



CMCT

**CIM COMMERCIAL TRUST CORPORATION**  
March 2018

**FORWARD-LOOKING STATEMENTS**

The information set forth herein contains "forward-looking statements." You can identify these statements by the fact that they do not relate strictly to historical or current facts or they discuss the business and affairs of CIM Commercial ("CMCT", "CIM Commercial", the "Company") on a prospective basis. Further, statements that include words such as "may," "will," "project," "might," "expect," "believe," "anticipate," "intend," "could," "would," "estimate," "continue," "pursue," or "should" or the negative or other words or expressions of similar meaning, may identify forward-looking statements.

CIM Commercial bases these forward-looking statements on particular assumptions that it has made in light of its experience, as well as its perception of expected future developments and other factors that it believes are appropriate under the circumstances. These forward-looking statements are necessarily estimates reflecting the judgment of CIM Commercial and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. These forward-looking statements are subject to risks, uncertainties and other factors, including those set forth in CIM Commercial's Annual Report on Form 10-K for the fiscal year ended December 31, 2017 and the Registration Statement on Form S-11 (Reg. No. 333-210880) relating to the Series A Preferred Stock.

As you read and consider the information herein, you are cautioned to not place undue reliance on these forward-looking statements. These statements are not guarantees of performance or results and speak only as of the date hereof. These forward-looking statements involve risks, uncertainties and assumptions. In light of these risks and uncertainties, there can be no assurance that the results and events contemplated by the forward-looking statements contained herein will in fact transpire. New factors emerge from time to time, and it is not possible for CIM Commercial to predict all of them. Nor can CIM Commercial assess the impact of each such factor or the extent to which any factor, or combination of factors may cause results to differ materially from those contained in any forward-looking statement. CIM Commercial undertakes no obligation to publicly update or release any revisions to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events, except as required by law.

**IMPORTANT DISCLOSURES**

Filed Pursuant to Rule 433  
Dated March 28, 2018  
Registration Statement No. 333-210880

**FREE WRITING PROSPECTUS**

CIM Commercial Trust Corporation Investor Presentation Q4 2017

CIM Commercial Trust Corporation (the "Company") has filed a registration statement (including a prospectus and prospectus supplements) with the Securities and Exchange Commission (the "SEC") for the offering to which this communication relates. Before you invest, you should read the prospectus and the prospectus supplements in that registration statement and other documents the Company has filed with the SEC for more complete information about the Company and the offering. You may get these documents for free by visiting the Company's website at <http://shareholders.cimcommercial.com/>. Alternatively, you may request to receive a prospectus by calling toll-free at 1-866-341-2653.

You may also access the prospectus for free on the SEC website at <https://www.sec.gov/Archives/edgar/data/908311/000162828018003261/a424b3supplement11-seriesa.htm>.

## CMCT – THESIS

# CMCT

### Resources & Expertise of Premier Institutional Owner Operator

- Large scale platform with vertically-integrated team
- Proprietary "Qualified Community" methodology
- Disciplined, relative-value owner/operator with sightlines across all major U.S. urban markets

### Class A and Creative Office Assets in Gateway Markets

- Located in high barrier-to-entry sub-markets where CIM Group anticipates outsized rent growth
- San Francisco Bay Area, Los Angeles, Washington DC, and Austin

### Strong Growth Prospects

- Same store growth opportunity through increasing below-market leases to market rates
- Value-add / development

### Attractive And Flexible Capital Structure

- Target capital structure<sup>1</sup> of 45% common equity, 25% preferred equity and 30% debt enhances common equity returns with low relative risk
- With capital structure implemented, targeted ~15% total return on common equity

### Maximizing Returns for Shareholders

- Focused on growing NAV and cash flows per share of common stock
- 2014-2017 total return of ~40% (cumulative dividends + NAV growth), including \$6.21 in dividends declared to common shareholders<sup>2,3,4</sup>

**\$210 million tender offer and \$6.21 per share in dividends declared since 2014<sup>2,3,4</sup>**

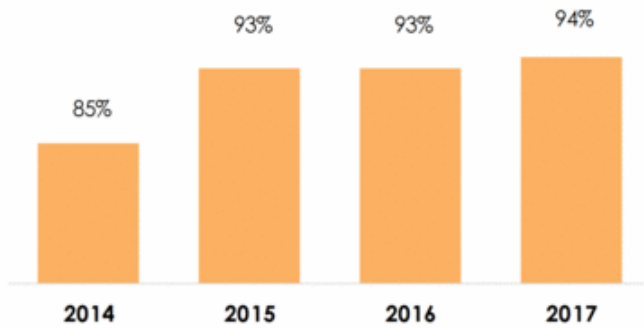
<sup>1</sup> Based on fair value.

<sup>2</sup> CMCT is the product of a merger (the "Merger") between a fund operated by CIM Urban REIT, LLC ("CIM REIT") and PMC Commercial Trust in 1Q'14. Excludes a special dividend paid to PMC Commercial Trust's shareholders in connection with the Merger, but includes 2014 dividends received by CIM REIT shareholders prior to the Merger and dividends on as converted preferred stock received by Urban Partners II, LLC ("Urban II"), an affiliate of CIM REIT and CIM Group, in the Merger. NAV growth represents change in NAV from 2013 year-end (the last period before the Merger) through 2017 year-end.

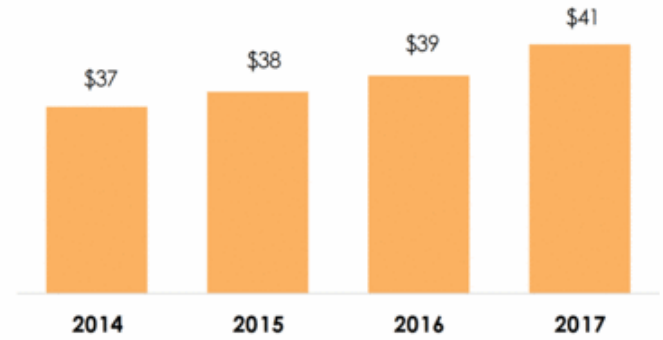
<sup>3</sup> In September 2016, June 2017 and December 2017, CMCT repurchased \$80 million, \$376 million and \$310 million, respectively, of common shares in privately negotiated transactions from Urban II. In connection with these share repurchases, CMCT paid special cash dividends that allowed the common stockholders that did not participate in the share repurchases to receive the economic benefit of such repurchases. Urban II waived its right to receive these special cash dividends.

<sup>4</sup> Represents dividends declared on our common stock through 12/31/2017. Past performance is not a guarantee of future results. See "CMCT – Net Asset Value and Pro-forma Cash NOI" on page 6 for calculation of NAV.

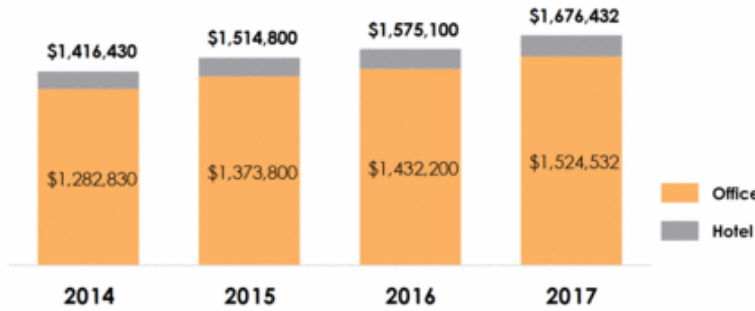
PRO-FORMA OCCUPANCY<sup>3,4</sup>



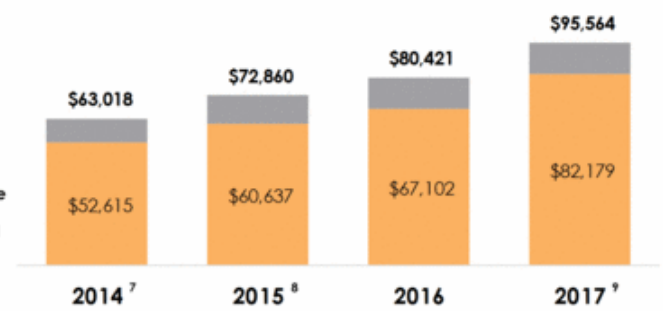
PRO-FORMA ANNUALIZED RENT PSF<sup>3,5</sup>



PRO-FORMA INVESTMENTS IN REAL ESTATE AT FAIR VALUE (\$ in thousands)



PRO-FORMA CASH NOI<sup>6</sup> (\$ in thousands)



1 Metrics exclude 9460 Wilshire Boulevard, the lending segment and any assets sold prior to December 31, 2017.  
 2 1130 Howard Street was acquired in December 2017 and is included in 2017 metrics. The annualized rent as of December 31, 2017 for 12,944 rentable square feet of the building is presented using the actual rental income under a signed lease with a different tenant who is expected to take possession in April 2018, as the space is occupied by the prior owner and annualized rent under the short-term lease is de minimis.  
 3 Metrics exclude Sheraton Grand Hotel.  
 4 Historical occupancies for office properties are shown as a percentage of rentable square feet and are based on leases commenced as of December 31<sup>st</sup> of each historical year.  
 5 Historical Annualized Rent PSF represents annualized gross rent divided by total occupied square feet as of December 31<sup>st</sup> of each historical year. This amount reflects total cash rent before abatements. Where applicable, annualized rent has been grossed up by adding annualized expense reimbursements to base rent. Annualized rent for applicable office properties includes rent attributable to retail.  
 6 Excludes the lending segment. See "Pro Forma Cash NOI" under "CMCT—Net Asset Value and Pro-forma Cash NOI" on page 6 and "Net Operating Income Reconciliations" on pages 28-31.  
 7 4750 Wilshire Boulevard and Lindblade Media Center were acquired in April 2014 and October 2014, respectively. The properties are included in Pro-forma Cash NOI beginning on the acquisition date.  
 8 2 Kaiser Plaza was acquired in August 2015. The property is included in Pro-forma Cash NOI beginning on the acquisition date.  
 9 1130 Howard was acquired in December 2017. The property is included in Pro-forma Cash NOI beginning on the acquisition date.

