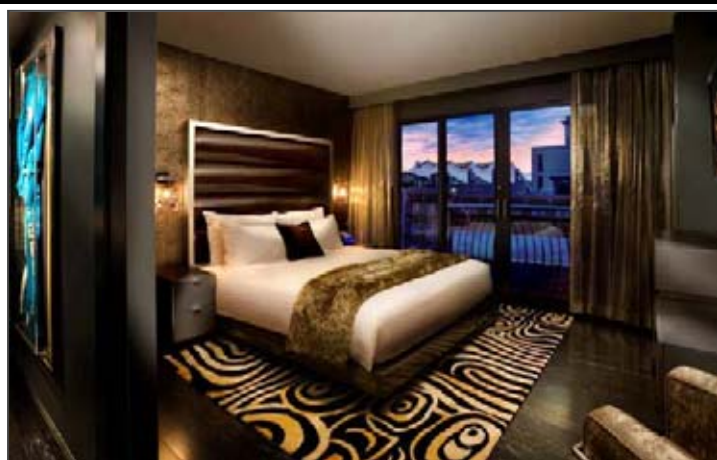
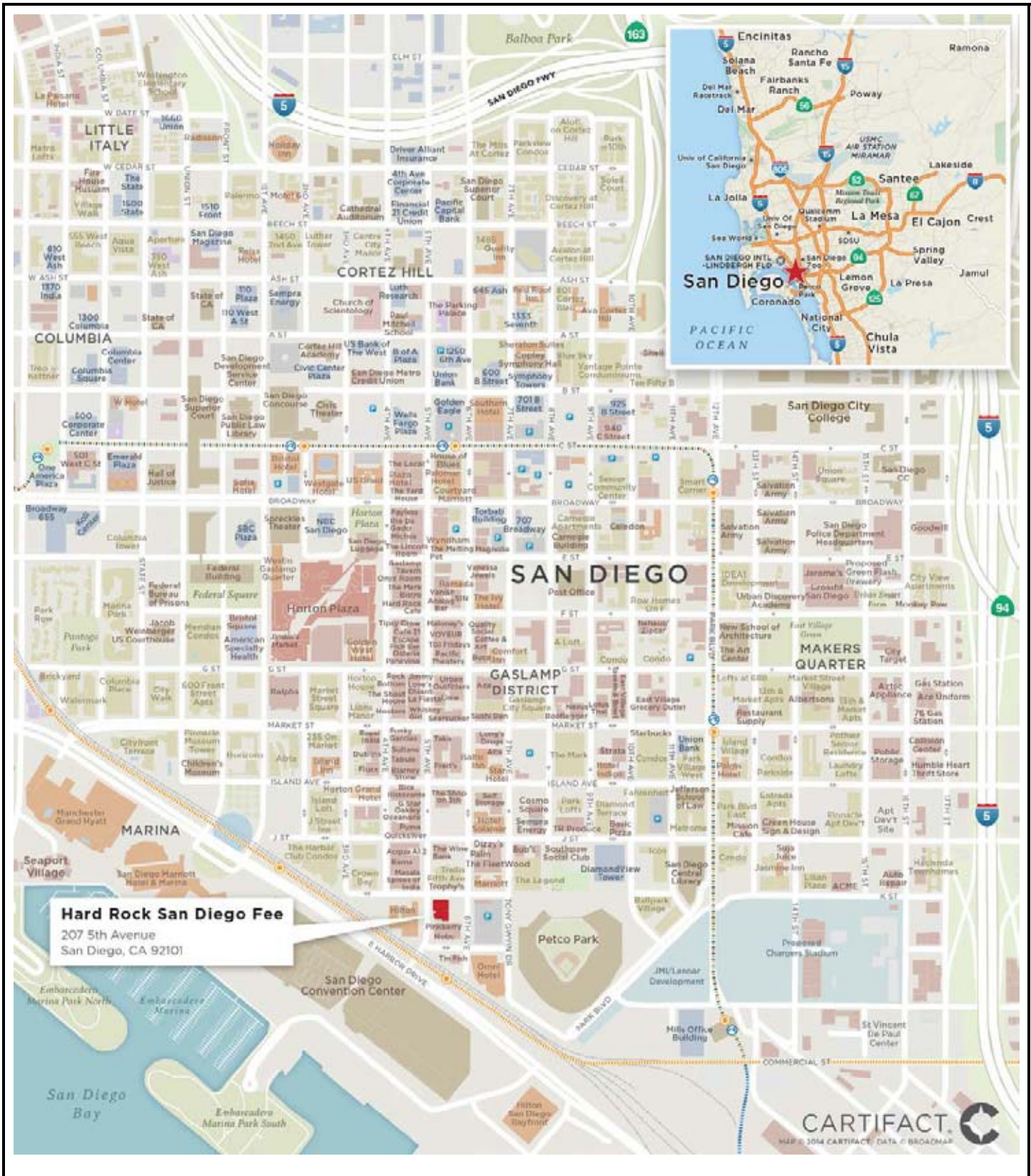


