

## Horizon Outlet Shoppes Portfolio

### Mortgage Loan Information

<b>Mortgage Loan Seller:</b>	SMF II
<b>Original Principal Balance<sup>(1)</sup>:</b>	\$28,000,000
<b>Cut-off Date Principal Balance<sup>(1)</sup>:</b>	\$28,000,000
<b>% of Pool by IPB:</b>	2.5%
<b>Loan Purpose:</b>	Refinance
<b>Borrower:</b>	BFO Factory Shoppes LLC
<b>Sponsor:</b>	Horizon Group Properties, Inc.
<b>Interest Rate:</b>	4.50900%
<b>Note Date:</b>	2/17/2015
<b>Maturity Date:</b>	3/6/2025
<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<sup>(2)</sup>:</b>	L(25),Def(91),O(4)
<b>Lockbox:</b>	Hard
<b>Additional Debt:</b>	Yes
<b>Additional Debt Balance:</b>	\$26,675,000
<b>Additional Debt Type:</b>	Pari Passu

### Property Information

<b>Single Asset / Portfolio:</b>	Portfolio
<b>Title:</b>	Fee
<b>Property Type - Subtype:</b>	Retail - Outlet Centers
<b>Net Rentable Area (SF):</b>	555,682
<b>Location:</b>	Various
<b>Year Built / Renovated:</b>	Various / Various
<b>Occupancy:</b>	85.6%
<b>Occupancy Date:</b>	2/1/2015
<b>Number of Tenants:</b>	92
<b>2012 NOI:</b>	\$5,275,426
<b>2013 NOI:</b>	\$5,529,549
<b>2014 NOI:</b>	\$5,309,914
<b>UW Economic Occupancy:</b>	86.5%
<b>UW Revenues:</b>	\$9,360,656
<b>UW Expenses:</b>	\$4,107,547
<b>UW NOI:</b>	\$5,253,108
<b>UW NCF:</b>	\$4,711,470
<b>Appraised Value / Per SF:</b>	\$87,400,000 / \$157
<b>Appraisal Date<sup>(3)</sup>:</b>	January 2015

### Escrows and Reserves

	Initial	Monthly	Initial Cap
<b>Taxes:</b>	\$151,880	\$89,263	N/A
<b>Insurance:</b>	\$133,817	\$18,572	N/A
<b>Replacement Reserves:</b>	\$0	\$10,406	N/A
<b>TI/LC:</b>	\$200,000	\$34,730	\$1,000,000
<b>Other:</b>	\$0	\$0	N/A

### Financial Information<sup>(1)</sup>

<b>Cut-off Date Loan / SF:</b>	\$98
<b>Maturity Date Loan / SF:</b>	\$84
<b>Cut-off Date LTV:</b>	62.6%
<b>Maturity Date LTV:</b>	53.4%
<b>UW NCF DSCR:</b>	1.42x
<b>UW NOI Debt Yield:</b>	9.6%

### Sources and Uses

Sources	Proceeds	% of Total	Uses	Proceeds	% of Total
Mortgage Loan <sup>(1)</sup>	\$54,675,000	100.0%	Payoff Existing Debt	\$47,974,957	87.7%
			Return of Equity	4,991,532	9.1
			Closing Costs	1,222,814	2.2
			Upfront Reserves	485,697	0.9
<b>Total Sources</b>	<b>\$54,675,000</b>	<b>100.0%</b>	<b>Total Uses</b>	<b>\$54,675,000</b>	<b>100.0%</b>

(1) Horizon Outlet Shoppes Portfolio is part of a loan evidenced by two *pari passu* notes with an aggregate original principal balance of \$54.675 million. The Financial Information presented in the chart above reflects the Cut-off Date balance of the \$54.675 million Horizon Outlet Shoppes Portfolio Whole Loan.

(2) The lockout period will be at least 25 payments beginning with and including the first payment date of April 6, 2015. Defeasance of the full \$54.675 million Horizon Outlet Shoppes Portfolio Whole Loan is permitted after the date that is the earlier of (i) two years from the closing date of the securitization that includes the *pari passu* note to last be securitized and (ii) February 17, 2018.

