

## Mortgage Loan No. 15 – 1050 &amp; 1070 Holt Avenue

## Mortgage Loan Information

<b>Mortgage Loan Seller:</b>	JPMCB
<b>Original Principal Balance:</b>	\$23,850,000
<b>Cut-off Date Principal Balance:</b>	\$23,809,650
<b>% of Pool by IPB:</b>	2.1%
<b>Loan Purpose:</b>	Refinance
<b>Borrowers:</b>	1050 Holt Ave., LLC, 1070 Holt Ave., LLC
<b>Sponsors:</b>	Richard N. Danais, Romeo D. Danais, Jr.
<b>Interest Rate:</b>	4.95000%
<b>Note Date:</b>	8/13/2012
<b>Maturity Date:</b>	9/1/2022
<b>Interest-only Period:</b>	None
<b>Original Term:</b>	120 months
<b>Original Amortization:</b>	300 months
<b>Amortization Type:</b>	Balloon
<b>Call Protection:</b>	L(25),Grtr1%orYM(92),O(3)
<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/Flex
<b>Net Rentable Area (SF):</b>	330,662
<b>Location:</b>	Manchester, NH
<b>Year Built/Renovated:</b>	1997, 2007 / N/A
<b>Occupancy:</b>	93.3%
<b>Occupancy Date:</b>	5/31/2012
<b>Number of Tenants:</b>	12
<b>2009 NOI:</b>	\$2,542,524
<b>2010 NOI:</b>	\$2,734,221
<b>2011 NOI:</b>	\$2,785,355
<b>TTM NOI<sup>(1)</sup>:</b>	\$2,733,749
<b>UW Economic Occupancy:</b>	92.5%
<b>UW Revenues:</b>	\$3,149,544
<b>UW Expenses:</b>	\$650,238
<b>UW NOI:</b>	\$2,499,307
<b>UW NCF:</b>	\$2,366,635
<b>Appraised Value / Per SF:</b>	\$33,700,000 / \$102
<b>Appraisal Date:</b>	6/18/2012

## Escrows and Reserves

	Initial	Monthly	Initial Cap
<b>Taxes:</b>	\$54,423	\$18,141	N/A
<b>Insurance:</b>	\$4,305	\$4,305	N/A
<b>Replacement Reserves:</b>	\$3,031	\$3,031	\$72,744
<b>TI/LC:</b>	\$7,991	\$7,991	\$287,676
<b>Other<sup>(2)(3)</sup>:</b>	\$507,753	\$77,820	\$1,400,000

## Financial Information

<b>Cut-off Date Loan/SF:</b>	\$72
<b>Maturity Date Loan/SF:</b>	\$54
<b>Cut-off Date LTV:</b>	70.7%
<b>Maturity Date LTV:</b>	52.8%
<b>UW NCF DSCR:</b>	1.42x
<b>UW NOI Debt Yield:</b>	10.5%

(1) TTM NOI represents the trailing twelve month period ending April 30, 2012.

(2) The Initial Other Escrows and Reserves represents (i) the CHI Overhead Reserve Fund of \$500,000 and (ii) \$7,753 for deferred maintenance.

(3) The Monthly Other Escrows and Reserves represents the Elliot Health Systems Reserve which represents future TI/LC costs related to the Elliot Health Systems space. Monthly payments to the reserve will commence on January 1, 2019 and are capped at \$1.4 million.

**The Loan.** The 1050 & 1070 Holt Avenue loan has an outstanding principal balance of approximately \$23.8 million and is secured by a first mortgage lien on two office/flex buildings located in Manchester, New Hampshire. The ten-year loan amortizes on a 25-year schedule. The proceeds of the loan were used to repay previously existing debt of approximately \$21.7 million, fund upfront reserves of \$0.6 million, pay closing costs of \$0.4 million, and return equity of approximately \$1.2 million. The sponsors, Richard and Romeo Danais, are experienced real estate developers and investors based in New Hampshire. Richard Danais, a former two-term New Hampshire state senator, is currently the president of Danais Realty Group. Danais Realty Group provides commercial real estate property management, consulting, leasing and brokerage services.

**The Property.** The property consists of two adjacent office/flex buildings totaling approximately 330,662 square feet, which are currently 93.3% occupied by 12 tenants. 1050 Holt, built in 1997, is a one story flex industrial building with 20 foot clear heights totaling approximately 104,948 square feet. The largest tenant at 1050 Holt is Elliot Hospital which occupies 27,764 square feet (8.4% of the net rentable area) and has a lease expiration of March 2017. At closing, the borrower deposited into escrow \$500,000 for the CHI Overhead Reserve Fund which represents the estimated cost for improvements to expand the C.H.I. Overhead Door space at 1050 Holt. The expansion will add approximately 6,750 square feet of contiguous space to the tenant's currently occupied 12,600 square feet.

