023, the Borrower shall be required to pay to the mortgage lender simultaneously with such prepayment the applicable spread maintenance premium payment. Each such prepayment that is made on a payment date shall be accompanied by all interest that would otherwise have been due on such payment date had the prepayment not occurred, and each such prepayment that is not made on a payment date shall be accompanied by all interest that would have been due on the next succeeding payment date had the prepayment not occurred. Notwithstanding the foregoing, involuntary prepayments can be made in part at any time as a result of casualty or condemnation if such proceeds are not required to be applied to the restoration of the Property. So long as no Loan event of default is continuing, no spread maintenance payment would be required in connection with such involuntary principal prepayment.

Permitted Transfers: Subject and in addition to other permitted transfers and/or requirements for transfers further detailed in the loan documents, the transfer of the property and/or certain equity interests in the borrower is subject to (1) up to 49.0% of the direct and/or indirect ownership interests in the Borrower in the aggregate may be transferred from time to time in one or more transactions to one or more persons, provided that after any such transfer Al Rayyan Tourism Investment Company WLL or a Qualified Transferee (as defined in the offering materials) maintains control of the Borrower and owns not less than 51.0% of the direct and/or indirect legal and beneficial interests in the Borrower; and (2) the transferee is controlled by an entity that (a) meets certain eligibility requirements in the loan documents including having an aggregate net worth equal to at least $350.0 million (exclusive of the property)and (b) must have demonstrated expertise in owning and operating properties similar in location, size, class, and operation to the property including a hotel portfolio of not less than 1,500 keys. A rating agency confirmation may be required with a permitted assumption.

Property Management: The property is managed by Sheraton Operating Corporation, a Delaware corporation property manager. The management agreement commenced January 2014 and carries an initial term of 30 years, with two 10-year extension options. The base management fee is 3.0% of gross operating income. There is an incentive management fee as follows (Tier 1): 20% of NOI above threshold of $10 million starting in Year 8; (2) 10% increase over adjusted NOI threshold and a monthly shared component fee with respect to the property manager's operation of the north south shared components and the center shared components (under the applicable project documents). The shared component was $223,794.90 for the 2014 operating year, subject to increases by 5% each operating year for the first 10 operating years, and thereafter increasing or decreasing based on the percentage increase or decrease in the consumer price index each operating year.. The lender's rights to terminate the property manager are subject to the loan documents. Generally, under the loan documents, a property management company must possess experience in managing properties similar in size, scope, use, and value as the subject property and subject to a rating agency confirmation. In addition, the property will derive benefits from a centralized services agreement entered into between the borrower and Starwood Hotels and Resorts Worldwide, LLC, a Maryland limited liability company under which it provides and makes available services and programs on a centralized basis to hotels and resorts in the United States operated under the St. Regis brand by or under the supervision, direction or control of the Marriott Manager or its affiliates.

Insurance: The loan agreement requires the borrower to obtain and maintain insurance for the borrower and the property providing in amounts set forth in the loan documents, subject to certain deductibles, and a blanket policy is permitted. Required insurance, among others identified in the loan agreement includes (i) comprehensive all risk insurance in an amount equal to 100% of the actual replacement value and flood insurance as applicable, providing for no deductible in excess of $25,000, except in the case of windstorm/named storm, which may have a deductible of 3% of the total insurable value of the Property (ii) commercial general liability, including liquor liability of not less than $2.0 million in the aggregate and $1.0 million per occurrence, (iii) business income or rental loss insurance and (iv) terrorism insurance. [Insurance under each of the project documents is limited to coverage of the shared facilities or shared components (as defined therein), with the proceeds thereof payable to borrower, as the hotel lot owner in trust for the lot owners.

