Browning Place

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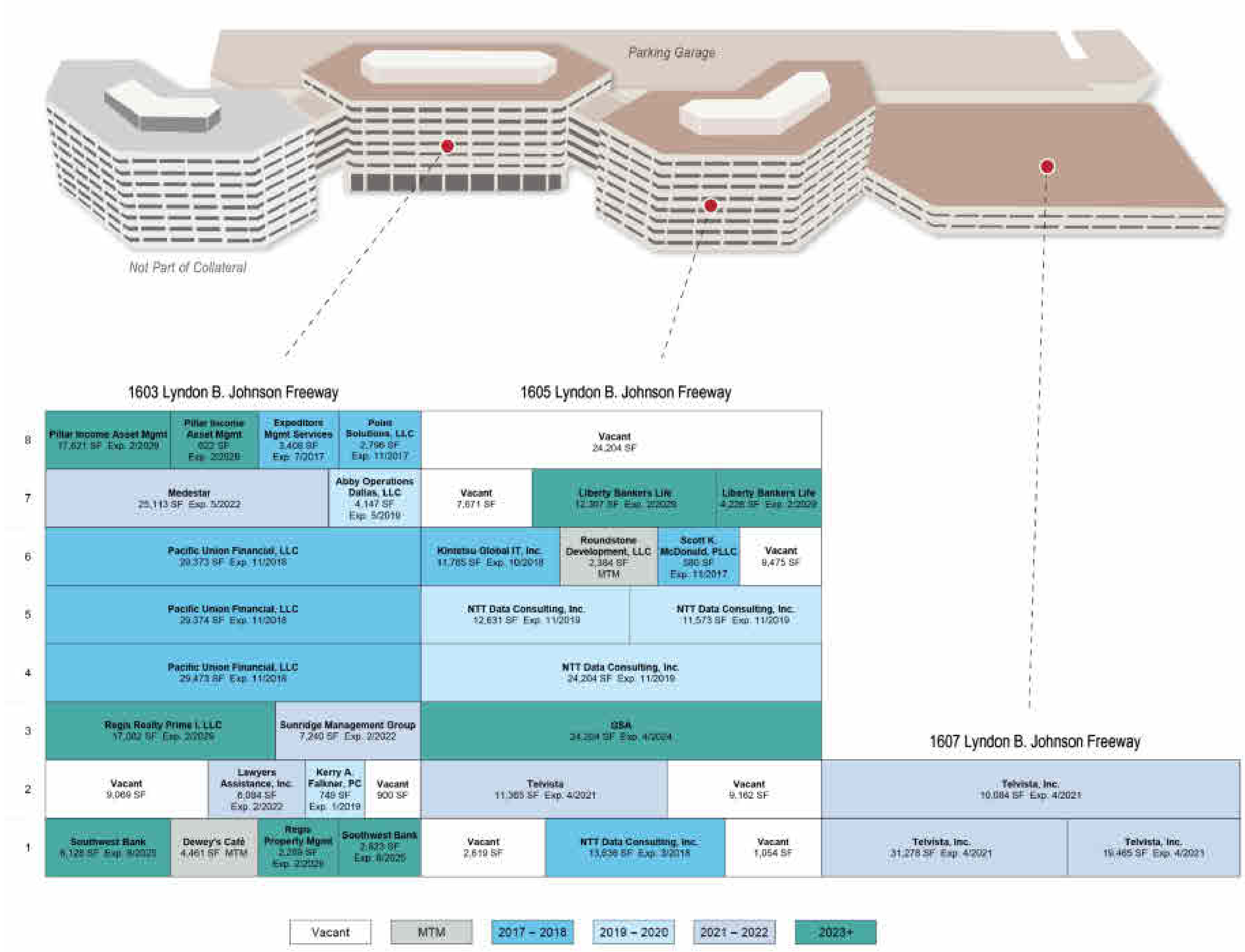