(3) The Appraisal Dates range from January 6, 2015 through January 13, 2015.

**The Loan.** The Horizon Outlet Shoppes Portfolio loan has an outstanding balance of \$54.675 million and is secured by a first mortgage on a portfolio of three properties (the "Horizon Outlet Shoppes Portfolio Properties") totaling 555,682 square feet located in Wisconsin, Washington and Indiana, respectively. The whole loan has an outstanding principal balance as of the Cut-off Date of \$54.675 million (the "Horizon Outlet Shoppes Portfolio Whole Loan"), which is comprised of two *pari passu* notes, Note A-1 and Note A-2. Note A-1 has an outstanding principal balance as of the Cut-off Date of \$28.0 million and is being contributed to the JPMBB 2015-C28 Trust. Note A-2, which has an outstanding principal balance as of the Cut-off Date of \$26.675 million, is expected to be contributed to a future securitization trust. The holder of the Note A-1 (the "Controlling Noteholder") will be the trustee of the JPMBB 2015-C28 Trust. The trustee of the JPMBB 2015-C28 Trust (or, prior to the occurrence and continuance of a control event under the pooling and servicing agreement, the directing certificateholder) will be entitled to exercise all of the rights of the Controlling Noteholder with respect to the Horizon Outlet Shoppes Portfolio Whole Loan; however, the holder of Note A-2 will be entitled, under certain circumstances, to consult

## Horizon Outlet Shoppes Portfolio

with respect to certain major decisions. The loan has a 10-year term, and subsequent to a two-year interest-only period, will amortize on a 30-year schedule. Loan proceeds were used to repay previously existing debt, return equity to the loan sponsor, pay closing costs and fund upfront reserves. The previously existing debt was securitized in WBCMT 2006-C23 transaction.

**The Sponsor.** The loan sponsor and nonrecourse carve-out guarantor is Horizon Group Properties, Inc. (“Horizon”). Horizon is an owner and developer of factory outlet shopping centers. With an executive team with more than 150 combined years of shopping center experience, Horizon is a developer and operator of outlet mall properties nationwide. Horizon was founded in 1998 and is based in Norton Shores, Michigan, with executive offices in Rosemont, Illinois. In addition to the Horizon Outlet Shoppes Portfolio Properties, Horizon’s portfolio includes ownership interests in five outlet centers containing approximately 1.8 million square feet located in Atlanta, Georgia, Louisville, Kentucky, Gettysburg, Pennsylvania, Oklahoma City, Oklahoma and El Paso, Texas.

**The Properties.** The collateral is comprised of three properties located in Oshkosh, Wisconsin (the “Oshkosh Property”), Burlington, Washington (the “Burlington Property”) and Fremont, Indiana (the “Fremont Property”). Anchor and in-line tenants at the Horizon Outlet Shoppes Portfolio Properties consist of national tenants such as VF Outlet, Nike Factory Store, Gap Outlet, Reebok, Old Navy and lululemon, amongst others. Collectively, the Horizon Outlet Shoppes Portfolio Properties include 3,097 parking spaces, resulting in a parking ratio of approximately 5.57 spaces per 1,000 square feet of net rentable area.

As of February 1, 2015, the Horizon Outlet Shoppes Portfolio Properties were 85.6% occupied by 92 tenants and have had an average occupancy level of 89.4% over the past three years. For those tenants reporting sales, 2014 sales per square foot were \$298, \$287 and \$278 at the Burlington, Fremont and Oshkosh properties, respectively.

Portfolio Summary								
Property	Location	Net Rentable Area (SF)	Allocated Cut-off Balance	Appraised Value	Underwritten Net Cash Flow	% of Underwritten Net Cash Flow	2014 Sales	Occupancy Cost
Oshkosh	Oshkosh, WI	270,512	\$16,221,308	\$45,500,000	\$2,749,765	58.4%	\$278	7.4%
Burlington	Burlington, WA	174,660	6,708,733	23,200,000	1,132,004	24.0	\$298	6.3%
Fremont	Fremont, IN	110,510	5,069,959	18,700,000	829,701	17.6	\$287	5.9%
<b>Total / Wtd. Avg.</b>		<b>555,682</b>	<b>\$28,000,000</b>	<b>\$87,400,000</b>	<b>\$4,711,470</b>	<b>100.0%</b>	<b>\$286</b>	<b>6.8%</b>