1070 Holt, built in 2007, is a 225,714 square foot mixed use building that is comprised of three distinct condominium units. The units include: a one-story 133,860 square foot industrial building that has 32 foot clear heights, a two-story, 91,854 square foot medical office building, and a 5,000 square foot single story storage unit. The medical office space is 100.0% occupied by Elliot Health Systems. Elliot Health Systems is the largest provider of comprehensive healthcare services in Southern New Hampshire and provides Manchester's designated Regional Trauma Center. Elliot Health Systems operates nine divisions including its visiting nurses association, a physical rehab out-patient center and the information technology department from the property.

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**The Market.** The property is located in Manchester, New Hampshire approximately one mile east of Interstate 93 which connects directly to Concord, 20 miles to the north. According to the appraiser, as of year end 2011 the Manchester office market had an average vacancy rate of approximately 16.9% and average asking rents of \$11.60 per square foot, and the Manchester industrial market had an average vacancy rate of approximately 7.7% and average asking rents of \$5.70 per square foot.

Tenant	Tenant Summary <sup>(1)</sup>				
	Ratings <sup>(2)</sup> Moody's/S&P/Fitch	Net Rentable Area (SF)	% of Total NRA	Base Rent PSF	Lease Expiration Date
Elliot Health Systems - Office	NA / NA / NA	91,854	27.8%	\$13.50	6/30/2020
Eagle Warehousing	NA / NA / NA	64,070	19.4%	\$6.25	1/31/2017
Fedex Ground	Baa1 / BBB / NA	49,500	15.0%	\$5.50	11/30/2015
Elliot Hospital - Flex	NA / NA / NA	27,764	8.4%	\$7.88	3/31/2017
C.H.I. Overhead Door	NA / NA / NA	19,350	5.9%	\$6.25	8/31/2019
Optics 1	NA / NA / NA	15,000	4.5%	\$7.90	12/31/2012
Community Bingo Center	NA / NA / NA	12,306	3.7%	\$6.25	2/29/2024
Simons Co	NA / NA / NA	7,906	2.4%	\$5.75	11/30/2015
Horizon Solutions	NA / NA / NA	5,640	1.7%	\$7.11	11/30/2016
Dartmouth Hitchcock	NA / NA / NA	4,696	1.4%	\$6.25	1/31/2016

(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.

Operating History and Underwritten Net Cash Flow							
	2009	2010	2011	TTM <sup>(1)</sup>	Underwritten	Per Square Foot	% <sup>(2)</sup>
Rents in Place	\$2,851,014	\$2,853,485	\$2,829,906	\$2,761,658	\$2,639,070	\$7.98	77.5%
Vacant Income	0	0	0	0	137,813	0.42	4.0
<b>Gross Potential Rent</b>	<b>\$2,851,014</b>	<b>\$2,853,485</b>	<b>\$2,829,906</b>	<b>\$2,761,658</b>	<b>\$2,776,883</b>	<b>\$8.40</b>	<b>81.6%</b>
Total Reimbursements	506,504	484,641	476,331	473,361	628,030	1.90	18.4
<b>Net Rental Income</b>	<b>\$3,357,518</b>	<b>\$3,338,126</b>	<b>\$3,306,237</b>	<b>\$3,235,019</b>	<b>\$3,404,913</b>	<b>\$10.30</b>	<b>100.0%</b>
(Vacancy/Credit Loss)	0	0	0	0	(255,368)	(0.77)	(7.5)
Other Income	0	0	75,237	81,026	0	0.00	0.0
<b>Effective Gross Income</b>	<b>\$3,357,518</b>	<b>\$3,338,126</b>	<b>\$3,381,474</b>	<b>\$3,316,045</b>	<b>\$3,149,544</b>	<b>\$9.52</b>	<b>92.5%</b>
<b>Total Expenses</b>	<b>\$814,994</b>	<b>\$603,905</b>	<b>\$596,119</b>	<b>\$582,296</b>	<b>\$650,238</b>	<b>\$1.97</b>	<b>20.6%</b>
<b>Net Operating Income</b>	<b>\$2,542,524</b>	<b>\$2,734,221</b>	<b>\$2,785,355</b>	<b>\$2,733,749</b>	<b>\$2,499,307</b>	<b>\$7.56</b>	<b>79.4%</b>
Total TI/LC, Capex/RR	0	14,842	29,800	35,670	132,672	0.40	4.2
<b>Net Cash Flow</b>	<b>\$2,542,524</b>	<b>\$2,719,379</b>	<b>\$2,755,555</b>	<b>\$2,698,079</b>	<b>\$2,366,635</b>	<b>\$7.16</b>	<b>75.1%</b>
<b>Occupancy</b>	<b>100.0%</b>	<b>96.0%</b>	<b>98.0%</b>	<b>95.0%</b>	<b>93.3%</b>		

(1) TTM column represents the trailing twelve month period ending April 30, 2012.

(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.