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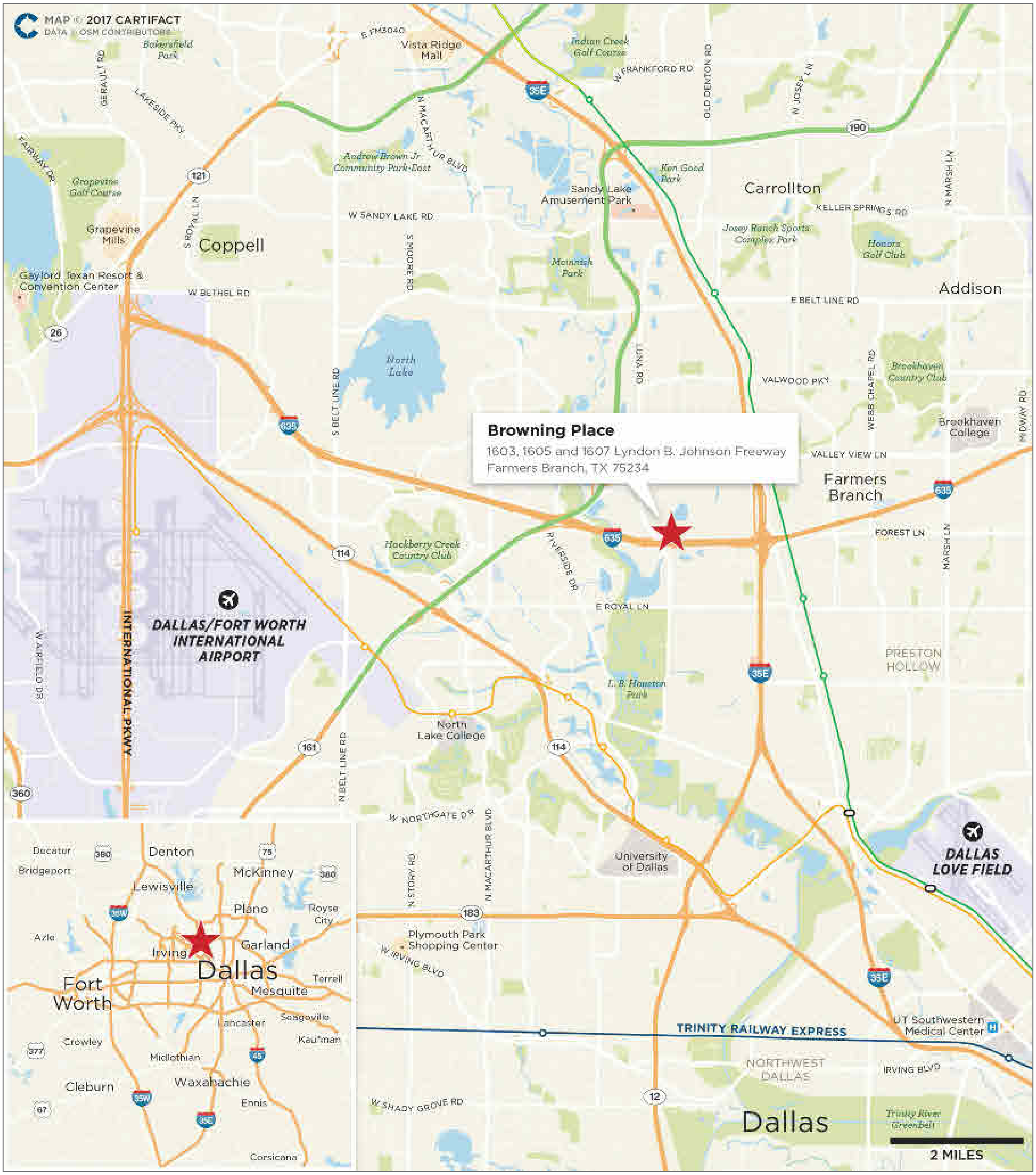

Browning Place

Mortgage Loan Information	
Mortgage Loan Seller:	JPMCB
Original Principal Balance:	$42,840,000
Cut-off Date Principal Balance:	$42,749,531
% of Pool by IPB:	5.4%
Loan Purpose:	Refinance
Borrower:	Browning Place, LLC
Sponsor:	Transcontinental Realty Investors, Inc.
Interest Rate:	5.34200%
Note Date:	3/31/2017
Maturity Date:	4/1/2022
Interest-only Period:	None
Original Term:	60 months
Original Amortization:	360 months
Amortization Type:	Balloon
Call Protection:	L(25),Grtr1%orYM(11),O(24)
Lockbox / Cash Management:	Hard / In Place
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:	Office – Suburban
Net Rentable Area (SF):	442,639
Location:	Farmers Branch, TX
Year Built / Renovated:	1983-1984 / 2016
Occupancy(1):	85.5%
Occupancy Date:	3/8/2017
Number of Tenants:	20
2014 NOI(2):	$2,949,417
2015 NOI(2)(3):	$4,174,131
2016 NOI(3):	$4,883,664
TTM NOI (as of 3/2017):	$5,194,621
UW Economic Occupancy:	85.0%
UW Revenues:	$8,090,202
UW Expenses:	$3,443,212
UW NOI:	$4,646,990
UW NCF:	$3,857,461
Appraised Value / Per SF:	$61,800,000 / $140
Appraisal Date:	2/8/2017