The Oshkosh Property is located in Oshkosh, Wisconsin, within the Oshkosh-Neenah Metropolitan Statistical Area (the “MSA”). Primary access to the area is provided by Interstate 41. Within the 80-mile trade area of the Oshkosh Property, the 2014 estimated median household income was \$52,716, with an estimated 2014 population of 2,988,998. The Oshkosh Property is located within a retail corridor that includes Best Buy, TJ Maxx, JC Penney, Wal-Mart Supercenter and other national retailers.

There are three outlet centers within 300 miles of the Oshkosh Property, with the closest outlet center, Pleasant Prairie, approximately 163 miles away. As a result, the appraisal concluded a primary trade area radius of approximately 80 miles, or areas within a drive time of approximately 90 minutes. The occupancy of the area outlet centers ranges from 94% to 98%. According to the appraisal, market rents for comparable in-line and end-cap retail space range from \$18.00 to \$25.00 per square foot on a triple net basis, while market rents for comparable anchor retail space range from \$15.00 to \$18.00 per square foot on a triple net basis. The in-place rent at the Oshkosh Property is \$17.29 per square foot. According to the appraisal, there is no planned retail outlet construction in the trade area. A market research report identified six comparable anchored retail centers in the Oshkosh retail market. The comparable properties contain 773,418 square feet with occupancy ranging from 84.4% to 99.5%. The average occupancy of the comparable properties is 94.7%.

The Burlington Property is located in Burlington, Washington. Primary access to the area is provided by Interstate 5. Within the 90-mile trade area of the Burlington Property, the 2014 estimated median household income was \$67,235, with an estimated 2014 population of 2,681,106. The Burlington Property is located within a retail corridor that includes Costco, K-Mart and Burlington Crossings, a 2006-built power center with tenants such as Home Depot, Kohl’s, Best Buy and other national retailers.

There are five outlet centers within 160 miles of the Burlington Property. As a result, the appraisal concluded a primary trade area radius of approximately 90 miles, or areas within a drive time of approximately 90 minutes. The occupancy of the area outlet centers ranges from 80% to 93%. According to the appraisal, market rents for comparable in-line, end-cap and anchor retail space range from \$14.00 to \$22.00, \$18.00 to \$22.00 and \$15.00 to \$17.00 per square foot on a triple net basis, respectively. The in-place rent at the Burlington Property is \$17.86 per square foot. The Mount Vernon - Burlington area retail market contains approximately 4.2 million square feet and 268 buildings. As of the third quarter of 2014, the vacancy rate was 7.6%, down from 9.1% as of the second quarter of 2014. According to a market research report, there are four proposed retail projects in the Mount Vernon - Burlington submarket totaling 74,798 square feet. Mount Vernon Commons is a proposed 55,536 square foot neighborhood center consisting of small shop space

## Horizon Outlet Shoppes Portfolio

and pad buildings. The other proposals are for small standalone buildings. According to the appraisal, there are no projects that are anticipated to compete with the Burlington Property.

The Fremont Property is located in Fremont, Indiana. The Fremont Property was developed in three phases, with Phase II and Phase III serving as collateral for the Horizon Outlet Shoppes Portfolio loan. Primary access to the area is provided by Interstate 80/90 and Interstate 69. Within the 60-mile trade area of the Fremont Property, the 2014 estimated median household income was \$47,162, with an estimated 2014 population of 1,038,560.

There are five outlet centers within 160 miles of the Fremont Property. As a result, the appraisal concluded a primary trade area radius of approximately 60 miles, or areas within a drive time of approximately 60 minutes. The occupancy of the area outlet centers ranges from 92% to 98%. According to the appraisal, market rents for comparable end-cap retail space range from \$14.00 to \$17.00 per square foot on a triple net basis for anchor retail space, while market rents for comparable in-line retail space range from \$18.00 to \$26.00 per square foot on a triple net basis. The in-place rent at the Fremont Property is \$15.62 per square foot. According to the appraisal, there is no planned retail outlet construction in the trade area.