Hard Rock San Diego Fee



Hard Rock San Diego Fee



Hard Rock San Diego Fee

Mortgage Loan Information

Mortgage Loan Seller:	JPMCB
Original Principal Balance:	\$48,000,000
Cut-off Date Principal Balance:	\$48,000,000
% of Pool by IPB:	3.5%
Loan Purpose:	Refinance
Borrower:	HRG Holdings, LLC
Sponsor:	SDRP, LLC
Interest Rate:	4.34300%
Note Date:	8/27/2014
Anticipated Repayment Date⁽⁴⁾:	9/1/2024
Interest-only Period:	120 months
Original Term⁽⁶⁾:	120 months
Original Amortization:	None
Amortization Type:	ARD-Interest Only
Call Protection:	L(24),Def(90),O(6)
Lockbox:	Hard
Additional Debt:	N/A
Additional Debt Balance:	N/A
Additional Debt Type:	N/A

Property Information

Single Asset / Portfolio:	Single Asset
Title:	Fee
Property Type – Subtype:	Other - Leased Fee ⁽¹⁾
Net Rentable Area (SF)⁽²⁾:	52,708 (1.21 acres)
Location:	San Diego, CA
Year Built / Renovated⁽³⁾:	2008 / N/A
Occupancy:	100.0%
Occupancy Date:	6/30/2014
Number of Tenants:	N/A
2011 NOI⁽⁵⁾:	\$2,895,217
2012 NOI⁽⁵⁾:	\$2,920,157
2013 NOI⁽⁵⁾:	\$2,919,603
TTM NOI (as of 06/2014)⁽⁵⁾:	\$2,955,372
UW Occupancy:	100.0%
UW Revenue⁽⁷⁾:	\$2,999,067
UW Expense:	\$0
UW NOI:	\$2,999,067
UW NCF:	\$2,999,067
Appraised Value / Per Room⁽⁸⁾⁽⁹⁾:	\$60,000,000 / N/A
Appraisal Date:	7/25/2014

Escrows and Reserves⁽¹⁰⁾

	Initial	Monthly	Initial Cap
Taxes:	\$0	Springing	N/A
Insurance:	\$0	Springing	N/A
FF&E Reserves:	\$0	\$0	N/A
TI/LC:	\$0	\$0	N/A
Other:	\$0	\$0	N/A

Financial Information

Cut-off Date Loan / Room⁽⁹⁾:	N/A
Maturity Date Loan / Room⁽⁹⁾:	N/A
Cut-off Date LTV:	80.0%
Maturity Date LTV:	80.0%
UW NCF DSCR⁽¹¹⁾:	1.42x
UW NOI Debt Yield⁽¹¹⁾:	6.2%

Sources and Uses

Sources	Proceeds	% of Total	Uses	Proceeds	% of Total
Mortgage Loan	\$48,000,000	100.0%	Payoff Existing Debt	\$27,554,010	57.4%
			Return of Equity	19,982,967	41.6
			Closing Costs	463,023	1.0
Total Sources	\$48,000,000	100.0%	Total Uses	\$48,000,000	100.0%

(1) The fee property is subject to a ground lease, with an original fully extended term of 99 years, expiring on December 31, 2103, which commenced on November 15, 2004. The lease is a triple-net lease requiring the lessee to pay all real estate taxes, insurance, utilities and all other operating and maintenance costs.

(2) Net Rentable Area includes only the land parcel included in the fee leased property and not the improvements.

(3) Year Built / Renovated refers to the improvements on the property that are not included in the collateral for the loan.