Escrows and Reserves(4)	Initial	Monthly	Initial Cap
Taxes:	$408,036	$102,009	N/A
Insurance:	$0	Springing	N/A
Replacement Reserves:	$14,017	$14,017	$504,605
TI/LC:	$3,000,000	Springing	$1,991,862
Other:	$82,765	$0	N/A

Financial Information	
Cut-off Date Loan / SF:	$97
Maturity Date Loan / SF:	$90
Cut-off Date LTV:	69.2%
Maturity Date LTV:	64.3%
UW NCF DSCR:	1.34x
UW NOI Debt Yield:	10.9%

Sources and Uses

Sources	Proceeds	% of Total	Uses	Proceeds	% of Total
Mortgage Loan	$42,840,000	100.0%	Payoff Existing Debt	$23,178,298	54.1%
			Upfront Reserves	3,504,818	8.2
			Closing Costs	1,134,455	2.6
			Return of Equity	15,022,429	35.1
Total Sources	**$42,840,000**	**100.0%**	**Total Uses**	**$42,840,000**	**100.0%**

(1) Occupancy does not include 24,204 square feet associated with one tenant that is dark, Taco Bueno Restaurants ("Taco Bueno"). Taco Bueno is required to pay rent through its lease expiration in December 2017. Including Taco Bueno, the property is 91.0% occupied.
(2) The increase in 2015 NOI from 2014 NOI is primarily due to Pacific Union and NTT expanding their spaces by a total of approximately 53,677 square feet and Medestar signing a new 25,113 square foot lease between July 2014 and July 2015, accounting for approximately $1,526,483 in underwritten base rent annually.
(3) The increase in 2016 NOI from 2015 NOI is primarily due to NTT expanding its space by 11,573 square feet in July 2015 and 13,636 square feet in April 2016, accounting for a total of $478,971 in underwritten base rent annually.
(4) For a full description of Escrows and Reserves, please refer to "*Escrows and Reserves*" below.

The Loan. The Browning Place loan has an outstanding principal balance as of the Cut-off Date of approximately $42.8 million and is secured by a first mortgage lien on the borrower's fee interest in a three-building office park comprised of 442,639 square feet, located in Farmers Branch, Texas. The loan has a five-year term and will amortize on a 30-year schedule.

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

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The Loan Sponsor. The loan sponsor and nonrecourse carve-out guarantor is Transcontinental Realty Investors, Inc. ("Transcontinental"). Transcontinental is a publicly traded real estate investment company (NYSE: TCI) that acquires, develops and owns residential and commercial real estate properties throughout the United States. As of September 30, 2016, Transcontinental owned 49 multifamily communities, seven commercial properties comprising approximately 1.7 million rentable square feet, an approximately 96.0-acre golf course and 3,608 acres of land held for development.

The loan sponsor acquired 1605 LBJ and 1607 LBJ (each as defined below) in 2005 for $10.0 million and spent approximately $6.1 million in capital improvements, tenant improvements and leasing commissions in 2006. The loan sponsor acquired 1603 LBJ (defined below) in 2007 for approximately $19.7 million and, according to the loan sponsor, it subsequently spent approximately $8.5 million in tenant improvements, $2.7 million in leasing commissions and $1.2 million in capital improvements for a total cost basis of $48.2 million.