Tenant Summary <sup>(1)</sup>						
Tenant	Property	Ratings <sup>(2)</sup> Moody's/S&P/Fitch	Net Rentable Area (SF)	% of Total NRA	Base Rent PSF	Lease Expiration Date
VF Outlet	Oshkosh	NA / NA / NA	27,402	4.9%	\$11.25	4/30/2016
Old Navy	Oshkosh	Baa3 / BBB- / BBB-	14,400	2.6%	\$13.03	1/31/2016
Gap Outlet <sup>(3)</sup>	Oshkosh	Baa3 / BBB- / BBB-	12,960	2.3%	\$13.93	6/30/2016
Nike Factory Store	Burlington	A1 / AA- / NA	10,000	1.8%	\$19.00	1/31/2016
Land's End	Oshkosh	NA / NA / NA	10,000	1.8%	\$16.75	7/31/2016
Brooks Brothers <sup>(3)</sup>	Oshkosh	NA / NA / NA	9,940	1.8%	\$6.47	8/31/2017
Nike	Oshkosh	A1 / AA- / NA	9,642	1.7%	\$19.50	1/31/2019
Gap Outlet <sup>(3)</sup>	Fremont	Baa3 / BBB- / BBB-	9,231	1.7%	\$5.24	3/31/2016
Gap Outlet <sup>(3)(4)</sup>	Burlington	Baa3 / BBB- / BBB-	9,200	1.7%	\$4.27	7/31/2015
Eddie Bauer	Oshkosh	NA / NA / NA	9,000	1.6%	\$17.50	1/31/2018

(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) Tenant pays percentage of gross sales in lieu of base rent ("PIL"). PIL is based on the sales provided by the borrower.

(4) The Gap Outlet at the Burlington Property has the right to terminate its lease at any time with 90 days' written notice.

## Horizon Outlet Shoppes Portfolio

Percent-in-lieu Rent Schedule					
Tenant	Property	Estimated 2014 Sales <sup>(1)</sup>	Estimated Sales PSF	PIL	Underwritten Rent
Gap Outlet	Oshkosh	\$3,641,760	\$281	5.00%	\$180,516
Eddie Bauer <sup>(2)</sup>	Burlington	1,668,000	\$278	10.00%	167,672
Dress Barn <sup>(2)</sup>	Burlington	993,300	\$129	12.00%	125,762
Puma	Burlington	1,259,600	\$235	8.00%	103,458
Bath & Body Works <sup>(2)</sup>	Fremont	1,778,000	\$508	6.00%	97,416
Coach Factory Store	Fremont	3,098,244	\$1,228	3.00%	93,865
Coach	Oshkosh	3,569,736	\$708	2.50%	90,859
Factory Brand Shoes <sup>(2)</sup>	Burlington	800,100	\$254	8.00%	88,703
Puma	Oshkosh	1,188,800	\$238	7.00%	83,216
Tommy Hilfiger	Fremont	1,027,000	\$158	7.50%	76,812
Nine West <sup>(2)</sup>	Burlington	742,500	\$275	9.00%	74,219
Helly Hansen	Burlington	891,708	\$160	<sup>(3)</sup>	69,045
Brooks Brothers	Oshkosh	795,200	\$80	8.00%	64,315
Filson <sup>(2)</sup>	Burlington	996,300	\$369	7.00%	62,509
Pendleton Woolen Mills	Burlington	663,825	\$159	<sup>(4)</sup>	58,858
Jockey <sup>(2)</sup>	Oshkosh	639,900	\$237	8.00%	51,661
Van Heusen	Burlington	820,000	\$205	6.00%	50,117
Gap Outlet	Fremont	2,418,522	\$262	2.00%	48,358
Jockey <sup>(2)</sup>	Fremont	619,200	\$172	8.00%	48,244
Bass Company Store	Fremont	966,555	\$141	5.00%	48,028
Gymboree	Oshkosh	425,040	\$161	10.00%	42,928
Wilson's Leather Outlet	Oshkosh	602,800	\$137	7.00%	41,306
Bass Company Store	Burlington	651,000	\$93	6.00%	40,916
Polo Ralph Lauren	Oshkosh	1,972,592	\$248	2.00%	39,992
Gap Outlet	Burlington	1,932,000	\$210	2.00%	39,264
Bass Company Store	Oshkosh	952,000	\$112	4.00%	37,699
Motherhood Maternity Outlet	Oshkosh	342,000	\$152	11.00%	37,690
Maurices	Fremont	756,000	\$216	5.00%	37,324
Maidenform	Burlington	456,300	\$169	3.50%	15,713
<b>Total</b>		<b>\$36,667,982</b>			<b>\$2,016,465</b>

