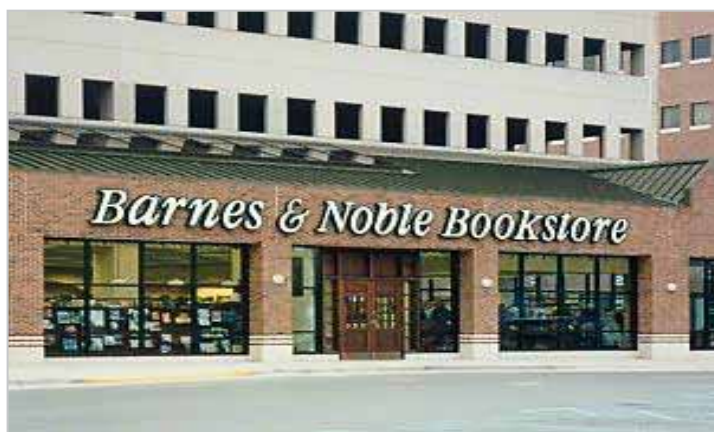
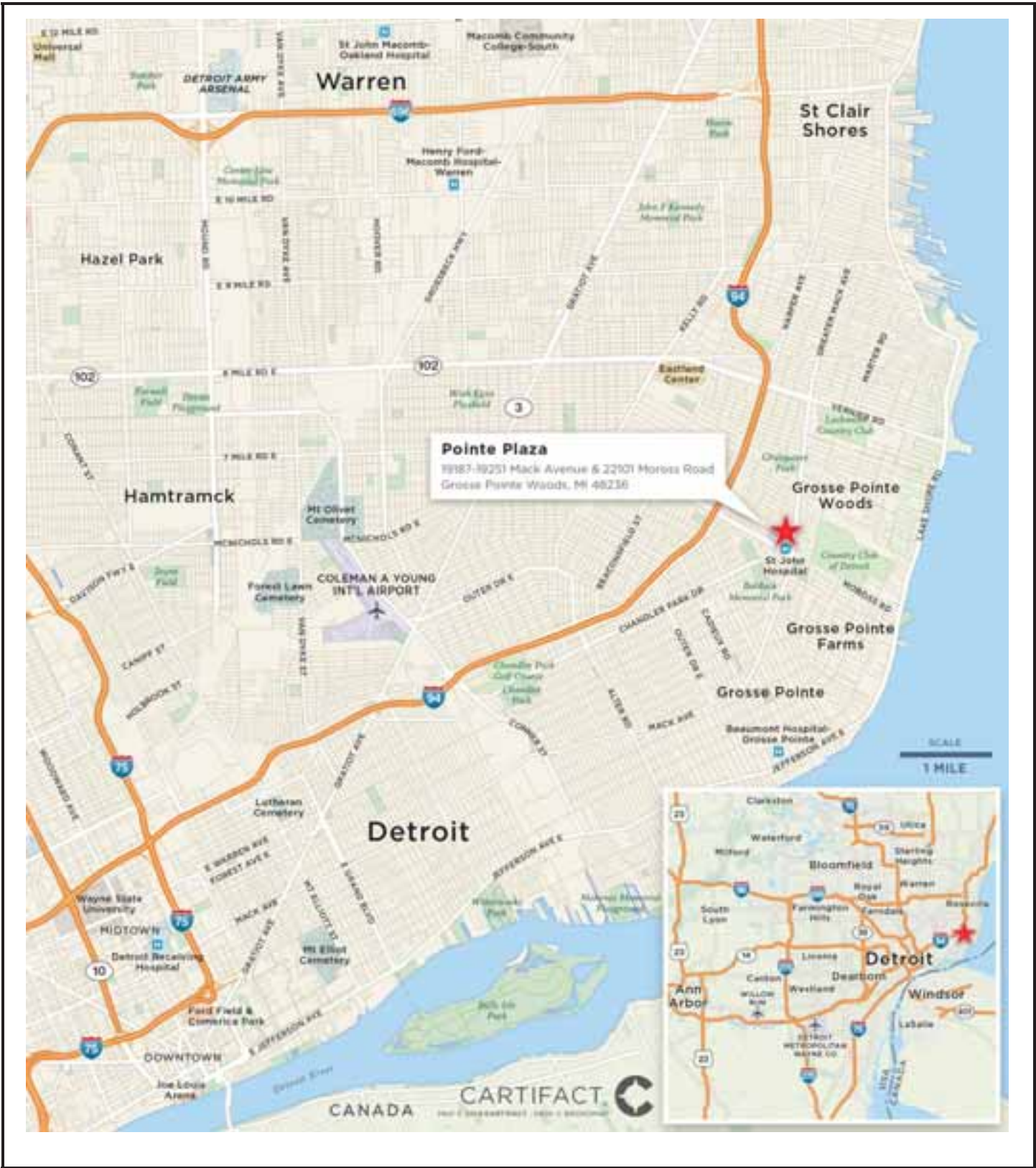