(4) The loan is structured with an anticipated repayment date ("ARD") of September 1, 2024. In the event that the loan is not paid off on or before the ARD, the borrower is required to make monthly payments to the lender of principal and interest at the initial interest rate based on a 30 year amortization schedule, and additional interest will accrue at the difference between the initial interest rate and an amount that is the greater of (i) 3.0% plus the initial interest rate and (ii) 3.0% plus the then current 10-year swap rate. In no event may the interest rate exceed 9.34300%. The final maturity date of the loan is September 1, 2035.

(5) Represents the lease payments received by the borrower.

(6) Represents the Original Term to the ARD.

(7) UW Revenue is based on the average of the ground rent payments based on the trailing twelve month through June 30, 2014 of \$2,955,372 and the ground rent payments based on the 2014 reforecasted budget of \$3,042,761 which includes actual financials through June 2014 and budgeted financials for the remainder of the year.

(8) Appraised value is the market value of the leased fee estate.

(9) The Appraised Value / Room, Cut-off Date Loan / Room and Maturity Date Loan / Room based on the number of rooms in the improvements that are not included in the collateral are \$144,578, \$115,663 and \$115,663, respectively.

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

(11) Based on TTM NOI and TTM NCF, excluding ground rent, the leasehold interest produced a NCF DSCR of 3.86x and NOI Debt Yield of 17.0%.

Hard Rock San Diego Fee

The Loan. The Hard Rock San Diego Fee loan has an outstanding principal balance of \$48.0 million and is secured by a first mortgage lien on the leased fee interest in a 1.21 acre land parcel that is improved with a 12-story, 415-room, full service Hard Rock Hotel located in San Diego, California. The land is leased to T-12 Three, LLC, a Delaware limited liability company on a long term ground lease with an original fully extended term of 99 years, expiring on December 31, 2103. The loan is structured with an anticipated repayment date of September 1, 2024 and a final maturity date of September 1, 2035, and is interest-only until the anticipated repayment date.

The Borrower. The borrowing entity for the loan is HRG Holdings, LLC, a Delaware limited liability company and special purpose entity.

The Sponsor. The loan sponsor and nonrecourse carve-out guarantor is SDRP, LLC, a California limited liability company. The sponsor is controlled by affiliates of Tushar Patel. The loan sponsor is affiliated with Tarsadia Hotels and Tarsadia Investments. Established in 1976, Tarsadia Investments is a Newport Beach, California based real estate investment company. Tarsadia Investments currently manages approximately \$2.0 billion of capital focused in real estate, healthcare, financial services, clean technology and alternative investments.

Ground Lease. The collateral, consisting of a 1.21 acre parcel in downtown San Diego, California, is improved with a 12-story, 415-room, AAA Four-Diamond full service condo-hotel that was constructed in 2008 and operates under the Hard Rock flag. The fee interest in the property is subject to a 99-year ground lease with a lease expiration date of December 31, 2103. The lease is a net lease requiring the lessee to pay all real estate taxes, insurance, utilities and all other operating and maintenance costs. The tenant pays a fixed base rent which is subject to adjustments every five years, plus a percentage rent component based on the hotel's performance. The additional percentage rent paid under the ground lease is based on the excess, if any, of the difference between the percentage rent and the base rent amount. Percentage rent is calculated as 5.0% of all annual gross room revenue, 5.0% of all gross food and beverage revenue and 10.0% of all gross other revenue.

The fixed base rent component is scheduled to reset on January 1, 2015 and will be the greater of (i) the fixed base rent amount increased (but not decreased) by the Consumer Price Index over the preceding adjustment periods or (ii) 90% of the average of all base rent and percentage rent paid by the tenant during the previous period. The base fixed rent is expected to increase to approximately \$2.5 million on January 1, 2015.

Ground Lease Payments			
Year	Base Rent	Percentage Rent	Total Ground Rent
2008	\$1,760,000	\$749,546	\$2,509,546
2009	\$1,760,000	\$787,782	\$2,547,782
2010	\$1,760,000	\$915,214	\$2,675,214
2011	\$1,760,000	\$1,135,217	\$2,895,217
2012	\$1,760,000	\$1,160,157	\$2,920,157
2013	\$1,760,000	\$1,159,603	\$2,919,603
2014 ⁽¹⁾	\$1,760,000	\$1,282,761	\$3,042,761

(1) 2014 Percentage Rent is based on the 2014 reforecasted budget which includes actual financials through June 2014 and budgeted financials for the remainder of the year.

