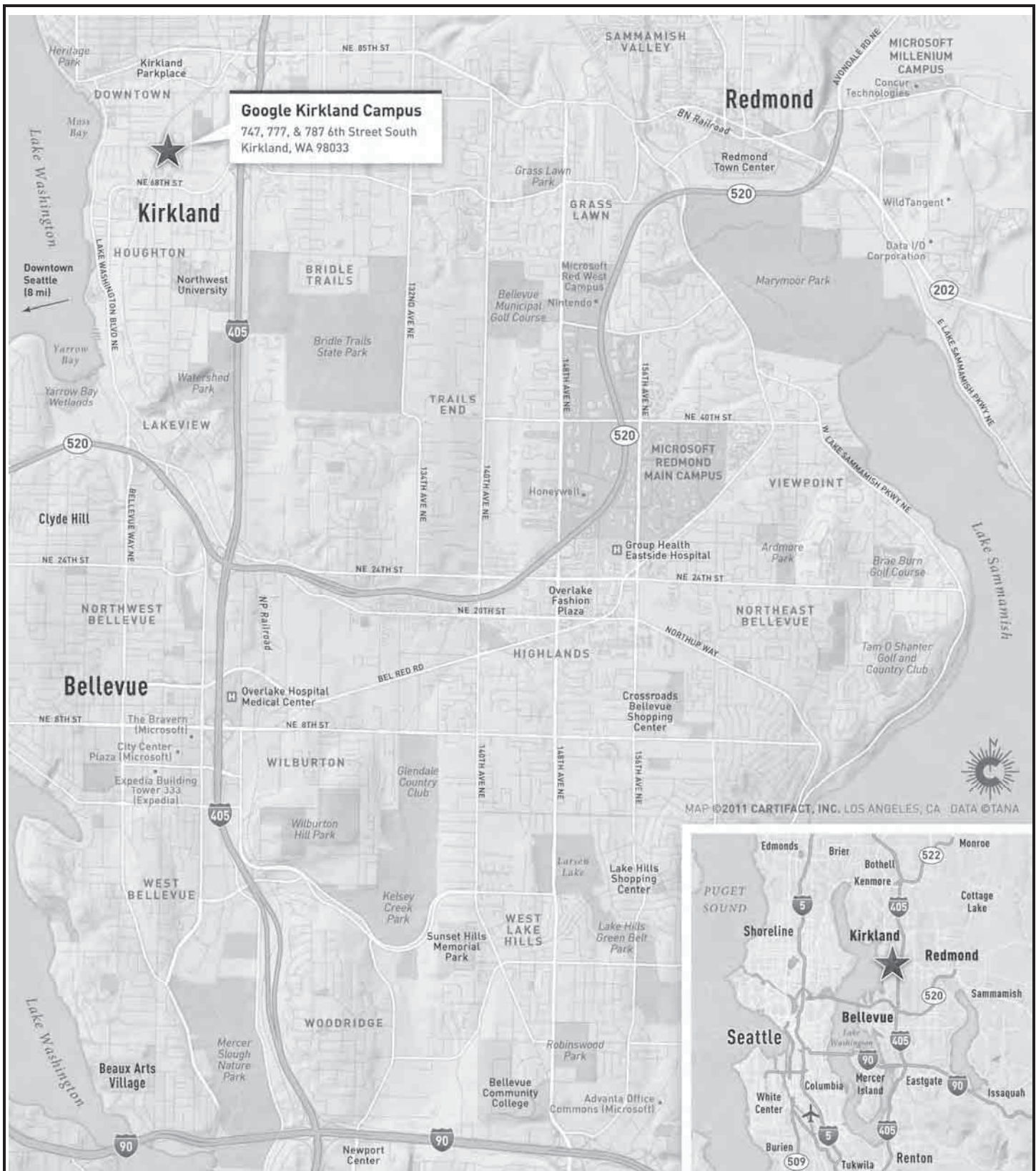


## Google Kirkland Campus

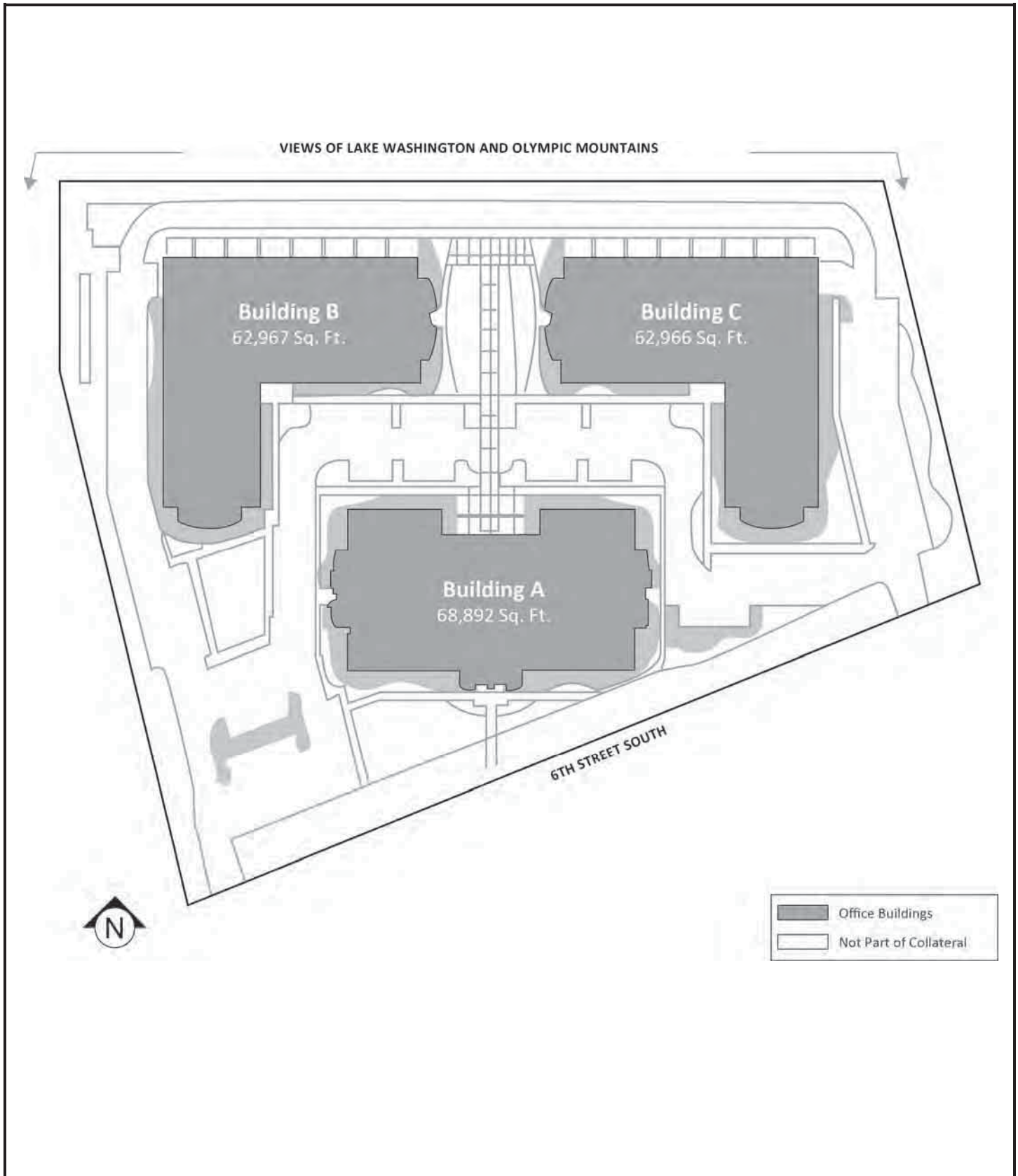


## Google Kirkland Campus





## Google Kirkland Campus



## Google Kirkland Campus

## Mortgage Loan Information

<b>Mortgage Loan Seller:</b>	JPMCB
<b>Original Principal Balance:</b>	\$54,475,000
<b>Cut-off Date Principal Balance:</b>	\$54,475,000
<b>% of Pool by IPB:</b>	5.3%
<b>Loan Purpose:</b>	Refinance
<b>Borrower:</b>	SRMKJVD, LLC
<b>Sponsor:</b>	Stone Rivard McGonigle Development, LLC
<b>Interest Rate:</b>	5.90000%
<b>Note Date:</b>	8/26/2011
<b>Maturity Date:</b>	9/1/2021
<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(91),O(4)
<b>Lock Box:</b>	Hard
<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 - Property Subtype:</b>	Office – Suburban
<b>Square Footage:</b>	194,825
<b>Location:</b>	Kirkland, WA
<b>Year Built/Renovated:</b>	2008 / N/A
<b>Occupancy:</b>	100.0%
<b>Occupancy Date:</b>	7/6/2011
<b>Number of Tenants:</b>	1
<b>Historical Net Operating Income</b>	
<b>2009:</b>	\$5,795,671
<b>2010:</b>	\$5,978,414
<b>TTM<sup>(1)</sup>:</b>	\$6,125,195
<b>UW Economic Occupancy:</b>	95.0%
<b>UW Revenues:</b>	\$8,348,237
<b>UW Expenses:</b>	\$2,401,322
<b>UW Net Operating Income:</b>	\$5,946,915
<b>UW Net Cash Flow:</b>	\$5,481,989
<b>Appraised Value<sup>(2)</sup>:</b>	\$91,000,000
<b>Appraisal Date:</b>	7/14/2011

## Escrows and Reserves

	Initial	Monthly
<b>Taxes:</b>	\$232,989	\$46,598
<b>Insurance:</b>	\$13,881	\$4,627
