The Fifth

411 Michigan SOFI Owner, LLC

Credit Rating Agency

Corporates
September 8, 2026
*A NRSRO Rating**

411 Michigan SOFI Owner, LLC	US$49.2m TL
HR D (G)	HR D (G)
Review in Process	Review in Process
	35096#AA5

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Information Disclosure Form

Rule 17g-7

The Rating Action Commentary (RAC) associated with this disclosure form is an integral part of the form.

1. **Symbol, Number, or Score in the Rating Scale used by HR Ratings as required by Paragraph (a)(1)(ii)(A) of Rule 17g-7:**

Entity/Instrument	Rating Action	Rating Type	Rating Code
411 Michigan SOFI Owner, LLC	Downgraded	Long Term Rating	HR D (G) / Review in Process
US$49.2m Term Loan	Downgraded	Long Term Rating	HR D (G) / Review in Process

2. **Version of the Procedure or Methodology used to determine the credit rating as required by Paragraph (a)(1)(ii)(B) of Rule 17g-7:**

The rating assigned by HR Ratings to the entity and its associated debt is based in accordance with the following methodologies established by the rating agency:

- Corporate Debt Credit Risk Evaluation, February 2024.
  https://www.hrratings.com/docs/metodologia/Corporates_2024.pdf

- General Methodological Criteria, October 2024
  https://www.hrratings.com/docs/metodologia/General_Methodological_Criteria_2024.pdf

3. **Main assumptions and principles used in constructing the procedures and methodologies to determine the credit rating as required by Paragraph (a)(1)(ii)(C) of Rule 17g-7**

- Based on the Corporates Credit Risk Evaluation

The methodology describes the process used to assess the ability and willingness to meet corporate debt payment obligations in a timely manner and as originally agreed, including dependent structured debt and real estate investment trusts. The process consists of a quantitative analysis based on four financial metrics (three for structured debt) and an analysis allowing for qualitative adjustments, including adjustments related to ESG factors.

The corporate methodology involves the creation of financial models based on HR Ratings projections and when relevant historical performance data. The projections are made under a Base and Stress scenario, both incorporating the relevant historical data. The formal rating period generally incorporates five years of information. The four metrics used in this analysis are: (i) debt service coverage; (ii) debt service coverage including end of previous period cash (iii) years to payment, which measures the ratio between annual free cash flow and net debt; and (iv) the ratio between a market value estimate of corporate assets and its total liabilities. For real estate companies, the fourth metric is replaced by the loan to value ratio.

For both the Base and Stress scenarios the annual weighted average of each metric value is calculated. These annual averages are converted into a numerical rating scale, which is the same for each metric. Subsequently, and for each scenario, the weighted average of the metric numerical ratings is calculated. The final quantitative score is the weighted average of the two scenarios. If historical information is available, this process generally considers two reported and three projected years. However, the methodology considers the possibility of using different rating or time periods, with fewer reported years, and in the case of real estate leasing companies with seven instead of five years.

The rating obtained through this quantitative analysis can be adjusted positively or negatively by applying qualitative notches, which are divided into two categories: general and ESG. General adjustments refer to factors that could over time affect the quantitative rating especially when HR Ratings concludes that these factors cannot be adequately incorporated into the quantitative models. This includes ESG factors that are analyzed to determine their significance for and potential influence on credit risk. The environmental factor analyzes the corporate's environmental approach and policies, considering its lines of business and daily operations, as well as exposure to natural phenomena and environmental regulations. For the social factor, the business approach is evaluated first then the corporate policies regarding all levels of employee benefits, career plans and ability to retain talent and inclusion are evaluated.

Finally, the corporate governance analysis considers five aspects: (i) internal regulations of the corporation, considering their scope, formality and mechanisms for continuous adaptation, (ii) quality of senior management and administration, considering their financial strategies and history of crisis management, (iii) transparency and quality of the information provided, as well as history of non-compliance, (iv) risk associated with the regulatory framework to which each corporation is susceptible and the risk associated with the macroeconomic environment, and (v) management and mitigation strategies associated with the entity's operational risk, as well as the technological tools available for performing daily operations.

- Based on the General Methodological Criteria

A debt instrument will be in default under any of the following circumstances:

- A default is regarded as any delay, suspension, partial or total noncompliance with mandatory interest and principal payments, in accordance with the terms, conditions and deadlines originally agreed upon.
- A default may be deemed to exist if HR Ratings identifies an imminent default on mandatory debt service, even if this has not been confirmed; for example, an entity in the process of bankruptcy, liquidation or termination of operations.
- A "technical" default which occurs when, for any reason, the borrower states that they lack the ability to continue complying with the payment obligations originally agreed upon for one or more debt instruments and that, to service the debt, its conditions would have to be modified. In such cases, the debt instrument would be assigned a rating of HR DT (Technical Default).
- In the case of sovereign debt ratings, we may regard the rating to be in default given the existence of policies that cause inflation and depreciation of the currency to such a degree that the monetary value of the debt instruments is subject to a severe loss or degradation.