**ESTIMATED NET ASSET VALUE<sup>1</sup>**

(\$ in thousands, except for shares and per share amounts)

		(Unaudited)
Investments in real estate - at fair value	\$	1,676,432
Loans receivable - at fair value		83,858
Debt <sup>2</sup>		(608,695)
Cash and other assets net of other liabilities		135,644
Noncontrolling interests		(1,055)
Redeemable Series A Preferred stock		(29,331)
Redeemable Series L Preferred stock		(207,845)
<b>Estimated NAV available to common shareholders</b>	<b>\$</b>	<b>1,049,008</b>
<b>Shares of Common Stock outstanding</b>		<b>43,784,939</b>
<b>Estimated NAV per share of Common Stock</b>	<b>\$</b>	<b>23.96</b>

**PRO-FORMA CASH NOI<sup>3</sup>**

(\$ in thousands)  
(Unaudited)

	Twelve Months Ended			
	December 31, 2014 <sup>4</sup>	December 31, 2015 <sup>5</sup>	December 31, 2016	December 31, 2017 <sup>6</sup>
<b>Net income attributable to the Company</b>	<b>\$ 24,378</b>	<b>\$ 24,392</b>	<b>\$ 34,547</b>	<b>\$ 379,737</b>
Total Cash NOI	\$ 125,902	\$ 131,868	\$ 128,470	\$ 127,467
Less Cash NOI from assets sold prior to December 31, 2017	61,071	56,148	43,527	26,610
<b>Pro-forma Cash NOI</b>	<b>\$ 64,831</b>	<b>\$ 75,720</b>	<b>\$ 84,943</b>	<b>\$ 100,857</b>
Pro-forma NOI Breakdown:				
Pro-forma Lending NOI	\$ 1,813	\$ 2,860	\$ 4,522	\$ 5,293
Pro-forma Hotel NOI	10,403	12,223	13,319	13,385
Pro-forma Office NOI	52,615	60,637	67,102	82,179
<b>Pro-forma Cash NOI</b>	<b>\$ 64,831</b>	<b>\$ 75,720</b>	<b>\$ 84,943</b>	<b>\$ 100,857</b>

<sup>1</sup> As of December 31, 2017. See "Net Asset Value" under "Important Disclosures" on page 32.

<sup>2</sup> Excludes secured borrowings on government guaranteed loans, which are included with cash and other assets net of other liabilities.

<sup>3</sup> See "Net Operating Income Reconciliations" on pages 28-31.

<sup>4</sup> 4750 Wilshire Boulevard and Lindblade Media Center were acquired in April 2014 and October 2014, respectively. The properties are included in Net income attributable to the Company and Pro-forma Cash NOI beginning on the acquisition date.

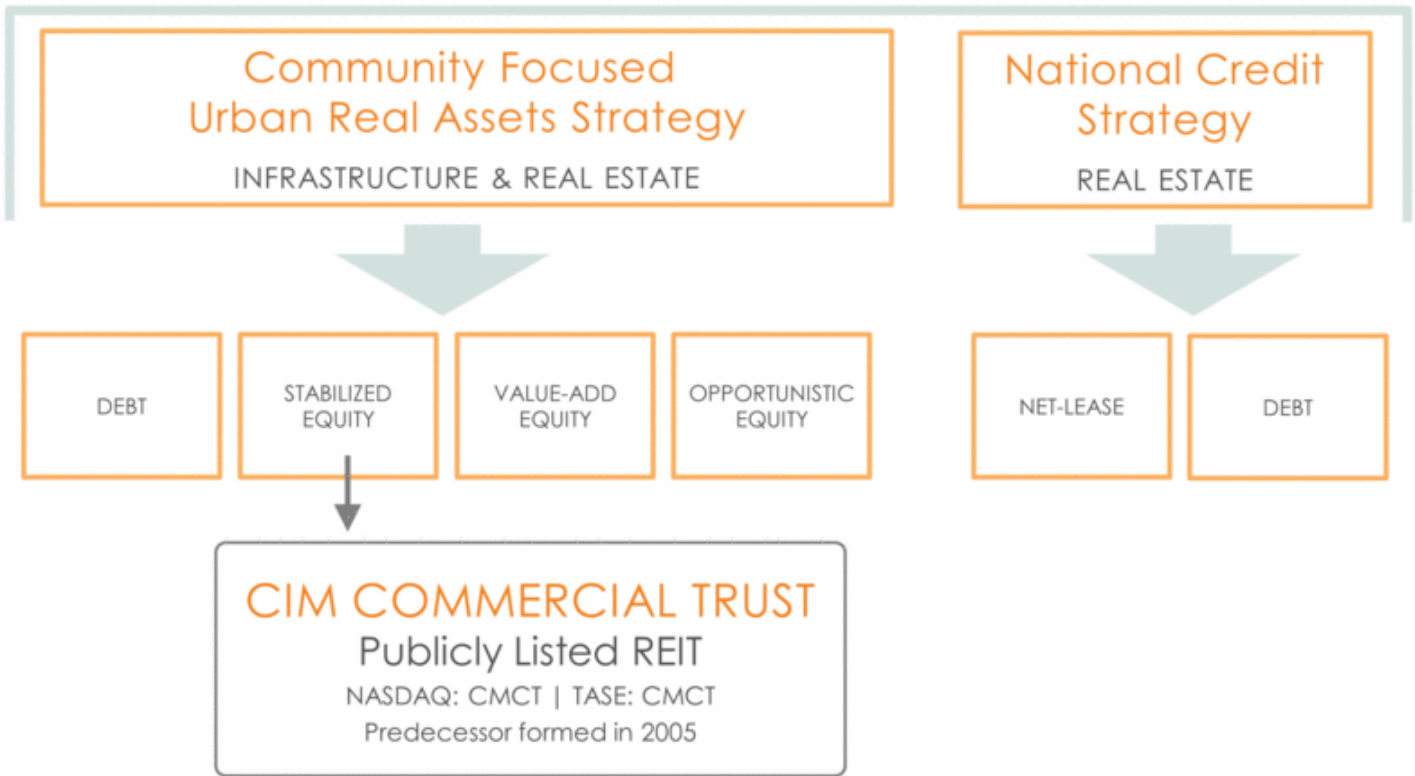
<sup>5</sup> 2 Kaiser Plaza was acquired in August 2015. The property is included in Net income attributable to the Company and Pro-forma Cash NOI beginning on the acquisition date.

<sup>6</sup> 1130 Howard was acquired in December 2017. The property is included in Net income attributable to the Company and Pro-forma Cash NOI beginning on the acquisition date. Excludes results for 9460 Wilshire Boulevard, which was acquired in January 2018.

## CIM GROUP

# CIM GROUP

\$27.5 Billion of Assets Owned and Operated<sup>1</sup> | Formed 1994



<sup>1</sup> See "Assets Owned and Operated" under "Important Disclosures" on page 32.

<b>Established</b>	Established in 1994 as an integrated owner and operator of real assets
<b>Strategies</b>	Community focused urban real assets (infrastructure and real estate) in communities qualified by CIM and national credit (net-lease and debt) platforms
<b>Vertically-Integrated</b>	Multi-disciplinary expertise and in-house research, acquisition, credit analysis, development, finance, leasing and asset management capabilities
<b>Organization</b>	820+ employees (15 principals including all of its founders, 440+ professionals) <sup>1</sup>
<b>Office Locations</b>	Headquartered in Los Angeles, California and has offices in Oakland, California; Bethesda, Maryland; Dallas, Texas; New York, New York; Chicago, Illinois; and Phoenix, Arizona
<b>Partners &amp; Co-Investors</b>	Diversified institutional relationships with approximately half committing to multiple CIM products Expansive retail base with more than 84,000 individual shareholders
<b>Assets Owned and Operated</b>	\$27.5 billion <sup>2</sup>

<sup>1</sup> As of February 28, 2018.

