

## Southport Plaza

### Mortgage Loan Information

<b>Mortgage Loan Seller:</b>	Barclays
<b>Original Principal Balance:</b>	\$25,000,000
<b>Cut-off Date Principal Balance:</b>	\$25,000,000
<b>% of Pool by IPB:</b>	2.1%
<b>Loan Purpose:</b>	Refinance
<b>Borrower:</b>	Southport, LLC
<b>Sponsor:</b>	George Kaye
<b>Interest Rate:</b>	3.93100%
<b>Note Date:</b>	9/5/2014
<b>Maturity Date:</b>	9/6/2024
<b>Interest-only Period:</b>	120 months
<b>Original Term:</b>	120 months
<b>Original Amortization:</b>	None
<b>Amortization Type:</b>	Interest Only
<b>Call Protection:</b>	L(26),Def(90),O(4)
<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:</b>	Fee
<b>Property Type - Subtype:</b>	Mixed Use - Office/Industrial
<b>Net Rentable Area (SF):</b>	192,080
<b>Location:</b>	Staten Island, NY
<b>Year Built / Renovated:</b>	2001 / N/A
<b>Occupancy:</b>	96.8%
<b>Occupancy Date:</b>	9/9/2014
<b>Number of Tenants:</b>	8
<b>2011 NOI:</b>	\$3,363,532
<b>2012 NOI:</b>	\$3,481,891
<b>2013 NOI:</b>	\$3,561,311
<b>TTM NOI (as of 7/2014)<sup>(1)</sup>:</b>	\$3,421,871
<b>UW Economic Occupancy:</b>	95.0%
<b>UW Revenues:</b>	\$5,601,636
<b>UW Expenses:</b>	\$1,887,835
<b>UW NOI<sup>(1)</sup>:</b>	\$3,713,801
<b>UW NCF:</b>	\$3,424,424
<b>Appraised Value / Per SF:</b>	\$54,000,000 / \$281
<b>Appraisal Date:</b>	8/21/2014

### Escrows and Reserves

	Initial	Monthly	Initial Cap
<b>Taxes:</b>	\$98,812	\$32,937	N/A
<b>Insurance:</b>	\$5,307	\$5,307	N/A
<b>Replacement Reserves:</b>	\$0	\$0	N/A
<b>TI/LC<sup>(2)</sup>:</b>	\$0	Springing	\$1,750,000
<b>Other<sup>(3)</sup>:</b>	\$600,000	\$0	N/A

### Financial Information

<b>Cut-off Date Loan / SF:</b>	\$130
<b>Maturity Date Loan / SF:</b>	\$130
<b>Cut-off Date LTV:</b>	46.3%
<b>Maturity Date LTV:</b>	46.3%
<b>UW NCF DSCR:</b>	3.44x
<b>UW NOI Debt Yield:</b>	14.9%

### Sources and Uses

Sources	Proceeds	% of Total	Uses	Proceeds	% of Total
Mortgage Loan	\$25,000,000	100.0%	Payoff Existing Debt	\$14,741,138	59.0%
			Return of Equity	8,789,777	35.2
			Closing Costs	764,967	3.1
			Upfront Reserves	704,119	2.8
<b>Total Sources</b>	<b>\$25,000,000</b>	<b>100.0%</b>	<b>Total Uses</b>	<b>\$25,000,000</b>	<b>100.0%</b>

(1) UW NOI is higher than TTM primarily due to \$156,021 of contractual rent bumps.

(2) Commencing on the earliest to occur of (i) January 31, 2018 (nine months prior to the Xerox tenant's current expiration date), (ii) January 31, 2020, if the Xerox tenant exercises its first option to extend the expiration date of the lease to October 31, 2020 or (iii) January 31, 2022, if the Xerox tenant exercises its second option to extend the expiration date of the lease to October 31, 2022, the borrower is required to escrow \$200,000, on a monthly basis, for TI/LC reserves. The reserve is subject to a cap of \$1,750,000 (approximately \$9.11 per square foot).

(3) The Initial Other Escrows and Reserves represents a \$600,000 settlement reserve relating to on-going litigation with the New York City Industrial Developmental Agency. If the settlement reserve is insufficient to cover final settlement costs, a cash flow sweep will commence until the amount required to cover the final settlement costs is satisfied. Based on preliminary discussions and as reported by the borrower, the settlement costs are anticipated to be less than the reserved amount. See "Description of the Mortgage Pool- Litigation Considerations; Bankruptcy Issues and Other Proceedings," in the Prospectus Supplement.