(1) Based on actual sales from January through November 2014 and sponsor's estimates for December 2014.

(2) Tenant pays the greater of PIL and base rent.

(3) Helly Hansen pays 7.00% PIL rent up to \$100 PSF of gross sales plus 8.00% PIL rent in excess of \$100 PSF of gross sales.

(4) Pendleton Woolen Mills pays 8.00% PIL rent up to \$175 PSF of gross sales plus 10.00% PIL rent in excess of \$175 PSF of gross sales.

Of the 92 tenants, 58 tenants representing 317,698 square feet have co-tenancy provisions. These provisions generally require a minimum occupancy at each property ranging from 50.0%-80.0%. Seven of these tenants representing 43,272 square feet, require that key tenants, such as Nike, Coach and lululemon remain at the Horizon Outlet Shoppes Portfolio Properties. If these co-tenancy clauses are breached, certain tenants may begin paying abated rent, which is calculated as a percentage of gross sales generally ranging from 1.0% to 7.5% and certain other tenants may be permitted to terminate their respective leases.

## Horizon Outlet Shoppes Portfolio

Lease Rollover Schedule <sup>(1)(2)</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	79,746	14.4%	NAP	NAP	79,746	14.4%	NAP	NAP
2015 & MTM	22	90,893	16.4	\$1,100,184	14.4%	170,639	30.7%	\$1,100,184	14.4%
2016	30	208,207	37.5	3,160,154	41.4	378,846	68.2%	\$4,260,338	55.9%
2017	15	67,574	12.2	1,268,931	16.6	446,420	80.3%	\$5,529,269	72.5%
2018	6	27,994	5.0	456,318	6.0	474,414	85.4%	\$5,985,587	78.5%
2019	9	40,802	7.3	731,415	9.6	515,216	92.7%	\$6,717,002	88.1%
2020	2	8,222	1.5	134,752	1.8	523,438	94.2%	\$6,851,754	89.9%
2021	2	7,720	1.4	191,460	2.5	531,158	95.6%	\$7,043,214	92.4%
2022	3	10,525	1.9	330,059	4.3	541,683	97.5%	\$7,373,273	96.7%
2023	2	9,580	1.7	176,560	2.3	551,263	99.2%	\$7,549,833	99.0%
2024	1	4,419	0.8	75,123	1.0	555,682	100.0%	\$7,624,956	100.0%
2025	0	0	0.0	0	0.0	555,682	100.0%	\$7,624,956	100.0%
2026 & Beyond	0	0	0.0	0	0.0	555,682	100.0%	\$7,624,956	100.0%
<b>Total</b>	<b>92</b>	<b>555,682</b>	<b>100.0%</b>	<b>\$7,624,956</b>	<b>100.0%</b>				

(1) Based on the underwritten rent roll.

(2) Base rent includes underwritten base rent and 2014 PIL as estimated by the borrower.