<sup>2</sup> See "Assets Owned and Operated" under "Important Disclosures" on page 32.



## 1. Team

- Led by 15 principals (including the three original founders) with average CIM tenure of 15 years
- Vertically-integrated in-house team, including 440+ professionals, responsible for entire life cycle of each asset
- Expertise across research, acquisition, credit analysis, development, finance, leasing and asset management to effectively own and operate real assets

## 2. Community

- Enhancing communities and neighborhoods by owning and operating the resources they need to be successful
  - Urban real assets strategy focused on specific submarkets ("Qualified Communities") in Transitional Urban Districts and Thriving Urban Areas where sector agnostic infrastructure and real estate assets can transform and reinvigorate a community
  - National credit strategy focused on necessity-based, net-leased retail and mission critical corporate facilities supporting communities through goods, services and employment

## 3. Discipline

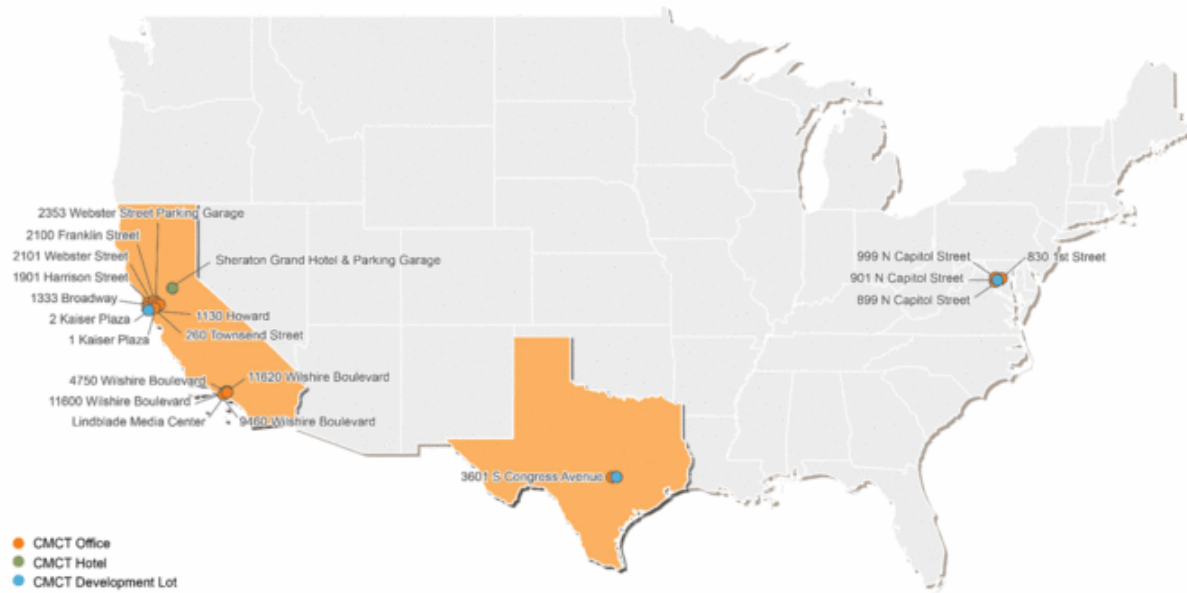
- CIM underwrites prospective assets using multiple scenarios and criteria
  - Current and long-term valuation metrics
  - Underwritten on an unleveraged and leveraged basis
  - Credit analysis produces a complete in-depth understanding of overall financial health
  - Internal and propriety research capabilities provide strategic advantages

CMCT



# CLASS A AND CREATIVE OFFICE PORTFOLIO IN GATEWAY CITIES

AS OF DECEMBER 31, 2017<sup>1,2,3</sup>



	Oakland & San Francisco	Los Angeles	Washington, DC	Austin	Total Office <sup>3</sup>	Hotel <sup>4</sup> (Sacramento)
<b># of Properties<sup>2</sup></b>	7	4	3	1	15	1
<b>SF/Keys</b>	1,826k	426k	885k	184k	3,322k	503
<b>Occupancy</b>	96.1%	97.7%	88.9%	92.2%	94.2%	81.5%
<b>Annualized Rent per Occupied SF/ADR<sup>4,5</sup></b>	\$39.9	\$36.5	\$47.5	\$33.7	\$41.0	\$157.6

<sup>1</sup> CIM Commercial acquired 9460 Wilshire Boulevard, an office building with 91,750 square feet of rentable office and retail space located in Beverly Hills, CA, on January 18, 2018. With the inclusion of 9460 Wilshire Boulevard in the December 31, 2017 total, total office rentable square feet would be 3,413,806.

<sup>2</sup> 3601 South Congress Avenue and Lindblade Media Center are each counted as one property but consist of 10 and 3 buildings, respectively.

<sup>3</sup> Excludes the lending segment. For the office portfolio, excludes 9460 Wilshire Boulevard and ancillary properties: one parking garage and two development sites, one of which is being used as a parking lot. For the hotel, excludes one ancillary parking garage.

<sup>4</sup> For office properties, other than as set forth in the footnote below, represents gross monthly base rent per square foot under leases commenced as of December 31, 2017, multiplied by twelve. This amount reflects total cash rent before abatements. Where applicable, annualized rent has been grossed up by adding annualized expense reimbursements to base rent. Annualized rent for certain office properties includes rent attributable to retail. Hotel average daily rate ("ADR") represents the trailing 12-month ADR as of December 31, 2017.

<sup>5</sup> 1130 Howard Street was acquired in December 2017. The annualized rent as of December 31, 2017 for 12,944 rentable square feet of the building is presented using the actual rental income under a signed lease with a different tenant who is expected to take possession in April 2018, as the space is occupied by the prior owner and annualized rent under the short-term lease is de minimis.

# CLASS A AND CREATIVE OFFICE PORTFOLIO IN GATEWAY MARKETS<sup>1</sup>

AS OF DECEMBER 31, 2017<sup>1</sup>

Location	Sub-Market	Rentable Square Feet	% of Total	% Occupied	% Leased	Annualized Rent (in thousands) <sup>2,3</sup>	Annualized Rent Per Occupied SF
<b>NORTHERN CALIFORNIA</b>							
<b>Oakland, CA</b>							
1 Kaiser Plaza	Lake Merritt	534,284	16.0%	93.4%	94.0%	\$ 19,592	\$ 39.26
2101 Webster Street	Lake Merritt	471,337	14.2%	99.3%	99.3%	18,136	38.75
1901 Harrison Street	Lake Merritt	275,087	8.3%	91.8%	99.5%	9,342	36.99
1333 Broadway	City Center	240,887	7.3%	96.7%	96.7%	8,329	35.76
2100 Franklin Street	Lake Merritt	216,828	6.5%	98.9%	98.9%	8,470	39.50
<b>Total Oakland, CA</b>		<b>1,738,423</b>	<b>52.3%</b>	<b>95.9%</b>	<b>97.3%</b>	<b>63,869</b>	<b>38.31</b>
<b>San Francisco, CA</b>							
260 Townsend Street	South of Market	66,682	2.0%	100.0%	100.0%	4,721	70.80
1130 Howard Street <sup>3</sup>	South of Market	21,194	0.6%	100.0%	100.0%	1,439	67.90
<b>Total San Francisco, CA</b>		<b>87,876</b>	<b>2.6%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>6,160</b>	<b>70.10</b>
<b>TOTAL NORTHERN CALIFORNIA</b>		<b>1,826,299</b>	<b>54.9%</b>	<b>96.1%</b>	<b>97.4%</b>	<b>\$ 70,029</b>	<b>\$ 39.90</b>
<b>SOUTHERN CALIFORNIA</b>							
<b>Los Angeles, CA</b>							
11620 Wilshire Boulevard	West Los Angeles	194,677	5.9%	98.6%	98.6%	\$ 7,539	\$ 39.28
4750 Wilshire Boulevard	Mid-Wilshire	143,361	4.3%	100.0%	100.0%	3,752	26.17
11600 Wilshire Boulevard	West Los Angeles	55,793	1.7%	87.6%	87.6%	2,486	50.86
Lindblade Media Center <sup>4</sup>	West Los Angeles	32,428	1.0%	100.0%	100.0%	1,403	43.27
<b>Total Los Angeles, CA</b>		<b>426,259</b>	<b>12.9%</b>	<b>97.7%</b>	<b>97.7%</b>	<b>15,180</b>	<b>36.45</b>
<b>TOTAL SOUTHERN CALIFORNIA</b>		<b>426,259</b>	<b>12.9%</b>	<b>97.7%</b>	<b>97.7%</b>	<b>\$ 15,180</b>	<b>\$ 36.45</b>
<b>EAST</b>							
<b>Washington, DC</b>							
999 N Capitol Street	Capitol Hill	323,076	9.7%	83.2%	86.1%	\$ 12,485	\$ 46.45
899 N Capitol Street	Capitol Hill	314,667	9.5%	86.1%	86.1%	14,086	51.99
830 1st Street	Capitol Hill	247,337	7.4%	100.0%	100.0%	10,783	43.60
<b>Total Washington, DC</b>		<b>885,080</b>	<b>26.6%</b>	<b>88.9%</b>	<b>90.0%</b>	<b>37,354</b>	<b>47.47</b>
<b>TOTAL EAST</b>		<b>885,080</b>	<b>26.6%</b>	<b>88.9%</b>	<b>90.0%</b>	<b>\$ 37,354</b>	<b>\$ 47.47</b>
<b>SOUTHWEST</b>							
<b>Austin, TX</b>							
3601 South Congress Avenue <sup>4</sup>	South	184,418	5.6%	92.2%	93.6%	\$ 5,721	\$ 33.65
<b>TOTAL SOUTHWEST</b>		<b>184,418</b>	<b>5.6%</b>	<b>92.2%</b>	<b>93.6%</b>	<b>\$ 5,721</b>	<b>\$ 33.65</b>
<b>TOTAL PORTFOLIO</b>		<b>3,322,056</b>	<b>100.0%</b>	<b>94.2%</b>	<b>95.3%</b>	<b>\$ 128,284</b>	<b>\$ 41.00</b>



