

## Fry 529 Retail Center

## Mortgage Loan Information

<b>Mortgage Loan Seller:</b>	JPMCB
<b>Original Principal Balance:</b>	\$21,500,000
<b>Cut-off Date Principal Balance:</b>	\$21,500,000
<b>% of Pool by IPB:</b>	2.2%
<b>Loan Purpose:</b>	Refinance
<b>Borrower:</b>	Retail Center Fry 529, Ltd.
<b>Sponsor:</b>	John D. Long, Jr.
<b>Interest Rate:</b>	4.27000%
<b>Note Date:</b>	10/17/2016
<b>Maturity Date:</b>	11/1/2026
<b>Interest-only Period:</b>	60 months
<b>Original Term:</b>	120 months
<b>Original Amortization:</b>	360 months
<b>Amortization Type:</b>	IO-Balloon
<b>Call Protection:</b>	L(25),Grtr1%orYM(92),O(3)
<b>Lockbox:</b>	Springing
<b>Additional Debt:</b>	N/A
<b>Additional Debt Balance:</b>	N/A
<b>Additional Debt Type:</b>	N/A

## Property Information

<b>Single Asset / Portfolio:</b>	Single Asset
<b>Title<sup>(1)</sup>:</b>	Fee
<b>Property Type - Subtype:</b>	Retail – Anchored
<b>Net Rentable Area (SF):</b>	114,911
<b>Location:</b>	Cypress, TX
<b>Year Built / Renovated:</b>	2015 / N/A
<b>Occupancy:</b>	95.8%
<b>Occupancy Date:</b>	8/1/2016
<b>Number of Tenants:</b>	16
<b>2013 NOI<sup>(2)</sup>:</b>	N/A
<b>2014 NOI<sup>(2)</sup>:</b>	N/A
<b>2015 NOI<sup>(2)</sup>:</b>	N/A
<b>TTM NOI (as of 7/2016)<sup>(3)</sup>:</b>	\$1,284,284
<b>UW Economic Occupancy:</b>	95.0%
<b>UW Revenues:</b>	\$2,648,640
<b>UW Expenses:</b>	\$865,707
<b>UW NOI<sup>(3)</sup>:</b>	\$1,782,933
<b>UW NCF:</b>	\$1,671,913
<b>Appraised Value / Per SF:</b>	\$28,240,000 / \$246
<b>Appraisal Date:</b>	8/25/2016

## Escrows and Reserves

	Initial	Monthly	Initial Cap
<b>Taxes:</b>	\$456,713	\$37,410	N/A
<b>Insurance:</b>	\$6,042	\$6,042	N/A
<b>Replacement Reserves:</b>	\$1,917	\$1,917	N/A
<b>TI/LC:</b>	\$4,167	\$4,167	N/A
<b>Other<sup>(4)</sup>:</b>	\$388,954	\$0	N/A

## Financial Information

<b>Cut-off Date Loan / SF:</b>	\$187
<b>Maturity Date Loan / SF:</b>	\$171
<b>Cut-off Date LTV:</b>	76.1%
<b>Maturity Date LTV:</b>	69.4%
<b>UW NCF DSCR:</b>	1.31x
<b>UW NOI Debt Yield:</b>	8.3%

## Sources and Uses

Sources	Proceeds	% of Total	Uses	Proceeds	% of Total
Mortgage Loan	\$21,500,000	100.0%	Payoff Existing Debt	\$14,472,073	67.3%
			Return of Equity	5,651,111	26.3
			Upfront Reserves	857,793	4.0
			Closing Costs	519,023	2.4
<b>Total Sources</b>	<b>\$21,500,000</b>	<b>100.0%</b>	<b>Total Uses</b>	<b>\$21,500,000</b>	<b>100.0%</b>

(1) In July 2016, the borrower entered into a 20-year ground lease with BCU Cypress, LLC ("BCU Cypress") in which BCU Cypress intends to construct a building on an approximately 44,013 square foot parcel located at the northeast corner of the property. The improvements will ultimately contain a Bush's Chicken restaurant upon completion. BCU Cypress is required to contractually begin paying rent upon the earlier of its opening for business or March 2017. The Loan Sponsor estimates that Bush's Chicken will open for business and begin paying rent in December 2016. Approximately \$163,058 was reserved at origination for all outstanding free rent, tenant improvements and leasing commissions in connection with BCU Cypress.

