

Mortgage Loan No. 14 – Shamin Virginia Portfolio

Mortgage Loan Information

Mortgage Loan Seller:	JPMCB
Original Principal Balance:	\$26,000,000
Cut-off Date Principal Balance:	\$25,878,858
% of Pool by IPB:	2.3%
Loan Purpose:	Refinance
Borrowers:	Roslyn Hotel, LLC, Southpark HI, LLC
Sponsor:	Neil Amin
Interest Rate:	5.15000%
Note Date:	6/27/2012
Maturity Date:	7/1/2022
Interest-only Period:	None
Original Term:	120 months
Original Amortization:	300 months
Amortization Type:	Balloon
Call Protection:	L(25),Grtr1%orYM(92),O(3)
Lockbox:	CMA
Additional Debt:	N/A
Additional Debt Balance:	N/A
Additional Debt Type:	N/A

Property Information

Single Asset/Portfolio:	Portfolio
Title:	Fee
Property Type - Subtype:	Hotel - Various
Rooms:	272
Location:	Colonial Heights, VA
Year Built/Renovated:	2008 / N/A
Occupancy:	83.6%
Occupancy Date:	7/31/2012
Number of Tenants:	N/A
2009 NOI:	\$2,018,470
2010 NOI:	\$3,136,363
2011 NOI:	\$3,422,006
TTM NOI⁽¹⁾:	\$3,635,194
UW Economic Occupancy:	79.9%
UW Revenues:	\$7,326,261
UW Expenses:	\$3,828,371
UW NOI:	\$3,497,890
UW NCF:	\$3,497,890
Appraised Value / Per Room:	\$46,000,000 / \$169,118
Appraisal Date:	5/25/2012

Escrows and Reserves

	Initial	Monthly	Initial Cap
Taxes:	\$43,400	\$16,639	N/A
Insurance:	\$0	Springing	N/A
FF&E:	\$24,764	4% of Gross Revenue	N/A
TI/LC:	\$0	\$0	N/A
Other⁽²⁾:	\$12,500	\$0	N/A

Financial Information

Cut-off Date Loan/Room:	\$95,143
Maturity Date Loan/Room:	\$71,860
Cut-off Date LTV:	56.3%
Maturity Date LTV:	42.5%
UW NCF DSCR:	1.89x
UW NOI Debt Yield:	13.5%

(1) TTM NOI represents the trailing twelve month period ending July 31, 2012.

(2) The Initial Other Escrows and Reserves represents the deferred maintenance reserve.

The Loan. The Shamin Virginia Portfolio loan has an outstanding principal balance of approximately \$25.9 million and is secured by a first mortgage lien on a portfolio of two hotels located in Colonial Heights, Virginia. The ten-year loan amortizes on a 25-year schedule. The proceeds of the loan were used to repay previously existing debt of approximately \$23.0 million, pay closing costs of \$0.3 million, fund upfront reserves of \$0.1 million and return equity of approximately \$2.6 million. The sponsor, Neil Amin, is the CEO of Shamin Hotels ("Shamin") a privately owned hotel company that currently owns and manages more than 37 properties in three states. Shamin currently operates hotels under the Hilton, Hilton Garden Inn, Homewood Suites, Hampton Inn, Courtyard By Marriott, Fairfield Inn By Marriot, Residence Inn By Marriot, Holiday Inn Express, Holiday Inn, Comfort Suites and Quality Inn flags.

The Properties. The properties, comprised of the Holiday Inn Petersburg North-Fort Lee and Hampton Inn Petersburg-Southpark Mall, are full and limited service hotels, respectively, that were both constructed in 2008 and contain a combined total of 272 rooms. The Holiday Inn Petersburg North-Fort Lee is a six-story, 143-room full service hotel with amenities that include a fitness center, indoor pool, full service business center, on-site guest laundry facilities, full service restaurant and approximately 4,325 square feet of meeting space. The Hampton Inn Petersburg-Southpark Mall is a six-story, 129-room limited service hotel with amenities that include a fitness center, indoor pool, a 24-hour coffee bar, full service business center, on-site guest laundry facilities and approximately 659 square feet of meeting space.

The Market. The properties are located adjacent to each other in Colonial Heights, Virginia and are less than one mile east of Interstate 95 and 22 miles south of Richmond, Virginia. The properties are located one mile from Southpark Mall, an approximately 687,000 square foot mall, four miles from Virginia State University, with a population of approximately 5,300 students, and three miles from Fort Lee military base, the one of the largest Army training sites in the country. According to the appraiser, the local economy has seen significant growth in recent years, with several multi-national companies expanding their operations in the area. Amazon.com is opening two distribution facilities, one in Meadowville Technology Park in Chesterfield County and another in neighboring Dinwiddie County. Rolls-Royce invested roughly \$500 million to construct a large advanced manufacturing campus in North America located in nearby Prince George County, VA and has recently announced the expansion of the current facility including the construction of a new 90,000 square foot factory.