Casualty and/or Condemnation Proceeds: If there is no existing EOD under the loan documents, the threshold for any casualty or condemnation insurance proceeds to be deposited into a lender-controlled account is 4% of the allocated loan amount attributable to such property. Subject to satisfying other conditions in the loan documents, (x) net insurance proceeds in the case of a casualty will be made available to the borrower if less than 25% of the total floor area of the improvement on the related property has been damaged, destroyed, or rendered unusable; (y) net proceeds in the case of a condemnation will be disbursed to the borrower if less than 10% of the land is taken (and the taken land is along a perimeter and no portion of the improvements is taken). If at any time the net proceeds being held by the lender in the reasonable opinion of the lender in consultation with the casualty consultant are determined to be insufficient to pay in full the balance of the costs estimated to be incurred in connection with the restoration completion, the borrowers are required to deposit the deficiency with the lender before any further disbursement of the net proceeds are disbursed.

Transaction Legal and Structural Features

Priority of Payments: On each distribution date, funds available for distribution will be distributed in the following amounts and order of priority (in each case to the extent of remaining available funds).

1. **Class A, Class X-CP, and Class X-NCP certificates then outstanding**: (i) first, to interest on such certificates, up to, and pro rata in accordance with, their respective interest entitlements; (ii) next, to the Class A certificates then outstanding, up to the principal distribution amount for such class and for such distribution date until their certificate balance is reduced to zero; and then (iii) to reimburse Class A certificates then outstanding for any previously unreimbursed losses previously allocated to such classes of certificates.
2. **Class B certificates**: (i) first, to interest on such certificates up to its interest entitlements; (ii) next, to the Class B certificates, up to the principal distribution amount for such class and for such distribution date until their certificate balance is reduced to zero; and then (iii) to reimburse Class B certificates for any previously unreimbursed losses previously allocated to Class B certificates.

Once the Class A, Class X-CP, Class X-NCP, and Class B certificates then outstanding are paid all amounts to which they are entitled, the remaining funds available for distribution will be used to pay interest and principal to the Class C, Class D, Class E, Class F, and Class HRR certificates sequentially in that order in a manner analogous to the Class B certificates in paragraph 2 above, until the certificate balance of each such class is reduced to zero.

The notional amount of the Class X-CP and X-NCP certificates will initially be equal to the certificate balance of the Class A certificates. After the Distribution Date in January 2023, the Notional Amount of the Class X-CP Certificates will be zero. On each Distribution Date, the Notional Amount of the Class X-NCP Certificates will equal the Certificate Balance of the Class A Certificates

The Class P Certificates will not have a Certificate Balance, Pass-Through Rate, rating or Rated Final Distribution Date, and will not be entitled to distributions of interest or principal. The Class P Certificates will only be entitled to a portion of Spread Maintenance Premiums, if any, collected on the Mortgage Loan.

The Class ELP Certificates will not have a Certificate Balance, Notional Amount, Pass-Through Rate, rating or Rated Final Distribution Date, and will not be entitled to distributions of interest or principal. The Class ELP Certificates will only be entitled to the right to exercise an excess liquidation proceeds option or to receive excess liquidation proceeds as described in the TSA agreement.

Realized Losses: On each distribution date realized losses incurred on the mortgage loan will be allocated to each class of principal balance certificates in reverse alphabetical order starting with the Class HRR certificates through and including the Class A certificates, in each case until the certificate balance of each such class has been reduced to zero.

For purposes of determining the notional amounts of the Class X-CP and Class X-NCP certificates, realized losses allocated to the Class C certificates will have the effect of reducing the notional amount of the Class X-CP and X-NCP certificates.

Appraisal Reductions: Following the date on which (1) the mortgage loan is 60 days delinquent (or 90 days in the case of the balloon payment unless a refinancing or sale of the properties is anticipated within 120 days after the maturity date) or (2) certain other adverse events affecting the mortgage loan as set forth in the TSA have occurred, the special servicer will generally be required to obtain new appraisals on the property. Based on the new appraisals, the amount of delinquent loan interest payments on the Mortgage Loan thereafter advanced to certificateholders may be reduced, the identity of the controlling class representative may change, and the voting rights of certain classes of certificates may be reduced. If such appraisal is not required or is delayed, the TSA may allow for automatic adjustments, which could have a similar impact on advances.

