

## Mortgage Loan No. 18 – 2200 West Loop

### Mortgage Loan Information

<b>Mortgage Loan Seller:</b>	JPMCB
<b>Original Principal Balance:</b>	\$20,600,000
<b>Cut-off Date Principal Balance:</b>	\$20,600,000
<b>% of Pool by IPB:</b>	1.8%
<b>Loan Purpose:</b>	Acquisition
<b>Borrower:</b>	Parmenter 2200 West Loop, LLC
<b>Sponsor:</b>	Parmenter Realty Fund IV Investments, Inc.
<b>Interest Rate:</b>	5.23800%
<b>Note Date:</b>	1/30/2012
<b>Maturity Date:</b>	2/1/2022
<b>Interest-only Period:</b>	24 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(93),O(2)
<b>Lock Box:</b>	Hard
<b>Additional Debt<sup>(2)</sup>:</b>	Permitted Mezzanine Loan
<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>	Office - CBD
<b>Net Rentable Area (SF):</b>	201,720
<b>Location:</b>	Houston, TX
<b>Year Built/Renovated:</b>	1974 / 2000, 2008
<b>Occupancy:</b>	85.1%
<b>Occupancy Date:</b>	3/2/2012
<b>Number of Tenants:</b>	11
<b>2009 NOI:</b>	\$3,153,531
<b>2010 NOI:</b>	\$2,871,852
<b>2011 NOI<sup>(1)</sup>:</b>	\$1,724,313
<b>UW Economic Occupancy:</b>	84.7%
<b>UW Revenues:</b>	\$4,460,002
<b>UW Expenses:</b>	\$2,271,099
<b>UW NOI<sup>(1)</sup>:</b>	\$2,188,903
<b>UW NCF:</b>	\$1,877,959
<b>Appraised Value:</b>	\$31,000,000
<b>Appraisal Date:</b>	1/12/2012

### Escrows and Reserves

	Initial	Monthly	Initial Cap
<b>Taxes:</b>	\$119,228	\$59,614	N/A
<b>Insurance:</b>	\$0	Springing	N/A
<b>Replacement Reserves:</b>	\$2,490	\$2,490	N/A
<b>TI/LC:</b>	\$23,400	\$23,400	\$1,000,000
<b>Other<sup>(3)</sup>:</b>	\$333,227	\$18,750	N/A

### Financial Information

<b>Cut-off Date Loan/SF:</b>	\$102
<b>Maturity Date Loan/SF:</b>	\$89
<b>Cut-off Date LTV:</b>	66.5%
<b>Maturity Date LTV:</b>	57.8%
<b>UW NCF DSCR:</b>	1.38x
<b>UW NOI Debt Yield:</b>	10.6%

(1) UW NOI is higher than 2011 NOI primarily due to the burn off of tenants' free rent periods, tenants that were not in occupancy for a full year in 2011 and contractual rent escalations.

(2) A mezzanine loan may be obtained by owners of a qualified transferee under a third party sale provided certain terms and conditions are satisfied including: (i) the LTV of the mortgage and mezzanine loans does not exceed 67.0% based on a newly commissioned appraisal; (ii) the debt service coverage ratio (taking into account the mezzanine loan) is not less than 1.25x; (iii) the mezzanine loan shall be evidenced by lender in its sole discretion and (iv) the maturity date of the mezzanine shall be no earlier than the maturity date of the loan.

(3) The Initial Other Escrows and Reserves represents the outstanding TI/LC reserve of \$197,247, the parking abatement reserve of \$85,980 and the Grandbridge reserve of \$50,000.

**The Loan.** The \$20.6 million first mortgage loan, along with borrower equity of approximately \$11.0 million, was used to finance the acquisition of 2200 West Loop for approximately \$30.9 million, fund upfront reserves of \$478,345 and pay closing costs of \$342,892. 2200 West Loop is a 201,720 square foot, Class A office property located in Galleria/West Loop North office submarket of Houston, Texas. Parmenter Realty Fund IV Investments, Inc. is the loan's nonrecourse carve-out guarantor and is an affiliate of Parmenter Realty Partners, a privately held investment owner/manager and a repeat JPMCB borrower.

**The Property.** 2200 West Loop is located at 2200 West Loop South in the Galleria/Upton area of Houston, Texas. The high-rise, 10 story building was constructed in 1974 and is 85.1% occupied by 11 tenants. The property underwent two major renovations in 2000 and 2008. The 2000 renovation, an approximately \$8.4 million renovation, focused on building modernization including a new garage, improvements to the driveway, and upgrades to the lobby and elevators. The 2008 renovation was focused on elevator modernization and chiller replacement and cost approximately \$2.0 million. The largest tenants at the property are Tenaris Global Services USA ("Tenaris"), Morgan Stanley Smith Barney and Tecpetrol Operating LLC. No other tenant occupies more than 8.0% of the net rentable area. Tenaris is a subsidiary of Tenaris S.A., a supplier of tubes and related services for the energy industry and other industrial applications. In the event that Tenaris does not renew its lease, excess cash flow will be swept up to a cap of \$400,000. In the event that Morgan Stanley Smith Barney does not renew its lease, excess cash flow will be swept up to a cap of \$500,000. Funds will be swept into separate accounts to be used to re-lease the respective spaces.