(2) Historical cash flows are not available as the property was constructed in 2015.

(3) The increase in UW NOI from TTM NOI is attributable to four leases that commenced in June and July of 2016 and the inclusion of three leases that commence in December 2016, which in total account for approximately \$419,679 in underwritten annual base rent.

(4) Other Escrows and Reserves consists of approximately \$388,154 in outstanding tenant improvements and leasing commissions relating to three tenants, La Seafood Café, El Kiosko and Bush's Chicken, that have signed leases but have not yet taken occupancy, and outstanding tenant improvements relating to the Rodeo Dental expansion. La Seafood Café, El Kiosko and Bush's Chicken are expected to take occupancy in December 2016. Additionally, Other Escrows and Reserves includes \$50,800 in outstanding free rent relating to the three new tenants, La Seafood Café, El Kiosko and Bush's Chicken.

## Fry 529 Retail Center

**The Loan.** The Fry 529 Retail Center loan has an outstanding principal balance as of the Cut-off Date of \$21.5 million and is secured by a first mortgage lien on the borrower's fee simple interest in a 114,911 square foot grocery-anchored retail center located in Cypress, Texas. The loan has a 10-year term, and subsequent to a five-year interest-only period, will amortize on a 30-year schedule. The borrowing entity for the loan is Retail Center Fry 529, Ltd., a Texas limited partnership and single purpose entity.

The loan sponsor and nonrecourse carve-out guarantor is John D. Long, Jr., founder and current president of J.D. Long Masonry. John D. Long, Jr. founded J.D. Long Masonry in 1990 and J.D. Long Masonry is currently one of the ten largest masonry subcontractors in the United States. The company's projects include schools, hospitals, institutional facilities, multifamily apartments and condominiums and a full range of commercial office and retail projects. J.D. Long Masonry, which is headquartered in Manassas, Virginia, has averaged annual revenue in excess of \$40.0 million over the last seven years. Additionally, John D. Long, Jr. has experience in leasing, management and financing real estate investments through numerous interests in multifamily and commercial partnerships and limited liability companies primarily focused in the Northern Virginia suburbs of Washington, D.C. and the state of Texas.

**The Property.** The Fry 529 Retail Center property is a 114,911 square foot, grocery anchored neighborhood retail center located in Cypress, Texas. The property was constructed in 2015 and is situated on approximately 23.0 acres. The property contains 614 parking spaces resulting in a parking ratio of approximately 5.34 spaces per 1,000 square feet.

As of August 1, 2016, the Fry 529 Retail Center property was 95.8% occupied by 16 tenants. The largest tenant at the property, Fiesta Mart, leases, 52.2% of the net rentable area through January 2035 and has occupied its space since the property was constructed in January 2015. Fiesta Mart is a Texas-based food retailer founded in 1972. Fiesta Mart currently has 60 stores open in the Houston, Austin and Dallas-Fort Worth markets serving customers from over 100 countries of origin. Additionally, the loan sponsor reported that Fiesta Mart invested approximately \$7.0 million (\$117 per square foot) towards the initial construction of their store. In April 2015, Fiesta Mart was acquired by Acon Investments, a Washington, D.C.-based private equity firm with approximately \$4.4 billion in assets. Fiesta Mart accounts for 30.1% of the underwritten base rent at the property and its lease contains four five-year renewal options remaining. Fiesta Mart reported year to date sales through October 2, 2016 of approximately \$18.9 million (\$421 per square foot) on an annualized basis resulting in an occupancy cost of approximately 3.3%. The second largest tenant at the property, Goodwill, leases 17.8% of the net rentable area through May 2030 and has occupied its space since April 2015. Goodwill is an American non-profit organization that provides job training, employment placement services and other community-based programs such as the selling of donated clothing and other household items. Goodwill has grown to operate over 3,100 stores within 15 different countries. Goodwill accounts for 21.7% of the underwritten base rent at the property and its lease contains two, five-year renewal options remaining. The third largest tenant, Rodeo Dental, leases 6.0% of the net rentable area through May 2025 and has occupied its space since June 2016. Rodeo Dental is a full service dental and orthodontics office with 11 locations throughout Texas. Rodeo Dental accounts for 10.6% of the in-place base rent at the property and its lease contains two, five-year renewal options remaining.