The Property. The Browning Place property is a Class A office complex located approximately 14.9 miles northwest of the Dallas central business district. The property is comprised of two eight-story office buildings ("1603 LBJ" and "1605 LBJ") and one two-story annex building ("1607 LBJ") with an adjoining four-level parking garage. The property was built from 1983 to 1984 and was most recently renovated between 2013 and 2016. Renovations included building improvements such as HVAC work, roof replacement and updates to certain hallways, restrooms and floor lobbies as well as tenant-specific improvements relating to 14 tenants. Each eight-story building features a two-story atrium at the front entrance in addition to a landscaped courtyard and seating area that separates the two buildings. The property has a total of 1,460 parking spaces in an adjoining four-level parking garage (approximately 3.3 spaces per 1,000 square feet). The site includes a third eight-story building that is owned by the loan sponsor, but is not part of the collateral for the Browning Place loan, and is currently 7.4% occupied. The loan documents contain provisions prohibiting the borrower and its affiliates or persons acting on their behalf from relocating any tenant at the Browning Place property to any other building owned by the borrower, or any of its affiliates, within a five-mile radius of the property or the submarket, including the adjacent on-site non-collateral building, until repayment of the loan in full or unless otherwise consented to by the lender.

As of March 8, 2017, the property was 85.5% occupied by 20 tenants over 21 leases. The largest tenant, Pacific Union Financial, LLC ("Pacific Union"), leases 88,220 square feet (19.9% of net rentable area) through November 2018 and accounts for 23.7% of underwritten base rent. Headquartered in Irving, Texas, Pacific Union provides residential mortgage loans through wholesale, retail and correspondent origination channels. The company offers programs such as Federal Housing Administration ("FHA") loans, FHA flipping and agency loans, among others. Pacific Union employs more than 1,500 mortgage professionals across five offices in Texas, California, North Carolina and Virginia. Pacific Union has been at the property since 2013 and expanded its space by 29,473 square feet in December 2014. Pacific Union's lease contains two remaining five-year extension options. The second largest tenant, Telvista, Inc. ("Telvista"), leases 72,192 square feet (16.3% of net rentable area) through April 2021 and accounts for 18.3% of underwritten base rent. Headquartered at the property, Telvista is a bilingual call center outsourcing company that serves as a single point of contact for customers' telecommunications, business process outsourcing and technology needs. Telvista offers services in both English and Spanish and has contact centers located in California, Texas and Virginia as well as Tijuana and Mexico City in Mexico. Telvista has been at the property since 2006 and renewed its lease in December 2015 for an additional five years. Telvista's lease has no extension options remaining. The third largest tenant, NTT Data Consulting, Inc. ("NTT"), leases 13,636 square feet through March 2018 and 48,408 square feet through November 2019, for a total of 14.0% of net rentable area. NTT has occupied its space since November 2011 and accounts for 16.4% of underwritten base rent. Founded in 1988, NTT is a provider of consulting, system and business IT outsourcing solutions. NTT is headquartered in Tokyo, Japan and is publicly traded on the Tokyo Stock Exchange. NTT's lease contains one remaining three-year extension option. The property has experienced recent leasing momentum, with seven new and renewal leases having been signed since April 2016. The new and renewal leases comprise approximately 76,881 square feet (17.4% of net rentable area) and 21.4% of underwritten base rent, of which 49,921 square feet (14.2% of underwritten base rent) is leased by tenants that are affiliates of the loan sponsor. The property has four tenants, Regis Property Management, Regis Realty Prime LLC, Pillar Income Asset Management and Liberty Bankers Life, affiliated with the loan sponsor, which account for 54,147 square feet (12.2% of net rentable area) and 15.4% of underwritten base rent. At the property, the affiliated tenants are in property management, asset management and insurance.

The Browning Place property is located in Farmers Branch, Texas, a suburb of the Dallas-Plano-Irving, Texas metropolitan statistical area. The property is located approximately 14.5 miles northwest of the Dallas central business district along the LBJ Freeway/Interstate Highway 635, which connects the property to Dallas and to Fort Worth, which is approximately 29.8 miles southwest of the property. The LBJ Freeway corridor features many hotel, office, retail centers and multifamily developments. The property is in close proximity to other major roadways including Interstate 35 East, State Highway 114, Luna Road and MacArthur Boulevard. Browning Place is approximately 11.4 miles east of the Dallas Fort Worth Airport. According to the appraisal, the Dallas Fort Worth airport is the eighth busiest airport in the world with approximately 155,905 average daily passengers and the second-largest in the United States in terms of land mass.