## Pointe Plaza





Pointe Plaza



## Pointe Plaza



## Pointe Plaza

### Mortgage Loan Information

<b>Mortgage Loan Seller:</b>	JPMCB
<b>Original Principal Balance:</b>	\$40,000,000
<b>Cut-off Date Principal Balance:</b>	\$40,000,000
<b>% of Pool by IPB:</b>	3.2%
<b>Loan Purpose:</b>	Refinance
<b>Borrower:</b>	Pointe Plaza Development, LLC
<b>Sponsor:</b>	David W. Schostak
<b>Interest Rate:</b>	4.79000%
<b>Note Date:</b>	6/12/2014
<b>Maturity Date:</b>	7/1/2024
<b>Interest-only Period:</b>	None
<b>Original Term:</b>	120 months
<b>Original Amortization:</b>	360 months
<b>Amortization Type:</b>	Balloon
<b>Call Protection:</b>	L(24),Def(93),O(3)
<b>Lockbox:</b>	CMA
<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:</b>	Fee
<b>Property Type - Subtype:</b>	Mixed Use - Office/Retail
<b>Net Rentable Area (SF):</b>	273,746
<b>Location:</b>	Grosse Pointe Woods, MI
<b>Year Built / Renovated:</b>	1990 / N/A
<b>Occupancy:</b>	87.5%
<b>Occupancy Date:</b>	2/1/2014
<b>Number of Tenants:</b>	31
<b>2011 NOI:</b>	\$4,566,272
<b>2012 NOI:</b>	\$4,311,893
<b>2013 NOI:</b>	\$3,743,202
<b>TTM NOI (as of 4/2014)<sup>(1)</sup>:</b>	\$3,535,110
<b>UW Economic Occupancy:</b>	93.8%
<b>UW Revenues:</b>	\$7,700,182
<b>UW Expenses:</b>	\$3,632,990
<b>UW NOI<sup>(1)</sup>:</b>	\$4,067,192
<b>UW NCF:</b>	\$3,572,871
<b>Appraised Value / Per SF:</b>	\$56,000,000 / \$205
<b>Appraisal Date:</b>	5/5/2014

### Escrows and Reserves<sup>(2)</sup>

	Initial	Monthly	Initial Cap
<b>Taxes:</b>	\$452,420	\$77,366	N/A
<b>Insurance:</b>	\$0	Springing	N/A
<b>Replacement Reserves:</b>	\$4,563	\$4,563	N/A
<b>TI/LC:</b>	\$33,334	\$33,334	\$1,600,000
<b>Other:</b>	\$2,349,716	\$0	N/A

### Financial Information

<b>Cut-off Date Loan / SF:</b>	\$146
<b>Maturity Date Loan / SF:</b>	\$119
<b>Cut-off Date LTV:</b>	71.4%
<b>Maturity Date LTV:</b>	58.3%
<b>UW NCF DSCR:</b>	1.42x
<b>UW NOI Debt Yield:</b>	10.2%

### Sources and Uses

Sources	Proceeds	% of Total	Uses	Proceeds	% of Total
Mortgage Loan	\$40,000,000	100.0%	Payoff Existing Debt	\$34,964,951	87.4%
			Upfront Reserves	2,840,033	7.1
			Closing Costs	2,195,016	5.5
<b>Total Sources</b>	<b>\$40,000,000</b>	<b>100.0%</b>	<b>Total Uses</b>	<b>\$40,000,000</b>	<b>100.0%</b>

(1) UW NOI is higher than TTM NOI due primarily to a new lease with LA Fitness for 31,240 square feet. LA Fitness is in occupancy, but will not commence paying rent until October 2014. At origination, the borrower reserved the full amount of free rent under the lease.

(2) For a full description of Escrows and Reserves, please refer to "Escrows and Reserves" below.

**The Loan.** The Pointe Plaza loan has an outstanding balance of \$40.0 million and is secured by a first mortgage lien on a 273,746 square foot, mixed use office/retail center located in Grosse Pointe Woods, Michigan. The loan has a 10-year term and will amortize on a 30-year schedule. The previously existing debt was held by a balance sheet lender.