1 CIM Commercial acquired 9460 Wilshire Boulevard, an office building with 91,750 square feet of rentable office and retail space located in Beverly Hills, CA, on January 18, 2018. With the inclusion of 9460 Wilshire Boulevard in the December 31, 2017 total, total rentable square feet would be 3,413,806.

2 Other than as set forth in the footnote below, represents gross monthly base rent per square foot under leases commenced as of December 31, 2017, multiplied by twelve. This amount reflects total cash rent before abatements. Where applicable, annualized rent has been grossed up by adding annualized expense reimbursements to base rent. Annualized rent for certain office properties includes rent attributable to retail.

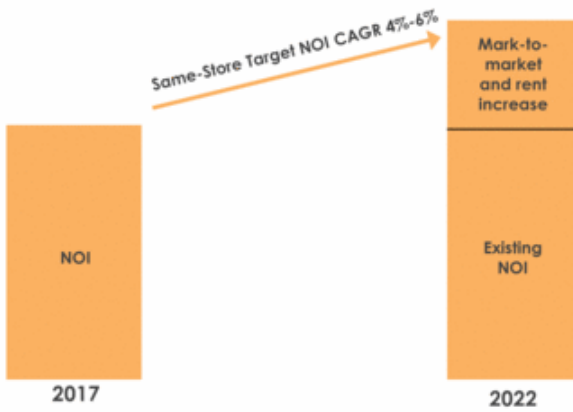
3 1130 Howard Street was acquired in December 2017. The annualized rent as of December 31, 2017 for 12,944 rentable square feet of the building is presented using the actual rental income under a signed lease with a different tenant who is expected to take possession in April 2018, as the space is occupied by the prior owner and annualized rent under the short-term lease is de minimis.

4 Lindblade Media Center and 3601 South Congress Avenue are each counted as one property but consist of 3 and 10 buildings, respectively.

**Class A & Creative Office**

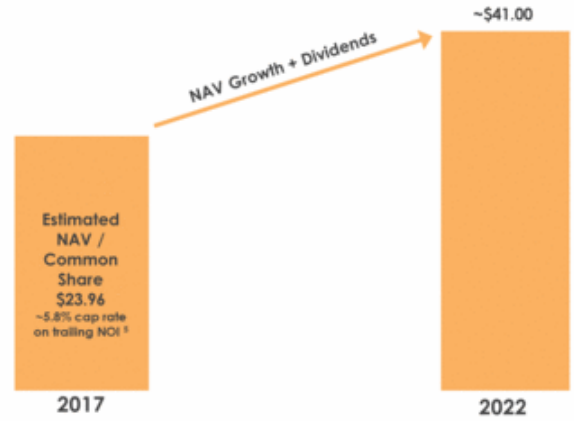
- Office assets in vibrant and improving urban communities
- Targeting same-store NOI CAGR of 4% - 6% through 2022<sup>1,2,3</sup>

**FIVE YEAR GROWTH TARGET**



**ILLUSTRATIVE NAV + COMMON SHARE DIVIDENDS**

(SAME-STORE NOI CAGR OF 4%-6%)<sup>4</sup>



<sup>1</sup> Additional 1%-2% CAGR potential from development of already owned sites.

<sup>2</sup> Based on cash and segment NOI.

<sup>3</sup> Excluding assets sold in 2017, cash NOI increased 19% and GAAP NOI increased 12% year over year in 2017 (see "Net Operating Income Reconciliations" on pages 28-31).

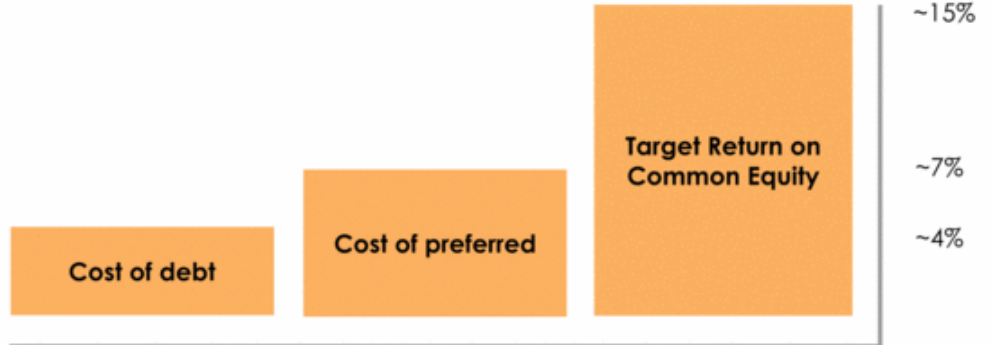
<sup>4</sup> See "CMCT - Net Asset Value and Pro-forma Cash NOI" on page 6 for calculation of estimated NAV and "Net Asset Value" under "Important Disclosures" on page 32. The illustrative NAV per share at 2022 is based on a number of assumptions, including an increase in NOI at 5% per year, an annualized dividend rate of \$0.50 per common share and the capital structure of CMCT remaining unchanged from the date hereof. Any changes in these assumptions will affect the ability of CMCT to achieve the illustrative NAV per share. There can be no guarantee that CMCT will be able to achieve NOI growth of 5% per year. In addition, as discussed on page 16, CMCT is targeting a capital structure that is different from CMCT's current capital structure. Further, there can be no assurance that CMCT will maintain an annualized dividend rate per common share of \$0.50 per year.

<sup>5</sup> Trailing NOI excludes results for 1130 Howard Street, acquired in December 2017, and 9460 Wilshire Boulevard, acquired in January 2018. See "CMCT - Net Asset Value and Pro-forma Cash NOI" on page 6 for calculation of estimated NAV and "Net Asset Value" under "Important Disclosures" on page 32.

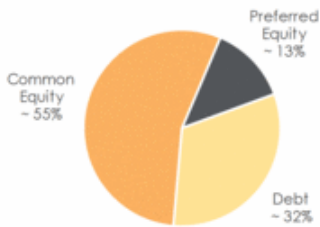
**Attractive And Flexible Capital Structure<sup>1</sup>**

- Target capital structure of 45% common equity, 25% preferred equity and 30% debt enhances common equity returns with low relative risk
- With capital structure implemented, targeted ~15% total return on common equity
- Each part of the capital stack provides superior risk adjusted returns

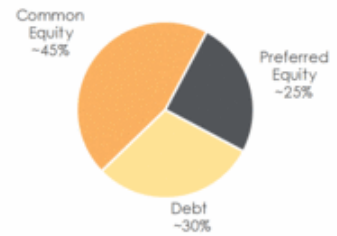
Target Unlevered IRR of 10-12% on Assets<sup>1</sup>



**CURRENT CAPITAL STRUCTURE<sup>2,3</sup>**



**TARGET CAPITAL STRUCTURE<sup>2</sup>**



<sup>1</sup> Includes core & core-plus acquisitions and development potential on sites already owned.  
<sup>2</sup> Based on fair value.  
<sup>3</sup> As of December 31, 2017.