Operating History and Underwritten Net Cash Flow						
	2012	2013	2014	Underwritten	Per Square Foot	% <sup>(1)</sup>
Rents in Place <sup>(2)</sup>	\$7,237,468	\$7,648,591	\$7,583,594	\$7,624,956	\$13.72	71.2%
Vacant Income	0	0	0	1,405,016	2.53	13.1
<b>Gross Potential Rent</b>	<b>\$7,237,468</b>	<b>\$7,648,591</b>	<b>\$7,583,594</b>	<b>\$9,029,972</b>	<b>\$16.25</b>	<b>84.3%</b>
Total Reimbursements	1,022,068	1,039,405	1,082,225	1,082,225	1.95	10.1
Percentage Rent <sup>(3)</sup>	318,058	408,302	550,645	601,748	1.08	5.6
<b>Net Rental Income</b>	<b>\$8,577,594</b>	<b>\$9,096,299</b>	<b>\$9,216,464</b>	<b>\$10,713,944</b>	<b>\$19.28</b>	<b>100.0%</b>
(Vacancy/Credit Loss)	(4,075)	(2,171)	(1,428)	(1,445,701)	(2.60)	(13.5)
Other Income <sup>(4)</sup>	197,614	162,662	92,412	92,412	0.17	0.9
<b>Effective Gross Income</b>	<b>\$8,771,132</b>	<b>\$9,256,790</b>	<b>\$9,307,447</b>	<b>\$9,360,656</b>	<b>\$16.85</b>	<b>87.4%</b>
<b>Total Expenses</b>	<b>\$3,495,707</b>	<b>\$3,727,241</b>	<b>\$3,997,533</b>	<b>\$4,107,547</b>	<b>\$7.39</b>	<b>43.9%</b>
<b>Net Operating Income</b>	<b>\$5,275,426</b>	<b>\$5,529,549</b>	<b>\$5,309,914</b>	<b>\$5,253,108</b>	<b>\$9.45</b>	<b>56.1%</b>
Total TI/LC, Capex/RR	0	0	0	541,638	0.97	5.8
<b>Net Cash Flow</b>	<b>\$5,275,426</b>	<b>\$5,529,549</b>	<b>\$5,309,914</b>	<b>\$4,711,470</b>	<b>\$8.48</b>	<b>50.3%</b>
<b>Occupancy<sup>(5)</sup></b>	<b>91.7%</b>	<b>87.2%</b>	<b>89.4%</b>	<b>86.5%</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) Underwritten Rents in Place are based on February 1, 2015 rent roll. Twenty-nine tenants currently pay PIL (in the case of eight tenants, the greater of base rent or PIL), which comprises approximately \$2.0 million of Underwritten Rents in Place.

(3) Percentage Rent includes overage income derived from tenants that have met their sales breakpoints.

(4) Other Income primarily consists of temporary tenant space income and miscellaneous fees.

(5) 2014 Occupancy is based on rent roll dated January 1, 2015. Underwritten Occupancy represents economic occupancy.

**Release of Outparcel.** At any time during the term of the loan, provided no Sweep Event Period (as defined below) has occurred or is continuing, the borrower is permitted to release an unimproved parcel at the Oshkosh Property in accordance with certain terms and conditions set forth in the loan documents.

A "Sweep Event Period" means: (i) the occurrence of an event of default under the loan documents, (ii) the debt service coverage ratio as calculated in the loan documents based on a trailing twelve month period falls below 1.10x or (iii) the sponsor fails to maintain a net worth of at least \$25.0 million and liquidity of at least \$2.0 million.

## Horizon Outlet Shoppes Portfolio

**Release of Individual Properties.** Provided no Sweep Event Period has occurred or is continuing, the borrower may release one or more of the individual Horizon Outlet Shoppes Portfolio Properties, provided that, among other things, (i) the borrower will partially defease the loan in an amount equal to the greatest of (x) if the first release property is (A) the Burlington Property, 110% of the loan amount allocated to the Burlington Property, as determined by the lender, or (B) the Fremont Property or the Oshkosh Property, 130% of the loan amount allocated to such release property, as determined by the lender, and (y) for a subsequent release property, 120% of the loan amount allocated to such release property, as determined by the lender, (ii) the loan-to-value ratio for the Horizon Outlet Shoppes Portfolio Property(ies) immediately following such partial release is equal to or less than 75%, as determined by the lender, (iii) the debt service coverage ratio for the Horizon Outlet Shoppes Portfolio Property(ies) immediately following such partial release is equal to or greater than 1.30x, as determined by the lender and (iv) the debt yield for the Horizon Outlet Shoppes Portfolio Property(ies) immediately following such partial release is equal to or greater than 8.5%, as determined by the lender.