<b>Replacement Reserves<sup>(3)</sup>:</b>	\$2,435	\$2,435
<b>Other<sup>(4)(5)</sup>:</b>	\$672,322	Springing

## Financial Information

<b>Cut-off Date Loan/SF:</b>	\$280
<b>Cut-off Date LTV<sup>(2)</sup>:</b>	59.9%
<b>Maturity Date LTV<sup>(2)</sup>:</b>	46.2%
<b>UW NCF DSCR:</b>	1.31x
<b>UW NOI Debt Yield:</b>	10.9%

(1) TTM Net Operating Income represents the trailing twelve month period ending June 30, 2011.

(2) The \$91,000,000 valuation, the Cut-off Date LTV and Maturity Date LTV are based on the "As-Is Leased Fee" valuation assuming an 80% lease renewal probability. In addition, the appraiser provided a \$71,000,000 valuation based on a hypothetical current market standards value scenario, assuming, among other things, a \$24 per square foot, triple net lease rental rate with 3% annual escalations (the "Leased at Market Terms Value"), as well as a \$50,000,000 valuation based on a hypothetical assumption that the property is "dark and available for lease (the "Dark Value").

(3) Replacement reserves are capped at \$87,660. At such time that a cash sweep event (as defined in the loan agreement) has occurred or if Google's long term unsecured debt credit rating from S&P falls below BBB-, then the replacement reserves will no longer be capped.

(4) The Initial Other Escrows and Reserves represents the environmental remediation reserve, which is further described in the Environmental Remediation section hereof.

(5) The Monthly Other Escrows and Reserves represents the rollover reserve. The requirement to make monthly deposits to the rollover reserve is waived so long as Google maintains a long term unsecured debt credit rating of at least BBB- from S&P or, if Google's long term unsecured debt credit rating from S&P falls below BBB-, Google does not report losses on its financial statements for three or more consecutive quarters.

## Google Kirkland Campus

**The Loan.** The Google Kirkland Campus loan has an outstanding principal balance of approximately \$54.5 million and is secured by a first mortgage lien on an approximately 194,825 square foot suburban office campus located in Kirkland, Washington. The property is 100% occupied by Google Inc. ("Google") subject to a lease with an initial maturity on January 31, 2020 with three five-year extension options and a fully extended maturity date of January 31, 2035. The loan is sponsored by Stone Rivard McGonigle Development, LLC, a private acquisition, development, construction and asset management company headquartered in Spokane, Washington. The ten-year loan amortizes based on a 25-year schedule. The proceeds of the loan and approximately \$204,000 in new borrower equity were used to refinance existing debt of approximately \$53.3 million, pay closing costs and fees of \$444,000 and fund upfront reserves of \$922,000. The sponsors have approximately \$12.2 million of equity remaining in the property based on total construction costs of \$66.7 million.