Active and opportunistic portfolio management to maximize returns to shareholders

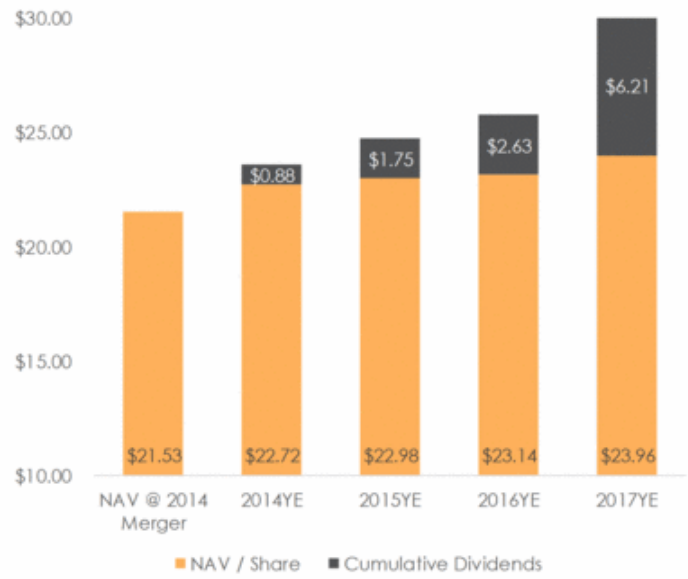
Active Portfolio Management

- Gross asset sales of ~\$1,197 million (~\$1,114 million of net proceeds) (2015-2017)
- Net proceeds from debt activity of ~\$70 million (2016 & 2017)<sup>2</sup>
- \$163 million of office acquisitions (2015-2018)

Providing Liquidity to Shareholders<sup>1</sup>

Date	Liquidity
6/2016	\$210 million tender offer @ \$21.00/share
4/2017	\$0.28 per share special cash dividend
6/2017	\$1.98 per share special cash dividend
12/2017	\$0.73 per share special cash dividend <sup>3</sup>

NAV / Share + Cumulative Dividends<sup>1</sup>



\$210 million tender offer and \$6.21 per share in dividends declared since 2014<sup>4</sup>

<sup>1</sup> In September 2016, June 2017 and December 2017, CMCT repurchased \$80 million, \$576 million and \$310 million, respectively, of common shares in privately negotiated transactions from Urban II. In connection with these share repurchases, CMCT paid the special cash dividends described in the table above that allowed the common stockholders that did not participate in the share repurchases to receive the economic benefit of such repurchases. Urban II waived its right to receive these special cash dividends.  
<sup>2</sup> Excludes debt activities of the lending division.  
<sup>3</sup> Dividend was paid in January 2018.  
<sup>4</sup> CMCT is the product of a merger (the "Merger") between a fund operated by CIM Urban REIT, LLC ("CIM REIT") and PMC Commercial Trust in 1Q'14. Excludes a special dividend paid to PMC Commercial Trust's shareholders in connection with the Merger, but includes 2014 dividends received by CIM REIT shareholders prior to the Merger and dividends on as converted preferred stock received by Urban Partners II, LLC ("Urban II") in the Merger. NAV growth represents change in NAV from 2013 year-end (the last period before the Merger) through 2017 year-end.



## APPENDIX

CIM OVERVIEW

- CIM believes that its community qualification process provides a significant competitive advantage when making urban real asset acquisitions, while also positively impacting the associated communities and neighborhoods.
- Since 1994, CIM has qualified 114 communities in high barrier-to-entry markets and has owned and operated assets in 68 of those communities. The qualification process generally takes between six months and five years and is a critical component of CIM's urban asset evaluation.
- CIM examines the characteristics of a market to determine whether it justifies the extensive efforts CIM undertakes in reviewing and making potential acquisitions. The communities are located in both primary and secondary urban centers, which can encompass (1) transitional urban districts and growth markets adjacent to central business districts and/or (2) well-established, thriving urban areas including major CBDs.

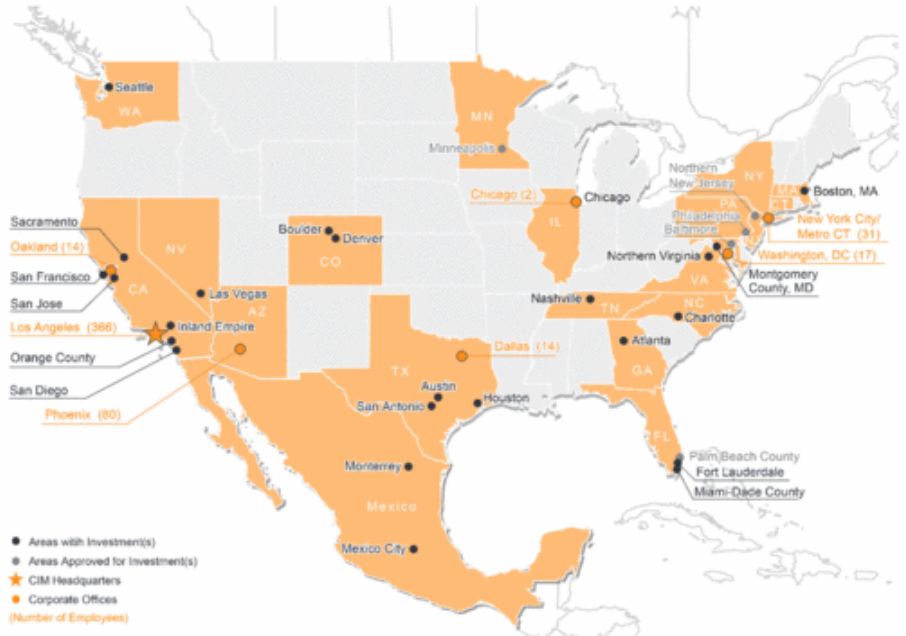
QUALIFICATION CRITERIA

Transitional Urban Districts

- Improving demographics
- Broad public support for CIM's approach
- Evidence of private funding from other institutional owners and operators
- Underserved niches in the community's real estate infrastructure
- Potential to deploy a minimum of \$100 million of opportunistic equity within five years

Thriving Urban Areas

- Positive demographic trends
- Public support for acquisitions
- Opportunities below intrinsic value
- Potential to deploy a minimum of \$100 million of opportunistic equity within five years



<sup>1</sup> As of December 31, 2017. Note that multiple communities may be qualified within a larger city.



**Richard Ressler**

*CIM Group Principal, CMCT Chairman of the Board*

- Founder and President of Orchard Capital Corp., a firm through which Mr. Ressler oversees companies in which Orchard Capital or its affiliates invest
- Co-Founder and a Principal of CIM Group
- Chairman of the board of j2 Global, Inc. (NASDAQ: JCOM) and director of Presbia PLC (NASDAQ: LENS)
- Served as Chairman and CEO of JCOM from 1997 to 2000
- Chairman of executive committee and co-founder of predecessor of Orchard First Source Asset Management, a full-service provider of capital and leveraged finance solutions to U.S. corporations
- Co-founded and served as Vice Chairman of Brooke Group Limited, the predecessor of Vector Group, Limited (NYSE: VGR)
- Previously worked at Drexel Burnham Lambert, Inc. and began his career as an attorney with Cravath, Swaine and Moore, LLP
- B.A. from Brown University, and J.D. and M.B.A. degrees from Columbia University



**Avi Shemesh**

*CIM Group Principal and CMCT Board Member*

- Co-Founder and a Principal of CIM Group
- Responsible for the day-to-day operations of CIM Group, including strategic initiatives, asset management, leasing and partner & co-investor relations and product management
- Head of CIM's Investments Group and serves on the firm's Investment and Asset Management Committees
- Real asset owner and operator for over 25 years
- Previously was involved in a number of successful entrepreneurial real estate activities, including co-founding Dekel Development, which developed a variety of commercial and multifamily properties in Los Angeles



**Shaul Kuba**

*CIM Group Principal and CMCT Board Member*

- Co-Founder and a Principal of CIM Group
- Responsible for the day-to-day operations of CIM Group, including leading the Development Group and sourcing new acquisitions
- Serves on CIM's Investment and Asset Management Committees
- Real asset owner and operator for over 25 years
- Previously was involved in a number of successful entrepreneurial real estate activities, including co-founding Dekel Development, which developed a variety of commercial and multifamily properties in Los Angeles



**Charles Garner**  
*CMCT Chief Executive Officer, CIM Group Principal*

- CEO of CMCT and serves on CIM Group's Investment and Asset Management Committees
- Prior to joining CIM Group, worked closely with the firm in various capacities since 1996, including originating and managing Federal Realty Investment Trust's partnership with CIM Group
- Has been involved in billions of dollars of real estate transactions including the acquisition, joint venture investment, disposition and equity and debt financing of more than 100 properties
- Began career as a C.P.A. at PricewaterhouseCoopers and has held various transactional positions with Federal Realty, Walker & Dunlop and The Stout & Teague Companies
- B.S. degree in Management from Tulane University's A.B. Freeman School of Business



**David Thompson**  
*CMCT Chief Financial Officer, CIM Group Principal*

- Prior to joining CIM Group in 2009, spent 15 years with Hilton Hotels Corporation, most recently as Senior Vice President and Controller responsible for worldwide financial reporting, financial planning and analysis, risk management, internal control and technical accounting compliance
- Tenure at Hilton included both SEC compliance as a public company and reporting as a private equity portfolio company
- Began career as a C.P.A. at Arthur Andersen & Co.