**The Loan.** The Southport Plaza loan has an outstanding principal balance of \$25.0 million and is secured by a first mortgage lien on the borrower's fee interest in a four-story, 192,080 square foot, Class B+ office and industrial flex building located in Staten Island, New York. The loan has a 10-year term and is interest-only for the term of the loan. The loan sponsor and nonrecourse guarantor is George Kaye, whose family developed the property in 2001 for \$21.75 million and also owns the largest tenant at the property, Supreme Chocolatier. The Supreme Chocolatier lease has been guaranteed by the sponsor. The previously existing debt was securitized in the JPMCC 2004-CBX transaction.

## Southport Plaza

**The Property.** Southport Plaza is a four-story, 192,080 square foot, Class B+ office and industrial flex building located in Staten Island, New York and was constructed by the sponsor in 2001. The office component is comprised of 127,522 square feet, accounting for approximately 66.4% of the net rentable area and the industrial flex component is comprised of 64,558 square feet, accounting for approximately 33.6% of the net rentable area. As of September 9, 2014, the property was 96.8% occupied by eight tenants. Since 2010, the occupancy has not fallen below 91.0% and the average occupancy over that period was 95.6%.

The largest tenant, Supreme Chocolatier ("Supreme") is headquartered at the property and has been in the business of producing premium chocolate boxes since 1911. The chocolates are manufactured under the following brand names: Blum's of San Francisco, House of Bauer and Superior Confections. After the sponsor developed Southport Plaza in 2001, Supreme was relocated to the property. Additionally, the tenant is also owned by the sponsor's family and the sponsor has guaranteed Supreme's lease. A majority of the space is used as office/industrial flex for the production and distribution of the chocolates. As a result of the candy's popularity, George Kaye was inducted into the "Candy Hall of Fame" in 2009, in addition to receiving other accolades such as the 50 Year Membership Award from the Philadelphia Candy Association and Export Achievement recognition from the U.S. Department of Commerce. Supreme's lease expires in 2026, two years after the loan matures.

The second largest tenant, Affiliated Computer Services ("ACS"), was acquired by Xerox in February 2010 and has been at the property since 2008. ACS administers the electronic tolling service, E-Z Pass, within the United States and has contracts for other services with the MTA, NYS Thruway Authority, the Port Authority and the NYS Bridge Authority. E-Z Pass utilizes the entire space at the office as a call center, a distribution facility and a small storefront customer service space. ACS has two two-year renewal options with six months notice required prior to its expiration date. ACS's parent company, Xerox, is a multinational corporation in the business of producing and selling printers, multifunction systems, photocopiers, digital production printing presses and related consulting services and supplies. Xerox is headquartered in Norwalk, Connecticut, and employs over 140,000 people. In fiscal year 2013, Xerox had revenue of approximately \$21.4 billion.

The third largest tenant, First Data, is a global payment processing company, providing electronic commerce and payment solutions. First Data also provides services such as merchant transaction processing, fraud protection and authentication solutions, credit reporting agency services, electronic check acceptance services, as well as Internet commerce and mobile payment solutions. First Data has been located at the property since 2002 and has extended its lease three times.

**The Market.** Southport Plaza is located within the Staten Island submarket of the New York City outer boroughs market. Southport Plaza is located off of the West Shore Expressway, in close proximity to Interstate 278, providing the property with high visibility. According to the appraisal, as of the second quarter of 2014, the vacancy rate in the submarket was approximately 7.9% and average rents per square foot were \$24.11. Furthermore, the Class B office vacancy rate for that same period was 5.3%, dropping from 6.0% at the end of the third quarter of 2013, with rental rates for Class B at \$28.85 per square foot. The property's competitive set has a vacancy rate of 5.1% and average lease rate of \$26.52 per square foot. The industrial vacancy rate as of the end of the second quarter of 2014 is 5.2%, with rental rates of \$16.10. The flex sector quoted a rental rate as of the end of the second quarter of \$29.09 per square foot. According to the appraiser, there are few buildings in construction and year to date net absorption is positive.