Nonpayment of a hybrid instrument is not considered a default if said nonpayment is due to actions permitted under the contractual terms of the debt, for example, the conversion of debt to equity. Furthermore, nonpayment is not considered a default on payment terms in the case of leasing agreements, as leasing contracts are not regarded as constituting debt by HR Ratings.

When nonpayment of a debt instrument is due to causes beyond the borrower's ability and/or willingness to pay, such as an operational failure by any participant in the transaction, HR Ratings may determine that such nonpayment does not warrant consideration as a default. However, if this type of nonpayment is frequent or due to very particular reasons attributable to the borrower, the rating of the debt instrument and/or borrower may be downgraded. In any cases where there is a breach of contractual clauses, HR Ratings must analyze the type of clauses breached and their possible consequences, to determine whether they amount to a default.

HR D and HR DT ratings would apply upon the default of a debt instrument with any third-party lender, be it a private or public entity, fund or individual. They would also apply if the lender were the original borrower or the instrument's secondary market purchaser.

4. **Potential limitations of the credit rating as required by Paragraph (a)(1)(ii)(D) of Rule 17g-7**

- HR Ratings does not validate, guarantee, or certify the accuracy, correctness or completeness of any information and is not responsible for any errors or omissions or for results obtained from the use of such information.
- Ratings and/or opinions assigned by HR Ratings are based on an analysis of the creditworthiness of an entity, issue, or issuer, and do not necessarily imply a statistical likelihood of default.
- The credit ratings do not opine on the liquidity of the issuer´s securities or stock.
- The credit ratings do not consider the possible loss severity on an obligation default.
- The credit ratings are not an opinion of the market value of any issuer´s securities or stock, or the possibility that this value suffer a deterioration.

5. **Information on the uncertainty of the credit rating as required by Paragraph (a)(1)(ii)(E) of Rule 17g-7**

The Analysis Committee noted material limitations on the reliability, accuracy and quality on the data relied on in determining the credit rating as relevant information was not provided in a timely manner. According to the Construction Report 25 (the Construction Report) dated February 2026 and received on April 7, 2026; the Project achieved Substantial Completion according to the Loan Agreement Milestones on January 27, 2026. Ultimately, this was not accurate given that Substantial Completion, according to the definition of the Credit Agreement, has not been achieved.

The Analysis Committee noted lack of information on the scope of historical data that would have better informed any credit rating listed in this disclosure form. The Forbearance Agreement in which the failure to pay the debt was stated, was signed on July 17, 2026, but not delivered to HR Ratings until August 31, 2026.

6. **Use of third-party due diligence services as required by Paragraph (a)(1)(ii)(F) of Rule 17g-7**

HR Ratings did not use third party due diligence services for the rating.

7. **Use of servicer or remittance reports to conduct surveillance of the credit rating as required by Paragraph (a)(1)(ii)(G) of Rule 17g-7**

HR Ratings did not use Servicer or remittance reports for the rating.

8. **Description of types of data about any obligor, issue, security or money market instrument relied upon for determining credit rating as required by Paragraph (a)(1)(ii)(H) of Rule 17g-7**

Among the main information used for the rating is:

- Appraisal of the project issued by Newmark Valuation & Advisory, LLC provided by a third party.
- Construction Report Progress No. 2, 4, 8, 11,13, 14,18, 19, 20, 25 and 29 issued by SPD Advisory Group provided by a third party.
- Draw Certificate No. 44, 45, 48, 49, 50, 53 and 54 provided by a third party.
- Draw Summary No. 45 provided by a third party.
- Credit Agreement, Promissory Note, First, Second, Third and Fourth Amendment to the Credit Facility provided by a third party.
- Forbearance Agreement provided by a third party.
- Fifth Amendment Draft to the Credit Facility provided by a third party.
- Amended and Restated Letter of Agreement provided by a third party.
- Credit Investment Memo provided by a third party.
- Guaranties (Recourse Obligation, Interest and Carry Cost, Completion) provided by a third party.
- Assignments provided by a third party.
- Financial Model and Funding Schedule provided by a third party.
- Property Condition Report provided by a third party.
- Environmental Assessments provided by a third party.
- Structural Review provided by a third party.
- Office Lease with Monroe Capital provided by a third party.

9. **Overall assessment of quality of information available and considered in determining credit rating as required by Paragraph (a)(1)(ii)(I) of Rule 17g-7**

The quality of the information provided by the third party is considered to be deficient with the quality observed in the ratings that use a similar methodology.