**Jan Salit**  
*CMCT President and Secretary*

- Joined CMCT after merger of PMC Commercial Trust
- Previously was Chairman of the Board, CEO and Secretary of PMC Commercial Trust
- Prior to CEO role, held Chief Operating Officer and Chief Investment Officer roles with PMC Commercial Trust (joined predecessor firm in 1993)
- Prior to joining PMC Commercial Trust, held positions with Glenfed Financial Corporation (and its predecessor company ARMCO Financial Corporation) including Chief Financial Officer



**Terry Wachsner**  
*CIM Group Principal, Property Management*

- Prior to joining CIM Group in 2005, was Director of Asset Services for Continental Development Corporation
- Prior to Continental, was Executive Managing Director for Kennedy-Wilson Properties, Ltd. where he was responsible for the operations and leasing of a 75 million square foot national portfolio of office, retail, industrial, and apartment properties
- From 1980 to 1998, headed up Heitman Properties, Ltd. as President of Property Management

CMCT In-Place Rents<sup>1,2</sup>  
\$38.31

Class A Asking Rents<sup>3</sup>  
\$53.04

**FAVORABLE OFFICE DYNAMICS**

- Relative Value vs. San Francisco CBD (Class A asking rents):<sup>3</sup>
  - San Francisco - \$74.44
  - Lake Merritt - \$53.04
- Limited New Office Supply in Lake Merritt / Oakland CBD: Last major office project completed in 2008<sup>4</sup>
- Proposition M: San Francisco office development limited to 875,000 square feet per year

**AN IMPROVING COMMUNITY**

- Transportation:** All six BART lines and every major Bay Area highway run through Oakland
- Amenities Base:** Oakland emerging as a "cool" place to live and work
- Residential Development:**
  - ~11,000 new units in 2018-2020 (v. ~163,000 existing)<sup>4</sup>
  - Residential Monthly Asking Rents<sup>4</sup>
    - San Francisco - \$2,937
    - Oakland - \$2,058



CMCT ASSETS	ASSET TYPE	RENTABLE SQUARE FEET <sup>1</sup>	LEASED % <sup>1</sup>	ANNUALIZED RENT PER OCCUPIED SQUARE FOOT <sup>1,2</sup>
1 Kaiser Plaza	Office	534,284	94.0%	\$39.26
2101 Webster Street	Office	471,337	99.3%	\$38.75
1901 Harrison Street	Office	275,087	99.5%	\$36.99
1333 Broadway	Office	240,887	96.7%	\$35.76
2100 Franklin Street	Office	216,828	98.9%	\$39.50
2 Kaiser Plaza <sup>5</sup>	Land	-	-	-
2353 Webster Street	Garage	-	-	-
<b>Total</b>		<b>1,738,423</b>	<b>97.3%</b>	<b>\$38.31</b>

<sup>1</sup> As of December 31, 2017.

<sup>2</sup> For office properties, represents gross monthly base rent per square foot under leases commenced as of December 31, 2017, multiplied by twelve. This amount reflects total cash rent before abatements. Where applicable, annualized rent has been grossed up by adding annualized expense reimbursements to base rent. Annualized rent for certain office properties includes rent attributable to retail.

<sup>3</sup> Source: Cushman & Wakefield Q4 2017 reports (per square foot per year).

<sup>4</sup> Source: Costar.

<sup>5</sup> 2 Kaiser Plaza Parking Lot is a 44,642 square foot parcel of land currently being used as a surface parking lot. CIM Commercial is entitled to develop a building, which we are in the process of designing, having approximately 425,000 to 800,000 rentable square feet.

Note: The examples shown herein have been selected to generally illustrate the philosophy of CIM and may not be representative of future acquisitions. Past performance is not a guarantee of future results.

BEVERLY HILLS



**Address** 9460 Wilshire Boulevard

**Location** Beverly Hills, CA

**Acquisition Date** January 2018

**Attributes**

- High profile location in Beverly Hills at the corner of Wilshire Blvd and Beverly Drive
- Adjacent to the Four Seasons Beverly Wilshire Hotel and Rodeo Drive
- Strong growth opportunity as below market rents roll to market

SOMA (SAN FRANCISCO)



**Address** 1130 Howard Street

**Location** SoMa District of San Francisco, CA

**Acquisition Date** December 2017

**Attributes**

- Located in vibrant neighborhood that CIM believes is the preferred location for many technology firms
- 100% leased with weighted average term of ~6 years<sup>1</sup>
- Former concrete warehouse extensively renovated in 2016 / 2017

<sup>1</sup> As of December 31, 2017.

Mortgages	Interest structure (fixed / variable etc.)	Interest Rate	Maturity / Expiration Date	Loan balance 12/31/2017 (\$ in thousands)	Amortization
1 Kaiser Plaza	Fixed	4.14%	07/01/2026	\$ 97,100	I/O
2101 Webster Street	Fixed	4.14%	07/01/2026	83,000	I/O
2100 Franklin Street	Fixed	4.14%	07/01/2026	80,000	I/O
1901 Harrison Street	Fixed	4.14%	07/01/2026	42,500	I/O
1333 Broadway	Fixed	4.14%	07/01/2026	39,500	I/O
260 Townsend Street	Fixed	4.14%	07/01/2026	28,200	I/O
830 1 <sup>st</sup> Street	Fixed	4.50%	01/05/2027	46,000	I/O
<b>Total</b>		<b>4.18%</b>		<b>\$ 416,300</b>	

Corporate Debt	Interest structure (fixed / variable etc.)	Interest Rate	Maturity / Expiration Date	Utilization (\$ in thousands)	Maximum limit (\$ in thousands)
Unsecured Credit Facility <sup>2</sup>	Variable	LIBOR + 1.35%	09/30/2018	\$ -	Revolver: \$200,000
Unsecured Term Loan Facility	Variable (Hedged)	3.16% <sup>3</sup>	05/08/2022	170,000	N/A
Junior Subordinated Notes	Variable	LIBOR + 3.25%	03/30/2035	27,070	N/A
<b>Total</b>				<b>\$ 197,070</b>	

Preferred Stock	Interest structure (fixed / variable etc.)	Coupon	Maturity / Expiration Date	Outstanding (\$ in thousands)	TTM Fixed Charge Coverage Ratio
Series A	Fixed	5.50%	N/A	\$ 32,148 <sup>4</sup>	
Series L	Fixed	5.50%	N/A	229,251 <sup>5</sup>	2.76x
<b>Total</b>				<b>\$ 261,399</b>	

<sup>1</sup> Excludes: (a) \$21,000,000 of secured borrowings – government guaranteed loans, which represent sold loans that are treated as secured borrowing because the loan sales did not meet the derecognition criteria provided for in ASC 860-30, Secured Borrowing and Collateral, and (b) premiums, discounts and debt issuance costs.

<sup>2</sup> At December 31, 2017, the interest rates applicable to the components of CIM Commercial's Unsecured Credit Facility were based on LIBOR plus an applicable spread determined by CIM Commercial's maximum leverage ratio. In June 2016, all outstanding borrowings under the Unsecured Credit Facility were repaid. At December 31, 2017, \$0 was outstanding under the Unsecured Credit Facility and the unused capacity on the Unsecured Credit Facility, based on covenant restrictions at December 31, 2017, was approximately \$200,000,000. In January 2018, \$10,000,000 was borrowed under the Unsecured Credit Facility, leaving \$190,000,000 of remaining unused capacity.

<sup>3</sup> The interest rate of the loan has been effectively converted to a fixed rate of 3.16% until May 8, 2020 through interest rate swaps.

<sup>4</sup> Outstanding Series A Preferred Stock represents total units issued as of December 31, 2017 of 1,287,169, less redemptions of 1,265 shares, times the stated value of \$25.00 per share. Gross proceeds are not net of commissions, fees, allocated costs or discount.

<sup>5</sup> Outstanding Series L Preferred Stock represents total units issued as of December 31, 2017 of 8,080,740 times the stated value of \$28.37 per share. Gross proceeds are not net of commissions, fees, allocated costs or discount.