The Property. The hotel, which is not part of the collateral, features 415 rooms, including 177 suites, approximately 40,000 square feet of indoor and outdoor meeting and event space, a rooftop pool with private cabanas, a newly renovated full-service spa, a 24-hour fitness center, a 24-hour business center and multiple food and beverage outlets including Nobu sushi restaurant, Maryjane's (restaurant), Float (rooftop lounge) and 207 (lobby bar). With the exception of the hotel rooms which are owned as condominiums by individual owners, the leasehold interest includes the commercial component of the property which includes all of the common areas, amenities, retail and food and beverage outlets at the property. The commercial component of the hotel is owned by affiliates of T2 Development which was spun off from Tarsadia Hotels in 2011. T2 Development currently own or manages 10 hotels totaling approximately 3,200 keys.

The individual hotel units are subject to a Condo/Homeowner's Association. The owners of a unit may spend up to 28 nights a year in their unit. The remaining nights during the year the unit will be available for rent through the hotels rental pool. Unit owners receive approximately 50.0% of the net rental revenue for their units, less a 5.0% FF&E reserve and any unit charges (if applicable). Net rental revenue is the rate for the rental period less a 10.0% marketing fee and 3.0% group sales fee (if applicable). Unit owners have the right to opt out of the rental pool every five years. In 2013, which was the first year this option occurred, 100% of the unit owners elected to keep their units within the rental pool. In the event a unit owner elects not to remain in the rental pool, such unit owner would no longer have access to any of the amenities at the property.

Hard Rock San Diego Fee

The hotel is located on nearly a full block of Fifth Avenue within the Gaslamp Quarter of San Diego, adjacent to Petco Park and across the street from the San Diego Convention Center. This location provides access to multiple forms of transportation and attractions. Imperial Avenue, allows access to Interstate 805 approximately four miles east of the property, and becomes Lemon Grove Avenue approximately nine miles east of the property. Market Street intersects with Harbor Drive just north of the hotel and allows access to Interstate 15, locally known as Escondido Freeway, approximately three miles east of the property. The hotel is within walking distance of the San Diego Convention Center, Petco Park, Horton Plaza, Downtown San Diego, Seaport Village Retail Mall and East Village. The hotel is also less than three miles from Balboa Park, Harbor Drive, the San Diego Zoo and the San Diego International Airport. In addition, the hotel is approximately seven miles from both SeaWorld and Mission Bay.

Historical Occupancy, ADR, RevPAR ⁽¹⁾									
Year ⁽²⁾	Competitive Set			Hard Rock San Diego			Penetration Factor		
	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR
2012	80.8%	\$178.85	\$144.60	72.9%	\$219.42	\$159.96	90.2%	122.7%	110.6%
2013	81.0%	\$185.49	\$150.18	73.0%	\$229.36	\$167.42	90.2%	123.6%	111.5%
2014	81.1%	\$192.51	\$156.21	71.3%	\$229.63	\$163.79	87.9%	119.3%	104.9%

(1) Data provided by industry research specialists. The competitive set contains the following properties: Luxury Collection The US Grant San Diego, Marriott San Diego Gaslamp Quarter, Westin San Diego Gaslamp Quarter, W Hotel San Diego, Omni San Diego Hotel and Kimpton Hotel Solamar.

(2) Each year represents the trailing twelve-month period ending April 30.

Competitive Hotels Profile ⁽¹⁾			
Property	Rooms	Year Built	Meeting Space (SF)
Hard Rock San Diego	415	2008	40,000
Omni San Diego Hotel	511	2004	27,000
Marriott San Diego Gaslamp	306	1988	8,375
Hilton San Diego Gaslamp	283	2000	12,000
Kimpton Hotel Solamar	235	2005	8,800
Westin San Diego Gaslamp	450	1987	46,550
W Hotel San Diego	258	2002	20,000
The US Grant San Diego	270	1910	38,744
Total⁽²⁾	2,313		

(1) Based on the appraisal.

(2) Excludes the subject property.