**The Market.** The Fry 529 Retail Center property is located approximately 22 miles northwest of the Houston central business district. The property is located at the southeast intersection of Fry Road and FM-529, which have a cumulative traffic count of approximately 46,000 vehicles per day. The property is located within Cypress, a master-planned community which dates back to the 1990s. According to the appraisal, the property's primary trade area is approximately three to five miles. The estimated population as of 2016 within a one-, three- and five-mile radius is approximately 19,276, 99,902 and 253,800, respectively, and has experienced strong growth since 2000, with annual growth rates of approximately 15.9%, 12.1% and 8.8%, respectively. Additionally, the median household income as of 2016 within a one-, three- and five-mile radius is approximately \$63,912, \$71,067 and \$79,117, respectively.

The property is located in the Northwest submarket, which has a vacancy rate of 4.7% and average asking rents of approximately \$16.26 per square foot as of the second quarter of 2016, which compares to 4.8% and \$15.38 per square foot as of the second quarter of 2015, respectively. The appraisal identified six properties as directly competitive with the Fry 529 Retail Center property. The comparable properties are located between 0.2 miles and 15.3 miles from the property and ranged in size from approximately 15,216 to 203,495 square feet. Occupancy at the comparable properties ranged from approximately 88.0% to 100.0%. Additionally, the appraisal identified approximately 3.9 million square feet of retail space under construction in the Northwest submarket.

## Fry 529 Retail Center

Tenant Summary <sup>(1)</sup>						
Tenant	Ratings Moody's/S&P/Fitch	Net Rentable Area (SF)	% of Total NRA	Base Rent PSF	% of Total Base Rent	Lease Expiration Date
Fiesta Mart <sup>(2)</sup>	NA / NA / NA	60,000	52.2%	\$9.00	30.1%	1/31/2035
Goodwill	NA / NA / NA	20,460	17.8%	\$19.00	21.7%	5/31/2030
Rodeo Dental	NA / NA / NA	6,896	6.0%	\$27.58	10.6%	5/31/2025
Fiesta Liquors Inc	NA / NA / NA	5,000	4.4%	\$20.00	5.6%	1/31/2020
Familia Care, Inc.	NA / NA / NA	4,858	4.2%	\$27.96	7.6%	7/31/2020
Chuan Ping Lin	NA / NA / NA	1,800	1.6%	\$27.00	2.7%	12/31/2020
BeBe Nails	NA / NA / NA	1,500	1.3%	\$30.00	2.5%	3/31/2020
La Seafood Café	NA / NA / NA	1,500	1.3%	\$28.00	2.3%	11/30/2026
Subway Real Estate, LLC	NA / NA / NA	1,457	1.3%	\$32.00	2.6%	3/31/2020
SEM Pharmacy	NA / NA / NA	1,400	1.2%	\$25.00	1.9%	7/31/2021

(1) Based on the underwritten rent roll.

(2) Fiesta Mart reported year to date sales through October 2, 2016 of approximately \$18.9 million, or \$421 per square foot on an annualized basis resulting in an occupancy cost of approximately 3.3%.