**The Borrower.** The borrowing entity for the Pointe Plaza loan is Pointe Plaza Development, LLC, a Michigan limited liability company and special purpose entity.

## Pointe Plaza

**The Sponsor.** The loan sponsor and non-recourse carveout guarantor is David W. Schostak. David W. Schostak, along with his brothers Mark and Robert Schostack, are the owners of Schostak Brothers & Company, Inc. Schostak Brothers & Company, Inc. is a full-service real estate development, management, leasing and consulting company headquartered in Michigan that operates commercial properties in 19 states. The property is owned by a joint venture between Schostak Brothers & Company, Inc. and Affiliated Health Services, each of which own a 50% interest in the joint venture. Ascension Health is the parent company of Affiliated Health and is one of the largest nonprofit hospital systems in the United States with more than 1,500 locations across 23 states.

**The Property.** Pointe Plaza is a Class A, mixed use office/retail development located in Grosse Pointe Woods, Michigan. The property was constructed in 1990 and consists of a single tenant medical office building, a multi-tenant medical office building, enclosed multi-tenant retail space and a parking structure containing 1,800 parking spaces. The office space is comprised of two separate five-story office buildings totaling 211,115 square feet. The retail space, which totals 62,631 square feet, consists of three buildings connected by a common breezeway encompassing the front of the retail area and the parking area contains 237 surface parking spots as well as a five-story parking structure that provides an additional 1,563 spaces. The property is located directly adjacent to St. John Hospital, which is a 776-bed teaching hospital that employs over 5,800 associates and active medical staff and which features an Emergency Center, a Level II Trauma Center and a newly-constructed Cancer Research Center. Over the last 10 years, the St. John's Health System has invested approximately \$141.0 million to expand St. John's Hospital by 144 rooms and to construct the 69,127 square foot Cancer Research Center that is located directly behind the Pointe Plaza property.

As of February 1, 2014, the property was 87.5% occupied by 31 tenants. The single tenant office building is 100.0% occupied, the multi-tenant office building is 77.8% occupied and the multi-tenant retail space is 96.2% occupied. The single tenant medical office building totaling 98,483 square feet is 100.0% leased to Affiliated Health Services ("Affiliated Health"), which is a 50% owner in the borrower. Affiliated Health is the largest tenant at the property, occupying 32.2% of the net rentable area, and its medical office building is connected by a skywalk to the adjacent St. John Hospital. Affiliated Health is a subsidiary of the St. John Providence Health System, which operates five major hospitals with 125 ambulatory facilities in the Detroit area. The multi-tenant building serves as medical offices and private practice space for the doctors affiliated with St. John's Hospital. In the retail space, the largest tenant is LA Fitness, which signed a new 15-year lease that commenced in 2014 and occupies 11.4% of the net rentable area at the property. LA Fitness took over space that was formerly leased to Rite Aid. LA Fitness operates a gym located on the second floor which caters to the hospital staff and visitors as well as to the surrounding community. Other notable retail tenants include a Barnes & Noble, which renewed a five-year lease in 2013 and occupies 4.6% of the net rentable area at the property and a Dress Barn, which occupies 2.3% of the net rentable area at the property.

Pointe Plaza is located along the southwest corner of Mack Avenue and Moross Road, sharing residence in both Grosse Point Woods and Detroit city limits, Wayne County, Michigan. Primary access to the area is provided by I-94, a major arterial that bisects the metro area in the northeast/southwest direction. The property is located about 30 miles northeast of the Detroit Metropolitan Airport and approximately 13 miles northeast of the Detroit central business district. According to the appraisal, the property is located in the Detroit/The Pointes submarket, which has approximately 10.9 million square feet of Class A office space, with a vacancy rate of 14.0% and an average gross rental rate of \$21.32 per square foot as of the first quarter of 2014. The appraisal identified five competitive office properties built between 1944 and 2014 and ranging in size from approximately 37,211 square feet to 102,000 square feet. The comparable properties reported occupancies ranging from 64% to 100% with a weighted average occupancy of 90.3%. Asking rents for the comparable properties range from \$20.00 to \$35.75. The appraisal also noted that the medical office market segment is outperforming the larger office submarket primarily due to less speculative medical office development than general office development and a historical trend among healthcare providers of being reluctant to change locations due to patient familiarity. According to the appraisal, the retail demographics of the Detroit/The Pointes submarket consist of approximately 5.0 million square feet of retail space, with a vacancy rate of 14.6% and an average triple net rent of \$13.50 per square foot as of the first quarter of 2014. The property has a primary trade area consisting of a five-mile radius that contains 258,442 people, with a median household income of \$38,504 as of the first quarter of 2014.