Tenant Summary <sup>(1)</sup>					
Tenant	Ratings <sup>(2)</sup> Moody's/S&P/Fitch	Net Rentable Area (SF)	% of Total NRA	UW Base Rent PSF	Lease Expiration Date
Supreme Chocolatier	NA / NA / NA	64,558	33.6%	\$15.00	12/31/2026
Xerox <sup>(3)(4)</sup>	Baa2 / BBB / BBB	59,000	30.7%	\$25.00	10/31/2018
First Data	Caa1 / B / CCC+	34,261	17.8%	\$23.50	5/31/2019
VNS	NA / NA / NA	16,630	8.7%	\$24.00	6/30/2022
GSA VA <sup>(5)</sup>	Aaa / AA+ / AAA	7,618	4.0%	\$32.16	MTM
Edward Jones <sup>(6)</sup>	NA / NA / NA	2,010	1.0%	\$22.50	12/31/2014
PRWT	NA / NA / NA	1,043	0.5%	\$22.50	3/31/2019
Dawning	NA / NA / NA	756	0.4%	\$20.00	MTM

(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) Xerox occupies two different spaces, located on the first and fourth floor, comprising 24,739 square feet and 34,261 square feet, respectively.

(4) Xerox may terminate its lease upon giving landlord six months prior written notice of termination if tenant's contract to fulfill operational requirements for E-Z Pass was canceled or expired.

(5) GSA VA is currently leasing on a month-to-month basis and is in negotiations for a one-year renewal. GSA VA has been in occupancy at the property since 2003.

(6) Edward Jones is currently in negotiations to extend its lease beyond the expiration date.

## Southport Plaza

### 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>	\$3,355,311	\$3,395,060	\$3,500,472	\$3,608,262	\$3,976,431	\$20.70	67.4%
Vacant Income	0	0	0	0	148,462	0.77	2.5
<b>Gross Potential Rent</b>	<b>\$3,355,311</b>	<b>\$3,395,060</b>	<b>\$3,500,472</b>	<b>\$3,608,262</b>	<b>\$4,124,893</b>	<b>\$21.47</b>	<b>70.0%</b>
Total Reimbursements	1,582,952	1,574,116	1,655,052	1,726,148	1,766,224	9.20	30.0
Other Income	6,123	1,279	5,342	33,494	5,342	0.03	0.1
<b>Net Rental Income</b>	<b>\$4,944,386</b>	<b>\$4,970,454</b>	<b>\$5,160,866</b>	<b>\$5,367,904</b>	<b>\$5,896,459</b>	<b>\$30.70</b>	<b>100.0%</b>
(Vacancy/Credit Loss)	0	0	0	0	(294,823)	(1.53)	(5.0)
<b>Effective Gross Income</b>	<b>\$4,944,386</b>	<b>\$4,970,454</b>	<b>\$5,160,866</b>	<b>\$5,367,904</b>	<b>\$5,601,636</b>	<b>\$29.16</b>	<b>95.0%</b>
<b>Total Expenses</b>	<b>\$1,580,854</b>	<b>\$1,488,564</b>	<b>\$1,599,555</b>	<b>\$1,946,033</b>	<b>\$1,887,835</b>	<b>\$9.83</b>	<b>33.7%</b>
<b>Net Operating Income</b>	<b>\$3,363,532</b>	<b>\$3,481,891</b>	<b>\$3,561,311</b>	<b>\$3,421,871</b>	<b>\$3,713,801</b>	<b>\$19.33</b>	<b>66.3%</b>
Total TI/LC, Capex/RR	0	0	0	0	289,376	1.51	5.2
<b>Net Cash Flow</b>	<b>\$3,363,532</b>	<b>\$3,481,891</b>	<b>\$3,561,311</b>	<b>\$3,421,871</b>	<b>\$3,424,424</b>	<b>\$17.83</b>	<b>61.1%</b>
<b>Occupancy<sup>(4)</sup></b>	<b>91.0%</b>	<b>97.0%</b>	<b>97.0%</b>	<b>96.8%</b>	<b>95.0%</b>		

(1) TTM column represents the trailing twelve month period ending July 31, 2014.

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

(3) Underwritten Rents in Place is higher than TTM primarily due to \$156,021 of contractual rent bumps.

(4) Historical Occupancies are as of December 31 of each respective year. TTM Occupancy is as of September 9, 2014.

**Partial Release.** The borrower is permitted to make transfers of non-income producing portions of the property to third parties or affiliates in accordance with certain terms and conditions set forth in the loan documents.