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According to the appraisal, the property is located in the Las Colinas office submarket, a major employment center for the Dallas/Fort Worth Metroplex. In 2015 and 2016, several companies announced planned expansions in or relocation to the area. Corporate expansion announcements include Amazon, AT&T, General Motors, Bed Bath and Beyond and Southwest Airlines. Corporate headquarters relocations include Jacobs Engineering Group Inc., Jamba Inc., OKI Data Americas, Sunoco LP and United Scientific Group, LLC. In 2014, Toyota decided to relocate its American headquarters to Dallas and is constructing an approximately $1.0 billion campus, which is expected to be completed by the end of 2017. The Dallas/Fort Worth Metroplex is home to 20 Fortune 500 company headquarters including ExxonMobil, Kimberly-Clark, Fluor, AT&T, Energy Transfer Equity, Southwest Airlines, American Airlines Group and Texas Instruments. Other major employers in the area include Zale Corporation, NCH Corporation, Verizon, Siemens, Nokia, Microsoft, State Farm, Allstate, Federal Express, Honda, Nissan and Citigroup. According to the appraisal, the estimated 2016 total population within a one-, three- and five-mile radius is 3,134, 71,213 and 239,466, respectively. The estimated average household income within a one-, three- and five- mile radius is $113,797, $85,453 and $87,973, respectively.

The property is proximate to several demand generators such as MacArthur Marketplace, a 601,708 square foot retail center and the Irving Convention Center, a 275,000 square foot convention center with an adjoining mixed use entertainment district. Additional developments include the Music Factory, an all-in-one dining and entertainment venue expected to open mid-2017, Mercer Crossing, a 370-acre, $1.0 billion mixed-use development located adjacent to the property, and Cypress Waters, a 1,000-acre master-planned office, retail, and residential development located approximately 5.0 miles from the property.

According to the appraisal, as of the fourth quarter of 2016, the Dallas/Fort Worth office market consisted of approximately 212.6 million square feet of office space, with an overall vacancy rate of 18.6% and average asking rents of $23.86 per square foot. As of the same period, the Las Colinas office submarket consisted of approximately 29.2 million square feet, with an overall vacancy rate of 14.7% and average asking rent of $24.48 per square foot. The appraisal identified five directly comparable office properties built between 1989 and 2002 ranging in size from 181,961 to 347,514 square feet. Occupancies at the comparable properties ranged from 77.0% to 97.0% with a weighted average occupancy of 85.5%. Recently quoted rental rates for the comparable office properties ranged from $19.00 to $26.00 per square foot, with a weighted average of $23.83 per square foot. The weighted average underwritten in-place office rent for the Browning Place property is $19.38 per square foot for the two towers and $18.25 per square foot for the annex, which are in-line with the appraisal’s concluded average market rents of $19.75 and $18.25, respectively.

Historical and Current Occupancy(1)			
2014	2015	2016	Current(2)
85.5%	89.3%	91.0%	85.5%

(1) Historical Occupancies are as of December 31 of each respective year.
(2) Current Occupancy is as of March 8, 2017 and does not include 24,204 square feet associated with one tenant that is dark, Taco Bueno. Taco Bueno is required to pay rent through its lease expiration in December 2017. Including Taco Bueno, the property is 91.0% occupied.

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Tenant Summary[(1)]							
Tenant	Ratings[(2)] Moody's/S&P/Fitch	Net Rentable Area (SF)	% of Total NRA	Base Rent PSF	% of Total Base Rent	Lease Expiration Date
Pacific Union	NA / NA / NA	88,220	19.9%	$19.33	23.7%	11/30/2018
Telvista[(3)]	NA / NA / NA	72,192	16.3%	$18.25	18.3%	4/30/2021
NTT[(4)]	Aa3 / AA- / NA	62,044	14.0%	$19.00	16.4%	Various
Medestar	NA / NA / NA	25,113	5.7%	$19.00	6.6%	5/31/2022
GSA[(5)]	Aaa / AA+ / AAA	24,204	5.5%	$19.73	6.6%	4/16/2024
Pillar Income Asset Management, Inc.[(6)(7)]	NA / NA / NA	18,243	4.1%	$20.50	5.2%	2/28/2029
Regis Realty Prime I, LLC[(6)(8)]	NA / NA / NA	17,082	3.9%	$20.50	4.9%	2/28/2029
Liberty Bankers Life[(6)(9)]	NA / NA / NA	16,533	3.7%	$20.50	4.7%	2/28/2029
Kintetsu Global IT, Inc.	NA / NA / NA	11,765	2.7%	$17.25	2.8%	10/31/2018
Southwest Bank	NA / NA / NA	8,951	2.0%	$20.50	2.5%	6/30/2025