Hard Rock San Diego Fee

Hard Rock San Diego Operating History ⁽¹⁾						
	2011	2012	2013	TTM ⁽²⁾	Per Room ⁽³⁾	% of Total Revenue ⁽⁴⁾
Occupancy	73.9%	71.4%	71.4%	72.8%		
ADR	\$213.43	\$228.07	\$223.06	\$230.95		
RevPAR ⁽⁵⁾	\$157.74	\$162.93	\$159.22	\$168.14		
Room Revenue	\$23,894,164	\$24,747,558	\$24,117,591	\$25,469,509	\$61,372	50.2%
Food and Beverage	21,103,052	20,837,600	21,117,221	21,007,770	50,621	41.4
Other Department Revenues	4,580,615	4,471,159	4,511,990	4,267,356	10,283	8.4
Total Revenue	\$49,577,831	\$50,056,317	\$49,746,802	\$50,744,635	\$122,276	100.0%
Room Expense	\$4,772,192	\$4,840,362	\$4,974,261	\$5,195,215	\$12,519	20.4%
Food and Beverage Expense	13,542,931	13,678,629	13,666,031	13,527,101	32,595	64.4
Other Departmental Expenses	918,283	799,025	692,508	716,408	1,726	16.8
Total Departmental Expenses	\$19,233,406	\$19,318,016	\$19,332,800	\$19,438,724	\$46,840	38.3%
Departmental Profit	\$30,344,425	\$30,738,301	\$30,414,002	\$31,305,911	\$75,436	61.7%
Operating Expenses ⁽⁶⁾	\$19,224,410	\$19,696,788	\$19,126,624	\$19,762,906	\$47,621	38.9%
Gross Operating Profit	\$11,120,015	\$11,041,513	\$11,287,378	\$11,543,005	\$27,814	22.7%
Management Fee	\$1,289,374	\$887,651	\$884,280	\$906,654	\$2,185	1.8%
Fixed Expenses	1,245,922	1,001,654	1,294,447	1,474,175	3,552	2.9
FF&E	1,027,347	1,012,350	1,025,168	1,011,005	2,436	2.0
Ground Lease Expense	2,895,217	2,920,157	2,919,603	2,955,372	7,121	5.8
Total Other Expenses	\$6,457,860	\$5,821,812	\$6,123,498	\$6,347,206	\$15,294	12.5%
Net Operating Income	\$4,662,155	\$5,219,701	\$5,163,880	\$5,195,799	\$12,520	10.2%
Net Cash Flow⁽⁵⁾	\$4,662,155	\$5,219,701	\$5,163,880	\$5,195,799	\$12,520	10.2%

(1) The information provided in the table reflects the cash flow from operations of the hotel, which is not part of the collateral.

(2) The TTM column represents the trailing twelve months ending June 30, 2014.

(3) Per Room values based on 415 guest rooms.

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

(5) Historical RevPAR for 2009 and 2010 was \$130.82 and \$138.42, respectively, and Net Cash Flow was approximately \$3.3 million and \$3.6 million, respectively.

(6) Operating Expenses include owner distributions which reflect the portion of room revenue paid to hotel condominium owners for units that are included in the rental pool. Owner distributions from 2011, 2012, 2013 and TTM were \$10.6 million, \$11.1 million, \$10.7 million and \$11.2 million, respectively.

Property Management. The hotel is managed and operated by Evolution Hospitality, which was spun off from Tarsadia Hotels in 2011. Evolution Hospitality is based in San Clemente, California and was founded in 2011 as part of the Tarsadia alliance of independent companies. Evolution Hospitality currently manages 7,356 rooms in 29 hotels, including 27 in California.

Escrows and Reserves. No upfront escrows were taken at origination.

Tax Escrows - The requirement for the borrower to make monthly deposits to the tax escrow is waived so long as no event of default exists, the ground lessee is obligated to pay taxes under the ground lease and the borrower provides satisfactory evidence that the taxes have been paid.

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.

Lockbox / Cash Management. The loan is structured with a hard lockbox and in-place cash management. The borrower is required to deposit all ground lease rents and payments into the lockbox account controlled by the lender. All funds in the lockbox account are swept daily to a cash management account under the control of the lender and disbursed during each interest period of the loan term in accordance with the loan documents. To the extent (i) there is an event of default under the loan documents, (ii) the borrower or principal becomes the subject of a bankruptcy, insolvency or similar action, or (iii) the loan is still outstanding one month prior to the anticipated repayment date, all excess cash flow after payment of debt service, required reserves and operating expenses will be held as additional collateral for the loan.