**The Market.** Primary access to the property is provided by West Loop South, a major artery that crosses the Houston area in a north-south direction. Public transportation is provided to the property via Houston Metro. According to the appraiser, as of the third quarter of 2011, the Galleria/West Loop North office submarket had an average vacancy rate of approximately 12.1% and effective rental rate of approximately \$29.12 for Class A properties. The property currently has a physical vacancy of 14.9% and an average rental rate of \$21.68.

## Mortgage Loan No. 18 – 2200 West Loop

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
Tenaris Global Services USA	NA / NA / A-	73,608	36.5%	\$18.64	11/30/2017
Morgan Stanley Smith Barney	A2 / A- / A	32,748	16.2%	\$26.00	4/30/2013
Tecpetrol Operating LLC	NA / NA / NA	16,326	8.1%	\$22.50	11/30/2017
Live Oak aka Grandbridge	A1 / A / A+	10,083	5.0%	\$22.34	10/31/2012
White Mackillop Gallant PC	NA / NA / NA	10,056	5.0%	\$26.15	6/30/2017
Westney Consulting Group Inc.	NA / NA / NA	9,257	4.6%	\$25.94	2/18/2015
Montgomery Roth Architecture	NA / NA / NA	6,478	3.2%	\$22.20	1/31/2014
Boyd Commercial	NA / NA / NA	5,486	2.7%	\$15.35	12/31/2013 <sup>(3)</sup>
Magellan E & P Holdings Inc	NA / NA / NA	3,188	1.6%	\$26.00	2/28/2017
Consulate General of Argentina	B3 / BU / B	3,082	1.5%	\$25.50	6/30/2019 <sup>(4)</sup>

(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.

(3) Boyd Commercial has the right to terminate its lease effective December 31, 2013 with 180 days notice subject to payment of a termination fee.

(4) The Consulate General of Argentina has a 90 day termination option in the event the Argentine government no longer wants a consulate office in Houston, Texas. The termination fee equals the unamortized portion of all the costs associated with the lease amortized at 10%.

Operating History and Underwritten Net Cash Flow						
	2009	2010	2011	Underwritten	Per Square Foot	% <sup>(1)</sup>
Rents in Place	\$3,986,917	\$4,083,955	\$3,454,898	\$3,720,432	\$18.44	75.0%
Vacant Income	0	0	0	672,984	3.34	13.6
<b>Gross Potential Rent</b>	<b>\$3,986,917</b>	<b>\$4,083,955</b>	<b>\$3,454,898</b>	<b>\$4,393,416</b>	<b>\$21.78</b>	<b>88.5%</b>
Total Reimbursements	1,079,558	934,259	575,475	570,318	2.83	11.5
<b>Net Rental Income</b>	<b>\$5,066,475</b>	<b>\$5,018,214</b>	<b>\$4,030,373</b>	<b>\$4,963,734</b>	<b>\$24.61</b>	<b>100.0%</b>
(Vacancy/Credit Loss)	(8,288)	(3,184)	(373,813)	(806,764)	(4.00)	(16.3)
Other Income	313,801	270,104	171,096	303,031	1.50	6.1
<b>Effective Gross Income</b>	<b>\$5,371,988</b>	<b>\$5,285,134</b>	<b>\$3,827,656</b>	<b>\$4,460,002</b>	<b>\$22.11</b>	<b>89.9%</b>
<b>Total Expenses</b>	<b>\$2,218,457</b>	<b>\$2,413,282</b>	<b>\$2,103,343</b>	<b>\$2,271,099</b>	<b>\$11.26</b>	<b>50.9%</b>
<b>Net Operating Income<sup>(2)</sup></b>	<b>\$3,153,531</b>	<b>\$2,871,852</b>	<b>\$1,724,313</b>	<b>\$2,188,903</b>	<b>\$10.85</b>	<b>49.1%</b>
Total TI/LC, Capex/RR	0	0	0	310,943	1.54	7.0
<b>Net Cash Flow</b>	<b>\$3,153,531</b>	<b>\$2,871,852</b>	<b>\$1,724,313</b>	<b>\$1,877,959</b>	<b>\$9.31</b>	<b>42.1%</b>
<b>Occupancy</b>	<b>99.0%</b>	<b>100.0%</b>	<b>83.0%</b>	<b>85.1%</b>		

(1) 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) UW NOI is higher than 2011 NOI primarily due to the burn off of tenants' free rent periods, tenants that were not in occupancy for a full year in 2011 and contractual rent escalations.