(1) Based on the underwritten rent roll dated March 8, 2017.
(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) Telvista has the one-time right to terminate its lease as of April 30, 2019, with notice by April 30, 2018 and the payment of a termination fee.
(4) NTT leases 13,636 square feet through March 31, 2018, in addition to 48,408 square feet through November 30, 2019.
(5) GSA has the right to terminate its lease at any time with 90 days' notice.
(6) Pillar Income Asset Management, Inc., Regis Realty Prime, LLC and Liberty Bankers Life are affiliates of the loan sponsor.
(7) Pillar Income Asset Management, Inc. has the right to terminate its lease at any time with 120 days' notice.
(8) Regis Realty Prime, LLC has the right to terminate its lease at any time with 120 days' notice.
(9) Liberty Bankers Life has the right to terminate its lease if there is a change of ownership of the building at any time with 180 days' notice and the payment of a termination fee.

Lease Rollover Schedule[(1)(2)]									
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	64,154	14.5%	NAP	NAP	64,154	14.5%	NAP	NAP
2017 & MTM	5	13,629	3.1	$185,074	2.6%	77,783	17.6%	$185,074	2.6%
2018	3	113,621	25.7	2,167,683	30.1	191,404	43.2%	$2,352,757	32.7%
2019	3	53,304	12.0	1,021,059	14.2	244,708	55.3%	$3,373,816	46.9%
2020	0	0	0.0	0	0.0	244,708	55.3%	$3,373,816	46.9%
2021	1	72,192	16.3	1,317,504	18.3	316,900	71.6%	$4,691,320	65.2%
2022	3	38,437	8.7	736,965	10.2	355,337	80.3%	$5,428,285	75.4%
2023	0	0	0.0	0	0.0	355,337	80.3%	$5,428,285	75.4%
2024	1	24,204	5.5	477,453	6.6	379,541	85.7%	$5,905,738	82.0%
2025	1	8,951	2.0	183,495	2.5	388,492	87.8%	$6,089,234	84.6%
2026	0	0	0.0	0	0.0	388,492	87.8%	$6,089,234	84.6%
2027	0	0	0.0	0	0.0	388,492	87.8%	$6,089,234	84.6%
2028 & Beyond	4	54,147	12.2	1,110,013	15.4	442,639	100.0%	$7,199,247	100.0%
Total	**21**	**442,639**	**100.0%**	**$7,199,247**	**100.0%**				

(1) Based on the underwritten rent roll dated March 8, 2017.
(2) Certain tenants may have termination or contraction options (which may become exercisable prior to the originally stated expiration date of the tenant lease) that are not considered in the above Lease Rollover Schedule.

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Operating History and Underwritten Net Cash Flow	2014	2015	2016	TTM[1]	Underwritten	Per Square Foot	%[2]
Rents in Place[3][4]	$5,221,280	$6,537,547	$7,299,178	$7,402,302	$7,199,247	$16.26	78.7%
Vacant Income	0	0	0	0	1,267,042	2.86	13.8
Gross Potential Rent	**$5,221,280**	**$6,537,547**	**$7,299,178**	**$7,402,302**	**$8,466,289**	**$19.13**	**92.5%**
Total Reimbursements	631,780	596,634	694,897	703,610	686,927	1.55	7.5
Net Rental Income	**$5,853,060**	**$7,134,181**	**$7,994,075**	**$8,105,912**	**$9,153,215**	**$20.68**	**100.0%**
(Vacancy/Credit Loss)	0	0	0	0	(1,369,845)	(3.09)	(15.0)
Other Income	290,959	301,671	306,832	300,805	306,832	0.69	3.4
Effective Gross Income	**$6,144,019**	**$7,435,852**	**$8,300,907**	**$8,406,717**	**$8,090,202**	**$18.28**	**88.4%**
Total Expenses	**$3,194,602**	**$3,261,721**	**$3,417,243**	**$3,212,096**	**$3,443,212**	**$7.78**	**42.6%**
Net Operating Income	**$2,949,417**	**$4,174,131**	**$4,883,664**	**$5,194,621**	**$4,646,990**	**$10.50**	**57.4%**
Total TI/LC, Capex/RR	0	0	0	0	789,530	1.78	9.8
Net Cash Flow	**$2,949,417**	**$4,174,131**	**$4,883,664**	**$5,194,621**	**$3,857,461**	**$8.71**	**47.7%**