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

**The Sponsor.** The loan's sponsor is Stone Rivard McGonigle Development, LLC, a private and fully integrated acquisition, development, construction and asset management company headquartered in Spokane, Washington. The loan's nonrecourse carve-out guarantors are John M. Stone, Suzanne Stone, Bryan P. Stone, Cheryl A. Stone, James D. Rivard, Elizabeth A. Rivard, Dee J. McGonigle, III and Mary A. McGonigle. Certain of the nonrecourse carve-out guarantors are key members of Stone Rivard McGonigle Development, LLC.

Stone Rivard McGonigle Development, LLC was founded in 1999 by John M. Stone, Bryan P. Stone, James D. Rivard and Dee J. McGonigle, III. In December 2010, the members entered into an exit agreement to provide for the retirement of John Stone, with the remaining three individuals continuing to run the daily activities of the company. Stone Rivard McGonigle Development, LLC's primary focus is urban, mixed use developments with apartments, senior housing, condominiums, retail and office.

**The Property.** The Google Kirkland Campus is an approximately 194,825 square foot, three building, two-story Class A office complex located on 7.29 acres in Kirkland, Washington. The property was developed in 2008 by the sponsor for Google at a cost of approximately \$66.7 million. Google has additionally invested approximately \$23.2 million in tenant improvements and is expected to spend additional amounts of approximately \$2.8 million. The core and shell structures of the buildings have been awarded the LEED Silver Certification. The interiors of Buildings B and C have been awarded LEED Platinum Certification, while Building A is reportedly being refinished in order to achieve a LEED Gold Certification. The property is located in Kirkland, Washington, approximately eight miles northeast of the Seattle central business district, along the east coast of Lake Washington and situated approximately four miles north of the Bellevue central business district and four miles east of Redmond. The property is located along South Sixth Street, approximately half of a mile west of I-405, which provides regional north-south access, and is accessed via two curb cuts.

The three buildings are lettered A through C. Building A is 68,892 square feet and is centrally positioned on the east side of the site fronting Sixth Street South. Building B is 62,967 square feet and is positioned on the southwest portion of the site. Building C is 62,966 square feet and is positioned in the northwest portion of the site. A central courtyard area provides drive-through access. The interior designs of the buildings are contemporary and open, with a focus on energy efficiency. Ceiling heights range from nine to twelve feet with most office area ceilings exposed and open with visible mechanical and electrical systems. Primary and secondary computer server rooms exist on each floor, with upgraded electrical and mechanical systems throughout the buildings and dedicated UPS and HVAC systems for each server room. An onsite generator provides for electrical backup for emergency system. Among other amenities, the property has employee lounge areas located throughout all three buildings, two full service cafeterias, a two-story indoor climbing wall, an employee fitness center, outdoor dog park and a soundproof music room. Parking is provided via surface parking and a sub-surface parking garage totaling 449 spaces with direct elevator access to each building. In total, the property has 652 parking spaces. Google is required to purchase 731 parking passes annually at rates defined in the lease agreement. The current defined rate is \$55.00 per pass.

The property is 100% leased on a triple net basis to Google (NASDAQ: GOOG) through January 31, 2020. The lease provides Google three, five-year renewal options which can be exercised at market rents subject to a minimum rate of \$31.55 per square foot with an extended maturity date of January 31, 2035 as well as a right of first offer to purchase the property upon the landlord entering a sale agreement with a third party or marketing the property for sale. The 2011 average base rent at the property is \$29.58 per square foot. The base rent has escalations of \$1.00 per square foot for each year during the term.

## Google Kirkland Campus

The lease provides Google with a one time termination option on July 31, 2016. Google must provide 16 months notice and pay a termination penalty equal to (a) twelve months of base rent, parking rent and reimbursements plus (b) all unamortized tenant improvements, cash allowance and brokerage commissions. In the event that Google exercises its termination option, the loan is structured with a cash flow sweep that commences upon Google's notice of termination and sweeps 100% of all excess cash flow and the termination payment into a rollover reserve. The borrower has the right to use funds in the rollover reserve for tenant improvements and leasing commissions for new leases subject to lender approval. The cash flow sweep is anticipated to produce approximately \$3.967 million. The twelve months of base rent, parking rent and reimbursement are anticipated to generate approximately \$9.745 million. The unamortized tenant improvements, cash allowance and brokerage commissions are estimated to produce approximately \$6.215 million. Based on the 25-year amortization schedule, the estimated balance of the loan at the time of Google's termination option is approximately \$49.4 million. The sum of the cash flow sweep and the termination penalty is estimated to be approximately \$19.9 million. Applying the \$19.9 million to the then anticipated outstanding principal balance of \$49.4 million would result in an approximate loan balance of \$29.5 million or \$151 per square feet.