10. **Information relating to conflicts of interest as required by Paragraph (a)(1)(ii)(J) of Rule 17g-7**

The aforementioned rating was not requested by the entity or issuer, or on its behalf. However, the rating was requested by an investor whose identity is kept confidential to the general public, therefore, HR Ratings has received from the investor the corresponding fees for the provision of its rating services. The following information can be found on our website https://www.hrratings.com/: (i) The internal procedures for the monitoring and surveillance of our ratings and the periodicity with which they are formally updated, (ii) the criteria used by HR Ratings for the withdrawal or suspension of the maintenance of a rating, (iii) the procedure and process of voting on our Analysis Committee, and (iv) the rating scales and their definitions.

HR Ratings was paid for services other than determining credit ratings during the most recently ended fiscal year by the person that paid to determine this credit rating.

11. Explanation or measure of potential volatility to the credit rating as required by Paragraph (a)(1)(ii)(K) of Rule17g-7

1. Factors that are reasonably likely to lead to a change in the credit rating:

   - **Compliance with Credit Agreement or Amendment.** If the Company maintains compliance with all debt principal and interest payments in line with new stablished terms or accruing interest under a new credit agreement or amendment. Considering that the new conditions must allow the Company to comply with debt service payments according to the new leasing expectations, reflecting no pressure in the debt service coverage ratios in the short term. In this case, the rating could have a positive minimum to strong impact.

2. The magnitude of the change that could occur under different market conditions determined by HR Ratings to be relevant to the rating:

   - **Compliance with Credit Agreement or Amendment.** If the Company maintains compliance with all debt principal and interest payments in line with new stablished terms or accruing interest under a new credit agreement or amendment. Considering that the new conditions must allow the Company to comply with debt service payments according to the new leasing expectations, reflecting no pressure in the debt service coverage ratios in the short term. In this case, the rating could have a positive minimum to strong impact.

   NOTE: The Credit Analysis Committee must convene to review and discuss the changes that could occur under different market conditions. All the ratings issued by HR Ratings must be approved by the Credit Analysis Committee in accordance with the applicable methodology and the information available at the time. However, the magnitude of a potential change in the rating that could reasonably occur as a result of the impact of the factors listed above are characterized by the following summary chart:

Rating change impact	Number of notches
Minimum	(0-1)
Moderate	(2 - 3)
Strong	>3

12. Historical performance and expected probability of default and expected loss in event of default as required by Paragraph (a)(1)(ii)(L) of Rule 17g-7

For historical performance of each rating listed in the disclosure form, click on the link in the ratings table presented on the first page

Our credit ratings need to be understood as rankings of the relative creditworthiness of different entities or credits. Creditworthiness takes into consideration both the ability and willingness to meet debt obligations in the manner prescribed in the relevant documentation. Default refers to the noncompliance of previously agreed obligations.

As our ratings measure relative creditworthiness, they do not necessarily reflect any specific statistical probability of default. However, HR Ratings provides to the market participants the default rate for historical default and loss statistics for the class or subclass of the credit rating. Although the default rate is not the expected probability of default or loss given default, we consider it the ratio that could be interpreted by market participants as such. The default rate for each of the asset classes in which HR Ratings provides ratings and for each rating category is publicly available for each calendar year at: https://www.hrratings.com/regulatory_disclosure/transition_matrix.xhtml

13. **Assumptions made by HR Ratings in determining announced credit ratings and examples of how assumptions impact the rating as required by Paragraph (a)(1)(ii)(M) of Rule 17g-7**

1. Assumptions made in the ratings process that, without accounting for any other factor, would have the greatest impact on the credit rating if proven false or inaccurate:

   HR Ratings bases its ratings and/or opinions on information obtained from sources that are believed to be accurate and reliable. The assumption is that the information provided is reliable and credible, however, does not validate, guarantee or certify the accuracy, correctness or completeness of any information and is not responsible for any errors or omissions or for results obtained from the use of such information.

   - The rating reflects the default of the company on its outstanding debt obligations.

2. Analysis, using specific examples, of how each of the assumptions identified in the preceding paragraph impacts the credit rating:

   - Considering the new Credit Agreement or Amendment, HR Ratings will analyze the new conditions and determine the impact on the credit rating.

14. **Representations, warranties and enforcement mechanisms available to investors as required by Paragraph (a)(1)(ii)(N) of Rule 17g-7**

The reporting of representations, warranties, and enforcement mechanisms does not apply to any of the credit ratings listed in this disclosure form.

Credit Rating Attestation

I, Jesús Pineda, Corporates / ABS Associate Director have the responsibility for this rating action and, to the best of my knowledge:

- No part of the credit rating was influenced by any other business activities.
- The credit rating was based solely upon the merits of the obligor, security, or money market instrument being rated; and
- The credit rating was an independent evaluation of the credit risk of the obligor, security, or money market instrument

Mexico City, September 8, 2026

/s/ Jesús Pineda
Corporates / ABS Associate Director
HR Ratings

Media Contact

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