Lease Rollover Schedule <sup>(1)</sup>									
Year	Number of Leases Expiring	Net Rentable Area Expiring	% of NRA Expiring	Base Rent Expiring	% of Base Rent Expiring	Cumulative Net Rentable Area Expiring	Cumulative % of NRA Expiring	Cumulative Base Rent Expiring	Cumulative % of Base Rent Expiring
Vacant	NAP	4,860	4.2%	NAP	NAP	4,860	4.2%	NAP	NAP
2016 & MTM	0	0	0.0	\$0	0.0%	4,860	4.2%	\$0	0.0%
2017	0	0	0.0	0	0.0	4,860	4.2%	\$0	0.0%
2018	2	2,520	2.2	70,560	3.9	7,380	6.4%	\$70,560	3.9%
2019	1	1,260	1.1	27,687	1.5	8,640	7.5%	\$98,247	5.5%
2020	5	14,615	12.7	376,076	21.0	23,255	20.2%	\$474,323	26.4%
2021	2	2,800	2.4	72,800	4.1	26,055	22.7%	\$547,123	30.5%
2022	0	0	0.0	0	0.0	26,055	22.7%	\$547,123	30.5%
2023	0	0	0.0	0	0.0	26,055	22.7%	\$547,123	30.5%
2024	0	0	0.0	0	0.0	26,055	22.7%	\$547,123	30.5%
2025	1	6,896	6.0	190,192	10.6	32,951	28.7%	\$737,314	41.1%
2026	2	1,500	1.3	54,000	3.0	34,451	30.0%	\$791,314	44.1%
2027 & Beyond	3	80,460	70.0	1,003,740	55.9	114,911	100.0%	\$1,795,054	100.0%
<b>Total</b>	<b>16</b>	<b>114,911</b>	<b>100.0%</b>	<b>\$1,795,054</b>	<b>100.0%</b>				

(1) Based on the underwritten rent roll.

## Fry 529 Retail Center

Operating History and Underwritten Net Cash Flow <sup>(1)</sup>				
	TTM <sup>(2)</sup>	Underwritten	Per Square Foot	% <sup>(3)</sup>
Rents in Place	\$1,446,278	\$1,795,054	\$15.62	64.7%
Vacant Income	0	136,080	1.18	4.9
<b>Gross Potential Rent</b>	<b>\$1,446,278</b>	<b>\$1,931,134</b>	<b>\$16.81</b>	<b>69.6%</b>
Total Reimbursements	566,663	843,739	7.34	30.4
<b>Net Rental Income</b>	<b>\$2,012,941</b>	<b>\$2,774,873</b>	<b>\$24.15</b>	<b>100.0%</b>
(Vacancy/Credit Loss)	0	(138,744)	(1.21)	(5.0)
Other Income	19,806	12,510	0.11	0.5
<b>Effective Gross Income</b>	<b>\$2,032,747</b>	<b>\$2,648,640</b>	<b>\$23.05</b>	<b>95.5%</b>
<b>Total Expenses</b>	<b>\$748,463</b>	<b>\$865,707</b>	<b>\$7.53</b>	<b>32.7%</b>
<b>Net Operating Income</b>	<b>\$1,284,284</b>	<b>\$1,782,933</b>	<b>\$15.52</b>	<b>67.3%</b>
Total TI/LC, Capex/RR	0	111,020	0.97	4.2
<b>Net Cash Flow</b>	<b>\$1,284,284</b>	<b>\$1,671,913</b>	<b>\$14.55</b>	<b>63.1%</b>
<b>Occupancy<sup>(4)</sup></b>	<b>93.2%</b>	<b>95.0%</b>		

(1) Historical cash flows are not available as the property was constructed in 2015.

(2) The TTM column represents the trailing 12 months ending July 31, 2016.

(3) % column represents percent of Net Rental Income for all revenue lines and percent of Effective Gross Income for the remainder of fields.

(4) TTM Occupancy is as of August 1, 2016. Underwritten Occupancy represents economic occupancy.