Due to the end of the lease being near the end of the term of the loan, the loan was structured with an additional lease expiration cash flow sweep. Cash will be swept into a lender controlled reserve at the earlier of (i) the date that the borrower receives written notice from Google that it intends to cease business at the property or go dark or (ii) March 31, 2017 (approximately 34 months prior to the lease expiration). Google is required to give notice 16 months prior to the expiration. The cash flow sweep is estimated to generate approximately \$9.95 million in reserves. Applying the \$9.95 million to the then anticipated outstanding principal balance of \$44.7 million would result in an approximate loan balance of \$34.75 million or \$178 per square foot.

Google has a core business of maintaining an index of web sites and other online content for users, advertisers and network member and content providers. Google was founded in 1998 and is headquartered in Mountain View, California. Based on its \$534.96 share price on September 8, 2011, Google (rated Aa2 by Moody's and AA- by S&P) has a market capitalization of \$172.7 billion. As of year end 2010, Google had total assets of approximately \$57.8 billion and total liabilities of \$11.6 billion, which resulted in shareholders' equity of \$46.2 billion. The engineering teams working out of the Kirkland office are engaged in a wide variety of projects including Google Talk and Talk Video, Google Chrome (Google's internet browser), Gmail (Google's e-mail service), YouTube, AdPlanner and AdWords. In December 2010, Google purchased Widevine, a Seattle-based maker of digital rights management software. Widevine's 60 employees relocated from Widevine's offices in downtown Seattle to Google's Kirkland Campus.

The Google Kirkland Campus is located within the Kirkland office submarket. In total, the Kirkland office submarket contains approximately 4.49 million square feet with a vacancy rate of 14.5% as of the second quarter of 2011. The Kirkland office submarket contains approximately 1.28 million square feet of Class A office space with a vacancy rate of approximately 14.6%. The appraiser provided six Kirkland office lease comparables ranging from 51,841 to 120,000 square feet. The comparables were constructed between 1986 and 2008 and have triple net rental rates of \$16.00-\$26.00 per square foot. After adjustments for market conditions, location, age/condition and design, the appraiser concluded a market lease rate in the range of \$23.00 to \$24.00 per square foot.

Historical and Current Occupancy		
2009	2010	Current
100.0%	100.0%	100.0%

Tenant Summary <sup>(1)</sup>					
Tenant	Ratings <sup>(2)</sup>	Total SF	% of Total SF	Base Rent PSF	Lease Expiration Date
	Moody's/S&P/Fitch				
Google	Aa2 / AA- / NA	194,825	100.0%	\$30.35	1/31/2020

(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.

## Google Kirkland Campus

Lease Rollover Schedule <sup>(1)</sup>									
Year	Number of Leases Expiring	Square Feet Expiring	% of GLA Expiring	Base Rent Expiring	% of Base Rent Expiring	Cumulative Square Feet Expiring	Cumulative % of GLA Expiring	Cumulative Base Rent Expiring	Cumulative % of Base Rent Expiring
Vacant	NAP	0	0.0%	NAP	NAP	0	0.0%	NAP	NAP
2011 & MTM	0	0	0.0	\$0	0.0%	0	0.0%	\$0	0.0%
2012	0	0	0.0	0	0.0	0	0.0%	\$0	0.0%
2013	0	0	0.0	0	0.0	0	0.0%	\$0	0.0%
2014	0	0	0.0	0	0.0	0	0.0%	\$0	0.0%
2015	0	0	0.0	0	0.0	0	0.0%	\$0	0.0%
2016 <sup>(2)</sup>	0	0	0.0	0	0.0	0	0.0%	\$0	0.0%
2017	0	0	0.0	0	0.0	0	0.0%	\$0	0.0%
2018	0	0	0.0	0	0.0	0	0.0%	\$0	0.0%
2019	0	0	0.0	0	0.0	0	0.0%	\$0	0.0%
2020	1	194,825	100.0	5,912,939	100.0	194,825	100.0%	\$5,912,939	100.0%
2021	0	0	0.0	0	0.0	194,825	100.0%	\$5,912,939	100.0%
2022 & Beyond	0	0	0.0	0	0.0	194,825	100.0%	\$5,912,939	100.0%
<b>Total</b>	<b>1</b>	<b>194,825</b>	<b>100.0%</b>	<b>\$5,912,939</b>	<b>100.0%</b>				

(1) Based on the underwritten rent roll.