Tenant	Property	Credit Rating (S&P / Moody's / Fitch)	Lease Expiration	Annualized Rent (\$ in thousands) <sup>2,3</sup>	% of Annualized Rent	Rentable Square Feet	% of Rentable Square Feet
U.S. Federal Government Agencies <sup>4</sup>	Various	AA+ / Aaa / AAA	2019-2026	\$ 24,393	19.0%	558,965	16.8%
Kaiser Foundation Health Plan, Inc.	1 Kaiser Plaza / 2101 Webster	AA- / - / -	2018-2027	18,077	14.1%	468,857	14.1%
The District of Columbia	899 N Capital Street	AA / Aa1 / AA	2021	11,165	8.7%	205,860	6.2%
Pandora Media, Inc.	2100 Franklin Street/2101 Webster/3601 S Congress Avenue	- / - / -	2018-2020	7,153	5.6%	187,004	5.6%
Wells Fargo Bank, N.A.	1901 Harrison Street	AA- / Aa1 / -	2018-2023	4,554	3.5%	131,134	3.9%
Farmers Group, Inc.	4750 Wilshire Boulevard	A / A2 / -	2019	3,752	2.9%	143,361	4.3%
Neighborhood Reinvestment Corporation	999 N Capital Street	- / - / -	2023	3,363	2.6%	67,611	2.0%
Save the Children Federation, Inc.	899 N Capital Street	- / - / -	2029	2,641	2.1%	58,768	1.8%
Swinerton, Inc.	260 Townsend	- / - / -	2018-2026	2,560	2.0%	37,451	1.1%
AECOM Global II, LLC <sup>5</sup>	1333 Broadway	BB / Baa2 / -	2018	2,430	1.9%	73,061	2.2%
<b>Total for Top Ten Tenants</b>				<b>80,088</b>	<b>62.4%</b>	<b>1,932,072</b>	<b>58.0%</b>
All Other Tenants				48,196	37.6%	1,196,621	36.2%
Vacant				-	0.0%	193,363	5.8%
<b>Total for Portfolio</b>				<b>\$ 128,284</b>	<b>100.0%</b>	<b>3,322,056</b>	<b>100.0%</b>

<sup>1</sup> As of December 31, 2017.

<sup>2</sup> Other than as set forth in the footnote below, represents gross monthly base rent, as of December 31, 2017, multiplied by twelve. This amount reflects total cash rent before abatements. Where applicable, annualized rent has been grossed up by adding annualized expense reimbursements to base rent.

<sup>3</sup> 1130 Howard Street was acquired in December 2017. The annualized rent as of December 31, 2017 for 12,944 rentable square feet of the building is presented using the actual rental income under a signed lease with a different tenant who is expected to take possession in April 2018, as the space is occupied by the prior owner and annualized rent under the short-term lease is de minimis.

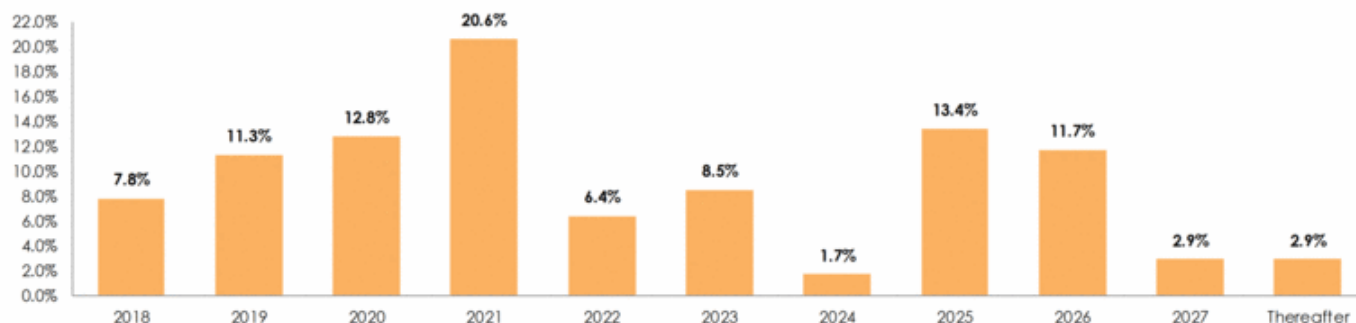
<sup>4</sup> Represents seven different leases at various properties.

<sup>5</sup> This tenant terminated its lease effective January 1, 2018, and CIM Commercial recognized a lease termination fee of \$4,798,000 during the year ended December 31, 2017. CIM Commercial entered into a ten-year lease agreement with a different tenant for 81,977 rentable square feet, which was delivered to the tenant on January 1, 2018. Additionally, the new tenant has signed an expansion agreement for additional 16,616 rentable square feet, which is expected to be delivered to the tenant in June 2018. The annualized rent per occupied square foot from the prior tenant to the new tenant has increased from \$33.26 to \$45.00.



	Three Months Ended				
	31-Dec-17	30-Sep-17	30-Jun-17	31-Mar-17	31-Dec-16
<b>All<sup>2</sup></b>					
Number of Transactions	10	15	11	18	13
Rentable Square Feet	54,444	142,319	48,573	76,604	67,846
<b>All - Recurring<sup>3</sup></b>					
New Cash Rents per Square Foot <sup>4</sup>	\$ 37.66	\$ 48.35	\$ 50.53	\$ 49.32	\$ 40.71
Expiring Cash Rents per Square Foot <sup>4</sup>	\$ 29.42	\$ 38.86	\$ 44.80	\$ 39.78	\$ 37.28
Rentable Square Feet	38,588	134,093	22,910	67,367	54,783
Cash Rent Spread	28%	24%	13%	24%	9%

Lease Expirations as a % of Annualized Office Rent<sup>5,6</sup>



<sup>1</sup> For all periods presented, leasing activity for the assets sold prior to December 31, 2017 is excluded.

<sup>2</sup> Based on the number of tenants having leases with terms longer than twelve months.

<sup>3</sup> Recurring metrics excludes space that was vacant for more than one year, related party leases, space where the previous tenant was a related party, month-to-month leases and leases with the original term of less than twelve months.

<sup>4</sup> Cash rents represent gross monthly base rent, multiplied by twelve. This amount reflects total cash rent before abatements. Where applicable, annualized rent has been grossed up by adding annualized expense reimbursements to base rent.

<sup>5</sup> Other than as set forth in the footnote below, represents gross monthly base rent, as of December 31, 2017, multiplied by twelve. This amount reflects total cash rent before abatements. Where applicable, annualized rent has been grossed up by adding annualized expense reimbursements to base rent.

<sup>6</sup> 1130 Howard Street was acquired in December 2017. The annualized rent as of December 31, 2017 for 12,944 rentable square feet of the building is presented using the actual rental income under a signed lease with a different tenant who is expected to take possession in April 2018, as the space is occupied by the prior owner and annualized rent under the short-term lease is de minimis.

## RECONCILIATIONS/IMPORTANT DISCLOSURES

## NET OPERATING INCOME RECONCILIATIONS (1/4)

CIM Commercial internally evaluates the operating performance and financial results of its segments based on segment net operating income, which is defined as rental and other property income and expense reimbursements less property related expenses and excludes non-property income and expenses, interest expense, depreciation and amortization, corporate related general and administrative expenses, gain (loss) on sale of real estate, impairment of real estate, transaction costs and provision for income taxes. For the lending segment, we define net operating income as interest income, net of interest expense and general overhead expenses. We also evaluate the operating performance and financial results of our operating segments using cash basis net operating income ("Cash NOI"). We define Cash NOI as segment NOI adjusted to exclude the effect of the straight lining of rents, acquired above/below market lease amortization and other adjustments required by GAAP.

Segment NOI and Cash NOI are not measures of operating results or cash flows from operating activities as measured by GAAP and should not be considered alternatives to income from continuing operations, or to cash flows as a measure of liquidity, or as an indication of our performance or of our ability to pay dividends. Companies may not calculate segment NOI or Cash NOI in the same manner. We consider segment NOI and Cash NOI to be useful performance measures to investors and management because, when compared across periods, they reflect the revenues and expenses directly associated with owning and operating our properties and the impact to operations from trends in occupancy rates, rental rates and operating costs, providing a perspective not immediately apparent from income from continuing operations. Additionally, we believe that Cash NOI is helpful to investors because it eliminates straight line rent and other non-cash adjustments to revenue and expenses. Below is a reconciliation of Cash NOI to segment net operating income and net income for 2014-2017.