Control Rights: The controlling class will be the Class HRR certificates only. No other class of certificates will be eligible to act as a controlling class or appoint a controlling class representative. The controlling class representative will generally be the party selected by at least 50.0% of the controlling class certificateholders as described in the TSA.

During a subordinate control period, when the certificate balance of any class of control eligible certificates is at least 25% of the initial certificate balance of the class, the directing certificate holder will (i) have the right to direct the special servicer to take, or to refrain from taking, certain actions with respect to the mortgage loan and will have certain consent and consultation rights under the trust and servicing agreement with respect to certain major decisions and (ii) have the right to replace the special servicer, upon the occurrence of a special servicer, with or without cause.

On the Closing Date, Franklin HRR CMBS Holdings, LLC is expected to purchase the Class HRR certificates on the Closing Date and is expected to appoint itself or an affiliate as the Directing Certificateholder.

Replacement of the Special Servicer: The special servicer under the TSA may be removed, and a successor special servicer appointed, from time to time, including (1) during a subordinate control period with or without cause; or (2) after the operating advisor makes a recommendation that the special servicer be replaced and confirmed by an affirmative vote of the holders of principal balance certificateholders evidencing at least a majority of a quorum.

Amount of Workout, Liquidation, and Special Servicing Fees: The workout fees and liquidation fees payable to the special servicer, if any, will be limited under the TSA to (x) with respect to workout fees, 0.20% of each collection of interest and principal following a workout and (y) with respect to liquidation fees, 0.20% of liquidation proceeds. Special servicing fees during the continuance of a special servicing event are limited under the TSA to 0.25% per annum payable monthly.

The special servicer will not be entitled to any liquidation fees with respect to the mortgage loan, among other reasons, if it becomes specially serviced as a result of a balloon default and is paid off within three months following the related maturity date as a result of a refinancing or other repayment in full (other than a discounted payoff).

Obligation of Borrower to Pay Fees: The loan documents require the borrower to pay liquidation fees, workout fees, and special-servicing fees, subject to any caps set forth in the loan documents. The special servicer is required to take reasonable efforts to collect such fees from the borrower.

Offsetting of Modification Fees: There is no cap on modification fees that the special servicer may charge the borrowers and all modification fees received by the special servicer over the lifetime of the mortgage loan are required to offset (on a 1:1 basis) any liquidation and workout fees that the special servicer could otherwise charge the issuing entity. Modification fees are fees with respect to a modification, extension, waiver, or amendment that modifies, extends, amends, or waives any term of the loan documents, other than (1) any assumption fees, consent fees, release fees or assumption application fees and (2) liquidation, workout, and special-servicing fees.

Credit Risk Retention: This securitization transaction will be subject to the credit risk retention requirements of Section 15G of the Exchange Act. An economic interest in the credit risk of the trust loan is expected to be retained as an eligible horizontal interest in the form of the Class HRR certificates. The retaining sponsor intends to satisfy the risk retention requirements through the
purchase and retention by a third-party purchaser.

Rating Agency Confirmation: Rating agency confirmation may have certain timing restrictions and/or not be required over certain material loan amendments, modifications, borrower requests, and/or material amendments to the loan agreement, the trust and servicing agreement, the mortgage loan purchase agreement, and the co-lender agreement. In addition, rating agency confirmation may be requested and/or notice of such items may be provided to the rating agency after such items are effectuated. Because the rating agency may obtain knowledge of these various items later, surveillance activities and any related rating adjustments may occur later than if rating agency confirmation and/or prior notice of such items was provided.

Methodologies

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

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

Surveillance

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

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

This report is based on information as of November 16, 2021. Subsequent information may result in material changes to the rating assigned herein and/or the contents of this report.

Glossary

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

Definitions

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

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

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

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

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

Issuer UW
Issuer underwritten from Annex A or servicer reports.

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

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

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

Net Operating Income (NOI)
The revenues earned by a property's ongoing operations less the expenses associated with such operations but before mortgage payments, tenant improvements, replacement reserves and leasing commissions.

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

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

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

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

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

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