(2) The lease provides Google with a one time termination option on July 31, 2016. See previous page for a full description of Google's lease termination.

Operating History and Underwritten Net Cash Flow						
	2009	2010	TTM <sup>(1)</sup>	Underwritten	Per Square Foot	% <sup>(2)</sup>
Rents in Place	\$5,405,875	\$5,568,228	\$5,659,897	\$5,912,939	\$30.35	67.4%
Vacant Income	0	0	0	0	0	0.0
<b>Gross Potential Rent</b>	<b>\$5,405,875</b>	<b>\$5,568,228</b>	<b>\$5,659,897</b>	<b>\$5,912,939</b>	<b>\$30.35</b>	<b>67.4%</b>
Total Reimbursements/Escalation	1,180,854	1,967,389	2,367,865	2,371,400	12.17	27.0
Parking Income	438,600	452,385	473,020	482,460	2.48	5.5
<b>Net Rental Income</b>	<b>\$7,025,329</b>	<b>\$7,988,002</b>	<b>\$8,500,782</b>	<b>\$8,766,799</b>	<b>\$45.00</b>	<b>100.0%</b>
(Vacancy/Credit Loss)	0	0	0	(438,340)	(2.25)	(5.0)
Other Income	18,312	19,493	19,778	19,778	0.10	0.2
<b>Effective Gross Income</b>	<b>\$7,043,641</b>	<b>\$8,007,495</b>	<b>\$8,520,560</b>	<b>\$8,348,237</b>	<b>\$42.85</b>	<b>95.2%</b>
<b>Total Expenses</b>	<b>\$1,247,970</b>	<b>\$2,029,081</b>	<b>\$2,395,365</b>	<b>\$2,401,322</b>	<b>\$12.33</b>	<b>28.8%</b>
<b>Net Operating Income</b>	<b>\$5,795,671</b>	<b>\$5,978,414</b>	<b>\$6,125,195</b>	<b>\$5,946,915</b>	<b>\$30.52</b>	<b>71.2%</b>
Total TI/LC, Capex/RR	404,346	129,232	243,315	464,926	2.39	5.6
<b>Net Cash Flow</b>	<b>\$5,391,325</b>	<b>\$5,849,182</b>	<b>\$5,881,880</b>	<b>\$5,481,989</b>	<b>\$28.14</b>	<b>65.7%</b>

(1) TTM column represents the trailing twelve month period ending June 30, 2011.

(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.

**Property Management.** Google Kirkland Campus is managed by Stone Rivard McGonigle Development, LLC, an affiliate of the borrower.

**Environmental Remediation.** The property's prior use included a door manufacturing facility, which utilized sumps, hydraulic lifts, hydraulic presses, and underground storage tanks. Following the completion of remedial activities, the majority of the property received a "No Further Action" ("NFA") status from the Washington State Department of Ecology in March 2011 for approximately 90% of the development site. A small area of concern remains, roughly 10% of the site, which consists of a small plume of elevated PCP (pentachlorophenol, a potentially volatile organic hydrocarbon) at the far southern edge of the Property. The PCP site area is currently used for parking, an enclosed off-leash dog park, solid waste compaction and storage, and the interim passive groundwater remediation system.

A phase II equivalent report was completed and recommended remediation at the estimated cost of \$537,858, which includes the installation of wells, modifying the existing treatment system, groundwater treatment, groundwater monitoring, and maintaining the treatment system until a NFA status is achieved. Remediation and monitoring is currently in process. The loan structure includes both an escrow at closing of \$672,323, which represents 125% of the estimated cost for remediation, as well as an environmental insurance policy in lender's name, which can be used in the event of a loan default and incomplete remediation. The policy provides coverage up to a \$3.0 million limit, subject to a \$100,000 deductible, for legal liability, cleanup costs, and bodily injury arising from pollution conditions on the property in the event that a demand, lawsuit, order, petition or governmental or regulatory action is filed against the insured alleging liability or responsibility for such pollution conditions.