Historical and Current Occupancy <sup>(1)</sup>			
2011	2012	2013	Current <sup>(2)</sup>
85.1%	85.1%	87.1%	87.5%

(1) Historical Occupancies are as of December 31 of each respective year.

(2) Current Occupancy is as of February 1, 2014.



## Pointe Plaza

Tenant Summary <sup>(1)</sup>					
Tenant	Ratings <sup>(2)</sup> Moody's/S&P/Fitch	Net Rentable Area (SF)	% of Total NRA	Base Rent PSF	Lease Expiration Date
Affiliated Health	Aa2 / AA+ / AA+	88,088	32.2%	\$15.00	11/1/2020
LA Fitness	NA / NA / NA	31,240	11.4%	\$27.00	5/1/2029
Barnes & Noble	NA / NA / NA	12,482	4.6%	\$14.82	1/1/2018
St. John Hospital (Info Systems)	NA / NA / NA	10,864	4.0%	\$26.25	3/31/2019
St. John Ambulatory	NA / NA / NA	10,727	3.9%	\$26.00	11/1/2017
St. John Corporate Comm.	NA / NA / NA	9,307	3.4%	\$20.00	6/1/2015
GSA Social Services	Aaa / AA+ / AAA	8,414	3.1%	\$25.00	8/31/2017
St. John Hospital (Internal Med.)	NA / NA / NA	7,503	2.7%	\$27.65	3/1/2018
Dress Barn	NA / NA / NA	6,359	2.3%	\$22.99	6/1/2023
Childtime Childcare, Inc.	NA / NA / NA	5,986	2.2%	\$15.26	11/30/2014

(1) Based on the underwritten rent roll.

(2) Ratings provided are for the parent company of the entity listed in the "Tenant" field whether or not the parent company guarantees the lease.

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	34,102	12.5%	NAP	NAP	34,102	12.5%	NAP	NAP
2014 & MTM	3	9,114	3.3	\$138,458	2.5%	43,216	15.8%	\$138,458	2.5%
2015	8	27,665	10.1	533,572	9.8	70,881	25.9%	\$672,030	12.3%
2016	4	11,254	4.1	334,387	6.1	82,135	30.0%	\$1,006,417	18.4%
2017	4	22,518	8.2	577,608	10.6	104,653	38.2%	\$1,584,024	29.0%
2018	5	23,794	8.7	495,402	9.1	128,447	46.9%	\$2,079,427	38.1%
2019	2	12,210	4.5	316,138	5.8	140,657	51.4%	\$2,395,565	43.9%
2020	1	88,089	32.2	1,888,794	34.6	228,746	83.6%	\$4,284,359	78.4%
2021	0	0	0.0	0	0.0	228,746	83.6%	\$4,284,359	78.4%
2022	1	4,625	1.7	117,938	2.2	233,371	85.3%	\$4,402,296	80.6%
2023	1	6,359	2.3	146,193	2.7	239,730	87.6%	\$4,548,489	83.3%
2024	1	2,776	1.0	69,400	1.3	242,506	88.6%	\$4,617,889	84.6%
2025 & Beyond	1	31,240	11.4	843,480	15.4	273,746	100.0%	\$5,461,369	100.0%
<b>Total</b>	<b>31</b>	<b>273,746</b>	<b>100.0%</b>	<b>\$5,461,369</b>	<b>100.0%</b>				

(1) Based on the underwritten rent roll.