(1) TTM represents the trailing 12-month period ending March 31, 2017.
(2) % column represents percent of Net Rental Income for all revenue lines and represents percent of Effective Gross Income for the remainder of fields.
(3) The increase in 2015 Rents in Place from 2014 Rents in Place is primarily due to Pacific Union and NTT expanding their spaces by a total of approximately 52,677 square feet and Medestar signing a new 25,113 square foot lease between July 2014 and July 2015, accounting for approximately $1,526,483 in underwritten base rent annually.
(4) The increase in 2016 Rents in Place from 2015 Rents in Place is primarily due to NTT expanding its space by 11,573 square feet in July 2015 and 13,636 square feet in April 2016, accounting for a total of $478,971 in underwritten base rent annually.

Property Management. The property is subject to a management agreement with Regis Realty Prime, LLC, a Nevada limited liability company and an affiliate of the loan sponsor.

Escrows and Reserves. At origination, the borrower deposited into escrow $3.0 million for future tenant improvements and leasing commissions obligations, $408,036 for tax reserves, $82,765 for outstanding tenant improvements and leasing commissions and $14,017 for replacement reserves.

Tax Escrows - On a monthly basis, the borrower is required to escrow 1/12 of the annual estimated tax payments, which currently equates to $102,009.

Insurance Escrows - The requirement for the borrower to make monthly deposits to the insurance escrow is waived so long as (i) no event of default exists and (ii) the borrower provides satisfactory evidence that the property is insured under an acceptable blanket policy covering substantially all of the real property controlled directly or indirectly by the guarantor or its affiliates in accordance with the loan documents.

Replacement Reserves - On a monthly basis, the borrower is required to escrow $14,017 (approximately $0.38 per square foot annually) for replacement reserves. The reserve is subject to a cap of $504,605 (approximately $1.14 per square foot).

TI/LC Reserves - At origination, the borrowers reserved $3.0 million for future tenant improvements and leasing commissions. If the total amount on deposit decreases below $1,991,862 during the term of the loan, on a monthly basis, the borrower is required to deposit $55,330 (approximately $1.50 per square foot annually) for future tenant improvements and leasing commissions. The reserve is subject to a cap of $1,991,862 (approximately $4.50 per square foot).

Lockbox / Cash Management. The loan is structured with a hard lockbox and in-place cash management. The borrower was required to send tenant direction letters to all tenants upon the origination of the loan instructing them to deposit all rents and payments directly into the lockbox account controlled by the lender. All funds in the lockbox account are required to be swept each business day to a segregated cash management account under the control of the lender and disbursed on each payment date during the term of the loan in accordance with the loan documents. During a Cash Sweep Period (as defined below), all excess cash flow after payment of debt service, required reserves and operating expenses are required to be held as additional collateral for the loan. The lender has been granted a first priority security interest in the cash management account.

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A “Cash Sweep Period” means the occurrence of (i) an event of default, (ii) any bankruptcy or insolvency action of the borrower or property manager or (iii) the date on which the debt service coverage ratio (as calculated in the loan documents), based on the trailing three months, is less than 1.25x. A Cash Sweep Period may be cured by (a) with respect to clause (i) above, a cure of the related event of default, (b) with respect to clause (ii) above only with respect to the property manager, the borrower replacing the property manager with a qualified manager under a new management agreement within 60 days after such bankruptcy action or (c) with respect to clause (iii) above, the achievement of a debt service coverage ratio equal to or greater than 1.25x for two consecutive calendar quarters based on the trailing three month period (each of the foregoing (a) through (c), a “Cash Sweep Event Cure”). Each Cash Sweep Event Cure is also subject to the following limitations: (1) there is no other event of default continuing under the loan documents; (2) a Cash Sweep Event Cure may occur no more than two times during the term of the loan (except with respect to clause (iii) above, for which an unlimited amount of cures are permitted); (3) the borrower pays all of the lender's reasonable expenses incurred in connection with such Cash Sweep Event Cure; and (4) the borrower may not cure a bankruptcy or insolvency action of the borrower.