	Twelve Months Ended December 31, 2017				
	Office	Multifamily	Hotel	Lending	Total
	(in thousands, unaudited)				
Cash NOI	\$ 102,918	\$ 5,810	\$ 13,446	\$ 5,293	\$ 127,467
Deferred rent and amortization of intangible assets, liabilities and lease inducements	2,255	(86)	3	-	2,172
Straight line rent, below-market ground lease and amortization of intangible assets	(833)	(276)	-	40	(1,069)
Lease termination income	(118)	-	-	-	(118)
Segment Net Operating Income	\$ 104,222	\$ 5,448	\$ 13,449	\$ 5,333	\$ 128,452
Asset management and other fees to related parties					(26,787)
Interest expense					(35,924)
General and administrative					(3,018)
Transaction costs					(11,862)
Depreciation and amortization					(58,364)
Impairment of real estate					(13,100)
Gain on sale of real estate					401,737
Income from continuing operations before provision for income taxes					381,134
Provision for income taxes					(1,376)
Net income					379,758
Net income attributable to noncontrolling interests					(21)
Net income attributable to the Company					\$ 379,737

## NET OPERATING INCOME RECONCILIATIONS (2/4)

	Twelve Months Ended December 31, 2016				
	Office	Multifamily	Hotel	Lending	Total
	(in thousands, unaudited)				
Cash NOI	\$ 99,448	\$ 8,583	\$ 15,917	\$ 4,522	\$ 128,470
Deferred rent and amortization of intangible assets, liabilities and lease inducements	6,667	(86)	3	-	6,584
Straight line rent, below-market ground lease and amortization of intangible assets	(1,249)	(551)	-	34	(1,766)
Lease termination income	118	-	-	-	118
Segment Net Operating Income	\$ 104,984	\$ 7,946	\$ 15,920	\$ 4,556	\$ 133,406
Asset management and other fees to related parties					(30,327)
Interest expense					(33,848)
General and administrative					(4,231)
Transaction costs					(340)
Depreciation and amortization					(71,968)
Gain on sale of real estate					39,666
Income from continuing operations before provision for income taxes					32,358
Provision for income taxes					(1,646)
Net income from continuing operations					30,712
Discontinued operations					
Income from operations of assets held for sale					3,853
Net income from discontinued operations					3,853
Net income					34,565
Net income attributable to noncontrolling interests					(18)
Net income attributable to the Company					\$ 34,547

	Twelve Months Ended December 31, 2015				
	Office	Multifamily	Hotel	Lending	Total
	(in thousands, unaudited)				
Cash NOI	\$ 102,792	\$ 6,758	\$ 19,458	\$ 2,860	\$ 131,868
Deferred rent and amortization of intangible assets, liabilities and lease inducements	6,485	346	4	-	6,835
Bad debt expense	(510)	-	-	-	(510)
Straight line rent, below-market ground lease and amortization of intangible assets	(1,282)	(551)	-	(66)	(1,899)
Segment Net Operating Income	\$ 107,485	\$ 6,553	\$ 19,462	\$ 2,794	\$ 136,294
Asset management and other fees to related parties					(29,319)
Interest expense					(22,785)
General and administrative					(6,621)
Transaction costs					(1,382)
Depreciation and amortization					(72,361)
Gain on sale of real estate					3,092
Income from continuing operations					6,918
Provision for income taxes					(806)
Net income from continuing operations					6,112
Discontinued operations					
Income from operations of assets held for sale					13,140
Gain on disposition of assets held for sale					5,151
Net income from discontinued operations					18,291
Net income					24,403
Net income attributable to noncontrolling interests					(11)
Net income attributable to the Company					\$ 24,392

	Twelve Months Ended December 31, 2014				
	Office	Multifamily	Hotel	Lending	Total
	(in thousands, unaudited)				
Cash NOI	\$ 100,863	\$ 6,827	\$ 16,399	\$ 1,813	\$ 125,902
Deferred rent and amortization of intangible assets, liabilities and lease inducements	5,143	41	3	-	5,187
Straight line rent, below-market ground lease and amortization of intangible assets	(1,315)	(551)	-	(26)	(1,892)
Segment Net Operating Income	\$ 104,691	\$ 6,317	\$ 16,402	\$ 1,787	\$ 129,197
Asset management and other fees to related parties					(25,222)
Interest expense					(19,073)
General and administrative					(5,463)
Transaction costs					(1,563)
Depreciation and amortization					(69,047)
Bargain purchase gain					4,918
Income from continuing operations					13,747
Provision for income taxes					(604)
Net income from continuing operations					13,143
Discontinued operations					
Income from operations of assets held for sale					11,455
Net income from discontinued operations					11,455
Net income					24,598
Net income attributable to noncontrolling interests					(220)
Net income attributable to the Company					\$ 24,378

(\$ in thousands)

(Unaudited)

	Twelve Months Ended	
	<u>December 31, 2016</u>	<u>December 31, 2017</u>
Net income attributable to the company	<u>\$ 34,547</u>	<u>\$ 379,737</u>
Total GAAP NOI	\$ 133,406	\$ 128,452
Less GAAP NOI from assets sold prior to December 31, 2017	43,589	28,104
Pro-forma GAAP NOI	<u>\$ 89,817</u>	<u>\$ 100,348</u>

**Assets Owned and Operated**

"Assets Owned and Operated" represents (i) (a) for real assets, the aggregate total gross assets (GAV) at fair value, including the shares of such assets owned by joint venture partners and co-investments, owned and operated by CIM on behalf of partners (including where CIM invests alongside for its own account) and co-investors, whether or not CIM has investment discretion or (b) for operating companies, the aggregate GAV less debt, including the shares of such assets owned by joint venture partners and co-investments, owned and operated by CIM on behalf of partners (including where CIM invests alongside for its own account) and co-investors, whether or not CIM has investment discretion (not in duplication of the assets described in (i)(a)), plus (ii) the aggregate unfunded commitments, as of December 31, 2017 (the "Report Date"). The GAV is calculated in accordance with U.S. generally accepted accounting principles on a fair value basis (the "Book Value") and generally represents the investment's third-party appraised value as reported within the applicable fund's unaudited financial statements as of the Report Date, but in the case of CIM's Cole Net-Lease Asset strategy described below GAV or Book Value generally represents undepreciated cost (as reflected in SEC-filed financial statements) as of September 30, 2017. The only investment currently held by CIM REIT (as defined below) consists of shares of our Common Stock; the Book Value of CIM REIT is determined by assuming the underlying assets of CMCT are liquidated based upon the third-party appraised value. CIM does not presently view the market price of our Common Stock to be a meaningful indication of the fair value of CIM REIT's interest in CMCT due to the fact that the publicly-traded shares of our Common Stock represent less than 4% of the outstanding Common Stock of CMCT and are thinly-traded. Assets Owned and Operated also includes the assets owned/operated by CIM's Cole Net-Lease Asset strategy (formerly Cole Capital), which was under contract to be acquired by a CIM affiliate as of the Report Date and subsequently closed on February 1, 2018. The assets owned/operated by CIM's Cole Net-Lease Asset strategy represent approximately \$7.6 billion of CIM's reported Assets Owned and Operated of \$27.5 billion. Equity Owned and Operated, representing the NAV (as defined below) before incentive fee allocation, plus binding unfunded commitments, is \$15.5 billion as of the Report Date. NAV is based upon the aggregate amounts that would be distributable assuming a "hypothetical liquidation" on the date of determination, assuming that: (x) investments are sold at their Book Value (as defined above); (y) debts are paid and other assets are collected; and (z) appropriate adjustments and/or allocations between equity investors are made in accordance with applicable documents, in each case as determined in accordance with applicable accounting guidance. Assets Owned and Operated for CMMT Partners, L.P. (which represents assets under management), a perpetual-life real estate debt fund, is \$0.3 billion as of the Report Date and Equity Owned and Operated for CMMT Partners, L.P. (which represents equity under management), is \$0.3 billion as of the Report Date.

**Net Asset Value**

As of December 31, 2017, we have established an estimated NAV per share of Common Stock of \$23.96. Neither FINRA nor the SEC provides rules on the methodology we must use to determine our estimated NAV per share. The determination of estimated NAV involves a number of subjective assumptions, estimates and judgments that may not be accurate or complete. We believe there is no established practice among public REITs for calculating estimated NAV. Different firms using different property-specific, general real estate, capital markets, economic and other assumptions, estimates and judgments could derive an estimated NAV that is significantly different from our estimated NAV. Thus, other public REITs' methodologies used to calculate estimated NAV may differ materially from ours. Additionally, the estimated NAV does not give effect to changes in value, investment activities, capital activities, indebtedness levels, and other various activities occurring after December 31, 2017 that would have an impact on our estimated NAV.

The estimated NAV per share of \$23.96 was calculated relying in part on appraisals of our real estate assets and the assets of our lending segment. The table "Estimated Net Asset Value" on page 6 sets forth the material items included in the calculation of our estimated NAV. We engaged various third party appraisal firms to perform appraisals of our real estate assets and the assets of our lending segment as of December 31, 2017. Except for one office property acquired in December 2017, which was based on the purchase price (including transaction costs that were capitalized and assumption of liabilities) negotiated with the unrelated third-party seller, the fair values of our investments in real estate were based on appraisals obtained as of December 31, 2017. The fair values of the assets of our lending segment were based on an appraisal obtained as of December 31, 2017.

The December 31, 2017 appraisals were performed in accordance with standards set forth by the American Institute of Certified Public Accountants. Each of our appraisals were prepared by personnel who are subject to and in compliance with the code of professional ethics and the standards of professional conduct set forth by the certification programs of the professional appraisal organizations of which they are members.