Operating History and Underwritten Net Cash Flow							
	2011	2012	2013	TTM <sup>(1)</sup>	Underwritten	Per Square Foot	% <sup>(2)</sup>
Rents in Place <sup>(3)</sup>	\$5,497,247	\$5,371,922	\$5,144,514	\$4,985,268	\$5,461,369	\$19.95	66.7%
Vacant Income	0	0	0	0	506,528	1.85	6.2
<b>Gross Potential Rent</b>	<b>\$5,497,247</b>	<b>\$5,371,922</b>	<b>\$5,144,514</b>	<b>\$4,985,268</b>	<b>\$5,967,897</b>	<b>\$21.80</b>	<b>72.9%</b>
Total Reimbursements	2,333,001	2,282,264	2,151,344	2,055,265	2,223,813	8.12	27.1
<b>Net Rental Income</b>	<b>\$7,830,248</b>	<b>\$7,654,186</b>	<b>\$7,295,858</b>	<b>\$7,040,533</b>	<b>\$8,191,710</b>	<b>\$29.92</b>	<b>100.0%</b>
(Vacancy/Credit Loss)	0	0	0	0	(506,528)	(1.85)	(6.2)
Other Income	48,094	17,473	18,217	24,953	15,000	0.05	0.2
<b>Effective Gross Income</b>	<b>\$7,878,342</b>	<b>\$7,671,659</b>	<b>\$7,314,075</b>	<b>\$7,065,486</b>	<b>\$7,700,182</b>	<b>\$28.13</b>	<b>94.0%</b>
<b>Total Expenses</b>	<b>\$3,312,070</b>	<b>\$3,359,766</b>	<b>\$3,570,873</b>	<b>\$3,530,376</b>	<b>\$3,632,990</b>	<b>\$13.27</b>	<b>47.2%</b>
<b>Net Operating Income</b>	<b>\$4,566,272</b>	<b>\$4,311,893</b>	<b>\$3,743,202</b>	<b>\$3,535,110</b>	<b>\$4,067,192</b>	<b>\$14.86</b>	<b>52.8%</b>
Total TI/LC, Capex/RR	0	0	0	0	494,321	1.81	6.4
<b>Net Cash Flow</b>	<b>\$4,566,272</b>	<b>\$4,311,893</b>	<b>\$3,743,202</b>	<b>\$3,535,110</b>	<b>\$3,572,871</b>	<b>\$13.05</b>	<b>46.4%</b>

(1) TTM represents the trailing twelve-month period ending April 30, 2014. Percentage column represents percent of Net Rental Income for all revenue lines and represents percent of Effective Gross Income for the remainder of fields.

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

(3) UW Rents in Place are higher than TTM primarily due to a new lease with LA Fitness for 31,240 square feet. LA Fitness is in occupancy, but will not commence paying rent until October 2014. At origination, the borrower reserved the full amount of free rent under the lease.

## Pointe Plaza

**Property Management.** The property is managed by Shostak Brothers & Company, Inc., an affiliate of the loan sponsor.

**Escrows and Reserves.** At origination, the borrower deposited \$2,069,374 for outstanding tenant improvements and leasing commissions associated with LA Fitness and Dress Barn, \$452,420 for real estate taxes, \$238,079 for rent abatements associated with LA Fitness, \$42,263 for deferred maintenance, \$33,334 for general tenant improvements and leasing commissions and \$4,563 for replacement reserves.

**Tax Escrows -** On a monthly basis, the borrower is required to escrow 1/12 of the annual estimated tax payments, which currently equates to \$77,366.

**Insurance Escrows -** The requirement for the borrower to make monthly deposits to the insurance escrow is waived so long as no event of default exists and the borrower provides satisfactory evidence that the property is insured as part of a blanket policy in accordance with the loan documents.

**Replacement Reserves -** On a monthly basis, the borrower is required to escrow \$4,563 (\$0.20 per square foot annually) for replacement reserves.

**TI/LC Reserves -** On a monthly basis, the borrower is required to deposit \$33,334 (approximately \$1.46 per square foot annually) into the TI/LC escrow. The reserve is subject to a cap of \$1,600,000 (approximately \$5.84 per square foot).

**Lockbox / Cash Management.** The loan is structured with a CMA lockbox. At origination, the borrower or property manager was required to send tenant direction letters to tenants at the property instructing them to deposit all rents and payments directly to the lockbox account. Unless a Cash Sweep Event is continuing, all funds in the lockbox account are disbursed to an account controlled by the borrower. During a Cash Sweep Event, all funds in the lockbox account will be swept daily to a segregated cash management account to be set upon the occurrence of a Cash Sweep Event and all excess cash flow after payment of debt service, required reserves and budgeted operating expenses will be held in trust for the benefit of the lender in accordance with a cash management agreement executed at closing. The lender will have a first priority security interest in the cash management account.

A “Cash Sweep Event” means: (i) the occurrence of an event of default, (ii) any bankruptcy action of the borrower or property manager, (iii) the DSCR as calculated in the loan documents based on the trailing three-month period falls below 1.15x or (iv) an Affiliated Health Trigger Event.

An “Affiliated Health Trigger Event” means Affiliated Health (i) provides written notice to terminate or not extend its lease or fails to renew its lease 18 months prior to the lease expiration in November 2020, (ii) goes dark, vacates or abandons its parcel or, (iii) any lease guarantor files for bankruptcy or becomes insolvent. Affiliated Health has one, five-year renewal option remaining and has been a tenant since 1989.