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Below is a chart showing the historical performance of the Holiday Inn Petersburg North-Fort Lee versus its competitive set:

Historical Occupancy, ADR, RevPAR									
Year	Competitive Set ⁽¹⁾			Holiday Inn Petersburg North-Fort Lee			Penetration Factor ⁽²⁾		
	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR
2010	64.6%	\$81.18	\$52.43	75.3%	\$75.44	\$56.78	116.6%	92.9%	108.3%
2011	69.5%	\$83.18	\$57.81	76.0%	\$80.21	\$60.98	109.4%	96.4%	105.5%
TTM ⁽³⁾	75.9%	\$82.12	\$62.34	80.6%	\$79.98	\$64.49	106.2%	97.4%	103.4%

(1) Data provided by Smith Travel Research. Competitive set contains the following properties: Holiday Inn & Suites Richmond South Bells Road, Fairfield Inn Richmond Chester, Comfort Suites Southpark Colonial Heights, Courtyard Richmond Chester, Hyatt Place Richmond Chester, Hilton Garden Inn Richmond South Southpark, Holiday Inn Express & Suites Petersburg Fort Lee and Hampton Inn Petersburg Southpark Mall.

(2) Penetration Factor is calculated based on data provided by Smith Travel Research.

(3) TTM row represents the trailing twelve months ending July 31, 2012.

Below is a chart showing the historical performance of the Hampton Inn Petersburg-Southpark Mall versus its competitive set:

Historical Occupancy, ADR, RevPAR									
Year	Competitive Set ⁽¹⁾			Hampton Inn Petersburg-Southpark Mall			Penetration Factor ⁽²⁾		
	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR
2010	69.7%	\$81.23	\$56.58	77.1%	\$78.58	\$60.57	110.7%	96.7%	107.1%
2011	74.6%	\$84.48	\$63.04	82.6%	\$84.42	\$69.75	110.7%	99.9%	110.6%
TTM ⁽³⁾	78.3%	\$84.28	\$66.02	86.8%	\$82.03	\$71.20	110.8%	97.3%	107.9%

(1) Data provided by Smith Travel Research. Competitive set contains the following properties: Holiday Inn Express Richmond Chester, Fairfield Inn Richmond Chester, Hampton Inn Petersburg Fort Lee, Comfort Suites Southpark Colonial Heights, Courtyard Richmond Chester, Hilton Garden Inn Richmond South Southpark, Holiday Inn Express & Suites Petersburg Fort Lee and Candlewood Suites Colonial Heights Fort Lee.

(2) Penetration Factor is calculated based on data provided by Smith Travel Research.

(3) TTM row represents the trailing twelve months ending July 31, 2012.

Operating History and Underwritten Net Cash Flow							
	2009	2010	2011	TTM ⁽¹⁾	Underwritten	Per Room	% of Total Revenue ⁽²⁾
Occupancy	53.8%	76.1%	79.2%	83.6%	79.9%		
ADR	\$82.77	\$76.96	\$82.30	\$81.00	\$82.00		
RevPAR	\$44.55	\$58.58	\$65.14	\$67.67	\$65.52		
Room Revenue	\$4,422,515	\$5,815,702	\$6,467,090	\$6,737,106	\$6,504,388	\$23,913	88.8%
Food and Beverage	421,264	581,591	501,165	496,056	490,612	1,804	6.7
Other Revenue	191,930	293,794	298,610	335,426	331,261	1,218	4.5
Total Revenue	\$5,035,708	\$6,691,087	\$7,266,865	\$7,568,588	\$7,326,261	\$26,935	100.0%
Room Expense	867,056	1,016,524	1,139,382	1,164,509	1,125,661	4,138	17.3
Food and Beverage Expense	332,716	407,945	407,952	402,316	397,901	1,463	81.1
Other Departmental Expenses	33,886	37,648	40,914	40,228	38,652	142	11.7
Departmental Profit	\$3,802,049	\$5,228,970	\$5,678,617	\$5,961,535	\$5,764,046	\$21,191	78.7%
Operating Expenses	937,482	1,070,922	1,167,893	1,204,320	1,163,466	4,277	15.9
Gross Operating Profit	\$2,864,567	\$4,158,048	\$4,510,723	\$4,757,214	\$4,600,580	\$16,914	62.8%
Fixed Expenses	272,440	262,480	256,925	255,816	264,633	973	3.6
Management Fee	151,071	200,733	218,006	227,058	219,788	808	3.0
Franchise Fee	221,157	290,830	323,112	336,403	325,219	1,196	4.4
FF&E	201,428	267,643	290,675	302,744	293,050	1,077	4.0
Total Other Expenses	\$846,097	\$1,021,685	\$1,088,718	\$1,122,020	\$1,102,691	\$4,054	15.1%
Net Operating Income	\$2,018,470	\$3,136,363	\$3,422,006	\$3,635,194	\$3,497,890	\$12,860	47.7%
Net Cash Flow	\$2,018,470	\$3,136,363	\$3,422,006	\$3,635,194	\$3,497,890	\$12,860	47.7%

(1) TTM column represents the trailing twelve month period ending July 31, 2012.

(2) % of Total Revenue column for Room Expense, Food and Beverage Expense and Other Departmental Expenses is based on their corresponding revenue line item.